



## **Verve Group SE**

**PROSPECTUS REGARDING THE LISTING OF EUR 65,000,000**

**SENIOR SECURED CALLABLE FLOATING RATE BONDS**

**ISIN: SE0018042277**

### **Validity of the Prospectus**

This Prospectus was approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) on 3 September 2024. The Prospectus is valid for a period of maximum 12 months after this date, provided that Verve Group SE fulfils the obligation, in accordance with the Prospectus Regulation, if applicable, to provide supplements to the Prospectus in the event of significant new factors, material mistakes or material inaccuracies, which may affect the assessment of the Bonds in the Company. The obligation to prepare a supplement to the Prospectus is valid from the time of approval until the time of admission to trading of the Bonds on Nasdaq Stockholm. The Company is under no obligation to prepare supplements to the Prospectus once the Bonds have been admitted to trading on Nasdaq Stockholm.

## IMPORTANT INFORMATION TO INVESTORS

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This prospectus (the "**Prospectus**") has been prepared by Verve Group SE (previously MGI – Media and Games Invest SE), a Societas Europaea (SE) company incorporated in Sweden with reg. no. 517100-0143 and having its registered office at Stureplan 6, 114 35 Stockholm, Sweden ("**Verve**", the "**Company**", the "**Group**" or the "**Issuer**"), in relation to the application for admission to trading of EUR 65,000,000 Senior Secured Callable Floating Rate Bonds issued on 15 July 2024 with ISIN code SE0018042277 (the "**Subsequent Bonds**"), issued under the Company's bond framework of maximum 300,000,000 EUR (the "**Bonds**"), on the corporate bond list at Nasdaq Stockholm in accordance with the terms and conditions of the Bonds (the "**Terms and Conditions**"). The Issuer issued initial bonds on 21 June 2022 of EUR 175,000,000 under the Company's bond framework (the "**Initial Bonds**" or the "**Initial Bond Issue**"). The Company is a parent company in a group consisting of several subsidiaries (together referred to as the "**Group**"). References to the "**Initial Guarantors**" means gamigo AG, gamigo Publishing GmbH, gamigo US Inc., gamigo Inc., gamigo Spain Holding S.L., Kings Holding Inc., Kingsisle Entertainment Inc., Verve Group Europe GmbH and Verve Group Inc. (and each a "**Guarantor**"). References made to the "**Trustee**" refers to Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, Box 7329, 103 90 Stockholm, Sweden.

The Prospectus has been prepared by the Company in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**"). The Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) in accordance with the article 20 of the Prospectus Regulation. The Swedish Financial Supervisory Authority only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Group or support of the securities offered. The Swedish Financial Supervisory does not guarantee the information in the Prospectus is correct or complete. Swedish law applies to the Prospectus. Disputes arising from the Prospectus and related legal matters shall be decided exclusively by the Swedish court, whereby Stockholm District Court shall constitute the first instance. The Prospectus has been prepared in English only and is available on the Company's web page (<https://investors.verve.com/investor-relations/bonds/>), at the Swedish Financial Supervisory Authority's web page ([www.fi.se](http://www.fi.se)), the European Securities and Markets Authority's web page ([esma.europa.eu](http://esma.europa.eu)).

The 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 Nasdaq Stockholm. The Prospectus may not be distributed in any country where such distribution or disposal requires additional prospectuses, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession the Prospectus comes or any person who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and may not be subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Company has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Company has not registered the Bonds under any country's securities laws. It is the investor's obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

The figures included in the Prospectus have, in certain cases, been rounded off and, consequently, the tables contained in the Prospectus do not necessarily add up. All financial amounts are in Euro ("**EUR**") or in Swedish Krona ("**SEK**"), unless indicated otherwise. Except as expressly stated herein, no financial information in the Prospectus has been audited or reviewed by the Company's auditor. Financial information relating to the Company in the Prospectus that is not part of the information audited or reviewed by the Company's auditor as outlined herein originates from the Company's internal accounting and reporting systems.

Amounts payable under the Bonds are calculated by reference to EURIBOR, which is provided by the European Money Markets Institute. As of the date of the Prospectus the administrator of EURIBOR is included in the ESMA register of administrators under Article 36 of the Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

### FORWARD-LOOKING STATEMENTS

The Prospectus contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future that, by example, contain wording such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "to the knowledge of" or similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements and opinions in the Prospectus concerning the future financial returns, plans and expectations with respect to the business and management of the Company, future growth and profitability and general economic and regulatory environment and other matters affecting the Company.

Forward-looking statements are based on current estimates and assumptions made according to the best of the Company's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including the Company's cash flow, financial condition and results of operations, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favourable than the results expressly or implicitly assumed or described in those statements. Accordingly, prospective investors should not place undue reliance on the forward-looking statements herein, and are strongly advised to read the Prospectus in its entirety including all documents that are incorporated by references under the section "*Information regarding the Company's financial reporting*". The Company cannot give any assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in the Prospectus may not occur. Moreover, the forward-looking estimates and forecasts derived from third party studies referred to in the Prospectus may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements due to, without limitation: changes in general economic conditions, in particular economic conditions in the markets on which the Group operates, changes affecting interest rate levels, changes affecting currency exchange rates, changes in competition levels, changes in laws and regulations, and occurrence of accidents.

After the date of the Prospectus, the Company, is not under any obligation, except as required by law or Nasdaq Stockholm's Rule Book for Issuers, to update any forward-looking statements or to confirm these forward-looking statements to actual events or developments.

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## RISK FACTORS

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*The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Bonds in order to make an informed investment decision. The risk factors set forth below are therefore limited to risks that are material and specific, to Verve Group SE (the “Company” and together with its direct and indirect subsidiaries, the “Group”) and the Bonds. The manner in which the Company and the Bonds are affected by each risk factor are estimated as “low”, “medium” or “high” by way of an evaluation of the materiality of the relevant risk factor based on the probability of it occurring and the expected magnitude of its negative impact. The most material risk factors in each category is mentioned first under that category, whereas subsequent risk factors in the same category are not purported to be ranked in order of materiality.*

### RISK FACTORS SPECIFIC AND MATERIAL TO THE COMPANY AND THE GROUP

#### OPERATIONAL RISKS

##### **Overall demand for advertising in the Group’s media business**

The Group’s business highly depends on the overall demand for advertising and on the economic success of the Group’s current and potential publishers and advertisers. If advertisers reduce their spending on advertising, the Group’s revenue and results of operations are affected. Many advertisers spend a higher amount of their advertising budgets in the fourth quarter of the calendar year due to increased holiday purchasing or for budget reasons. If advertisers reduce the amount of their advertising spending during the fourth quarter (or an earlier quarter), or if the amount of inventory available to advertisers during that period is reduced, this could have an adverse effect on the Group’s revenue and operating results for that fiscal year. Economic downturns or instability in political or market conditions may cause advertisers to reduce their advertising budgets. Reductions in inventory would make the Group’s solution less attractive to advertisers. Moreover, any negative changes in the treatment of advertising expenses and the deductibility of such expenses for tax purposes would likely cause a reduction in advertising demand. In addition, concerns over the sovereign debt situation in certain countries in the European Union, question marks over the speed of recovery of the US economy and concerns over China and Russia among others, as well as continued geopolitical turmoil in several parts of the world have and may continue to put pressure on global economic conditions, which could lead to reduced spending on advertising.

The Company assesses the risk to be medium.

##### **Leading global technology companies may undermine the Group's revenue model in the media business**

In many cases, the parties that control the development of mobile connected devices and operating systems include the Group’s most significant competitors in the mobile advertising industry. For example, Apple controls two of the most popular mobile devices, the iPhone and the iPad, as well as the iOS operating system that runs on them. Apple controls the app store for downloading apps that run on Apple’s mobile devices and Google controls the Android operating system and Google Play. The Group depends on the interoperability of its products and services with popular devices, desktop and mobile operating systems and web browsers that it does not control, such as Android, iOS, Chrome, Internet Explorer and Firefox. Any changes in such systems, devices or web browsers that degrade the functionality of the Group’s products and services or give preferential treatment to competitive

products or services could adversely affect usage of the Group's products and services. If the Group's mobile advertising platform were unable to work on these devices or operating systems, either because of technological constraints or because the maker of these devices or publisher of these operating systems wish to impair their competitors' ability to compete with them or such competitors' ability to fulfil advertising space, or inventory from developers whose apps are distributed through their control channels, the Group's ability to generate revenue could be significantly affected. Additionally, the Group's ad formats and/or revenue models (such as rewarded formats) might be affected, as, for example, Apple and Google could bar certain apps or clients from their apps store which are important to the Group and could give preference to their own products and services. Consequently, leading global technology companies such as Apple and Google have the power to undermine the revenue model of the Group.

Further, if the number of platforms for which the Group develops its product expands, this can result in an increase in the Group's operating expenses. In order to deliver high-quality products and services, it is important that the Group's products and services work well with a range of operating systems, networks, devices, web browsers and standards that it does not control. In addition, because a majority of its users access the products and services through mobile devices, the Group depends on the interoperability of its products and services with mobile devices and operating systems. The Group may not be successful in developing relationships with key participants in the mobile industry or in developing products or services that operate effectively with these operating systems, networks, devices, web browsers and standards. In the event that it is difficult for the Group's users to access and use the products and services, particularly on their mobile devices, the user growth and engagement could be harmed and the business and operating results could be adversely affected.

The Company assesses the risk to be medium.

#### **Lack of long-term agreements with advertisers and publishers in the media business**

The Group's contracts with advertisers and publishers generally do not provide for any minimum volumes or may be terminated on relatively short or no notice and without penalty. Advertisers' and publishers' needs and plans can change quickly, and advertisers or publishers may reduce volumes or terminate their arrangements with the Group for a variety of reasons, including financial issues or other changes in circumstances, new offerings by or strategic relationships with the Group's competitors, change in control, or declining general economic conditions. Technical issues could also cause a decline in spending. As a result, the Group has limited visibility as to its future advertising revenue streams. There is a risk that the Group's advertiser and publisher clients will not continue to use its services or that the Group will not be able to replace, in a timely or effective manner, departing clients with new clients that generate comparable revenue. In addition, the Group's agreements typically do not restrict the publishers from entering into agreements with other companies, including the Group's competitors. There is a risk that the partners with which the Group entered into an agreement will not continue to obtain services of the Group on commercially acceptable terms, or at all, after the term of the current agreement expires, or that they will terminate the existing services on short notice, which could lead to a slow down or a reduction in revenue and harm the Group's reputation.

The Company assesses the risk to be medium.

### **Risk of recession and inflation due to significantly changed macroeconomic environment which could impact the media business**

The outbreak and global spread of Covid-19 led to a significant and severe impact on the world economy. It affected the markets where the Group operates and created significant volatility and disruption in financial markets. Governments across the world imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, quarantines and cancellations or restrictions of gatherings and events. Due to any spread increase of Covid-19 through the emergence of new variants or mutations, or any new viruses emerge resulting in a global pandemic, companies might be facing major challenges due to extensive political restrictions as well as changing consumer patterns. Due to such crises, economists rate the recession risk higher. There is also an increased risk of disruptions in the supply chains and higher inflation rates which may have an adverse impact of the markets on which the Group operate. Particularly for the media activities, such disruptions could lead to lower revenues. The Group has, for example, noticed an actual decrease of demand from customers operating in the travel and retail sectors in the recent Covid-19 pandemic. Issues related to a pandemic, recession, inflation, or similar events might negatively affect the business activities and the net assets, financial position, and results of operations of the Group.

The Company assesses the risk to be medium.

### **Lack of control over information technology systems over services are provided in the media business**

The Group's mobile platform and smartphone operating systems depend on the reliability of the network operators and carriers who maintain sophisticated and complex mobile networks, as well as the Group's ability to deliver ads on those networks at prices that enable the Group to realize a profit. Mobile networks have been subject to rapid growth and technological change, particularly in recent years. The Group does not control these networks.

Mobile networks could fail for a variety of reasons, including new technology incompatibility, degradation of network performance under the strain of too many mobile consumers using the network, general failure from natural disaster or political or regulatory shut-down. Individuals and groups who develop and deploy viruses, worms and other malicious software programs could also attack mobile networks and the devices that run on those networks. Any actual or perceived security threat to mobile devices or any mobile network could lead existing and potential device users to reduce or refrain from mobile usage or reduce or refrain from responding to the services offered by the Group's advertising clients. If the network of a mobile operator should fail for any reason, the Group would not be able to effectively provide the Group's services to its clients through that mobile network. Mobile carriers may also increase restrictions on the amounts or types of data that can be transmitted over their networks or change their pricing plans. The Group currently generates revenue from its advertiser clients based on the type of ads the Group delivers, such as display ads, rich media ads or video ads. In some cases, the Group is paid by advertisers on a cost-per-thousand, or CPM, basis depending on the number of ads shown. In other cases, the Group is paid on a cost-per-click, or CPC, cost per install, or CPI, or cost-per-action, or CPA, basis depending on the action taken by the mobile device user. Different types of ads consume differing amounts of bandwidth and network capacity. If a network carrier were to restrict amounts of data that can be delivered on that carrier's network or change pricing plans, block ads on their networks, or otherwise control the kind of content that may be downloaded to a device that operates on the network, it could negatively affect the Group's pricing

practices and inhibit the Group's ability to deliver targeted advertising to that carrier's users, both of which could impair the Group's ability to generate revenue.

The Company assesses the risk to be medium.

### **Changes in market power among publishers, intermediaries and advertisers in the Group's media business**

The Group's operating subsidiaries provide technical solutions for app publishers to monetize and advertise their apps and generate revenues by matching the app publishers' ad inventory with demand from advertising companies targeting specific types of app users in particular geographies.

The Group receives a portion of the payment which the advertisers are paying for placing ads into the apps of the publishers. The Group therefore focuses on maximizing their revenues after inventory acquisition costs on an absolute basis. The Group believes this focus fortifies a number of its competitive strengths, including continuous improvement of the Group's and adaptable technology platform. As part of this focus, the Group intends to continue to invest in building relationships directly with publishers, increasing access to leading advertising exchanges and enhancing the quality and liquidity scalability of its advertising inventory supply. This includes purchasing advertising inventory that may have a lower margin on an individual impression basis and may be less effective in generating clicks. In addition, the Group experiences and expects to continue to experience, increased competition for advertising inventory purchased on a programmatic basis. Changes in the ad value chain, where programmatic buying results in intermediaries such as the Group might become less important or where other new models emerge, may result in increased margin pressure for the Group. The Group's business will also suffer to the extent that the Group's publisher clients and advertiser clients purchase and sell mobile advertising directly from each other or through other companies that act as intermediaries between publishers and advertisers. For example, large owned and operated companies such as Twitter, Facebook, Google, and Yahoo, which have their own mobile advertising capabilities, may decide to sell third-party ad inventory which would have been sold by the Group's services otherwise. Therefore, margin pressure for the Group also results from the concentration of publishers, advertisers and/ or intermediaries along the value-chain as such shifting buying power across the industry. If publishers decide not to make advertising inventory available to the Group for any of these reasons, or decide to increase the price of inventory, then the Group's revenue could decline and the Group's cost of acquiring inventory could increase. If for any other reason there is a shift in the buying power among the app publishers, other intermediaries, and the advertisers respectively, this may negatively impact the Group's margins or even significantly impact the Group's ability to generate revenue and increase its costs of sale.

Also, the changes regarding identifiers such as IDFA (Identity for Advertisers) of Apple and cookies, lead to structural changes. While big players are closing their eco-systems changing into so called "walled-gardens", tracking and targeting become more difficult and/or need to be based on other methods. Powers in this market will change as a result of these changes leading to more competition between the large players such as Apple, Google and Amazon, but also threatening the positions of smaller independent players, including the Group's media activities, who will need to rely more heavily on first party data, contextual data and other privacy conformed technologies and solutions.

The Company assesses the risk to be medium.

### **Changing technologies and customer requirements**

The markets for online, console and mobile games and the market for media and mobile advertising are rapidly changing business areas. They are characterized by rapidly changing technologies, new technologies (e.g. virtual reality, augmented reality, block chain and streaming), new hardware or network or software compatibility requirements, frequent introductions of improved or new online, console and mobile games and platform services as well as constantly changing and new customer requirements. The success of the Group (including the games subsidiaries) therefore depends crucially on, in ample time, identifying new trends and developments, constantly improving existing mobile advertising services and online, console and mobile games as well as platform services, including new games and platform services in the product range, the ability to extend the lifetime of its existing games, adapting to rapidly changing customer requirements and, in particular, attracting and retaining large numbers of paying users, publishers and developers for the platform services. In particular, the Group must be in a position to recognize changing customer wishes and requirements in good time and adapt the games and platform services offered accordingly at short notice and constantly improve, expand and update them with new features in such a way that both paying and non-paying users as well as publishers and developers find it attractive. The Group also depends on the availability of development partners and software developers, their quality, and their willingness to further optimize games and platform services in the long term. As the games subsidiaries currently focuses on licensing new games to be launched and a substantial part of the portfolio is licensed, the Group thus depends heavily on the availability and quality of external developer resources. As the Group also does the further development of games that already generate revenues in-house; it also depends on the availability of skilled developers.

If the Group is not able to successfully introduce new technologies and/or games and platform services to the market in time or to further optimize the technologies, games and/or platform services already offered and publish successful updates, the competitive position and growth opportunities of the Group would be adversely affected. Moreover, the Group might not sufficiently meet the demands and/or expectations of the Group's customers in the different markets in which the Group operates. The consideration of regional or target group specific characteristics including the different languages represents an additional challenge with regard to the identification and implementation of trends. This requires the use of technical, human, and financial resources. Any delay or prevention of the introduction of improved or new technologies, games and/or platform services into the product offering or their lack or delayed market acceptance as well as any incorrect introduction of technologies could have a negative effect on the business activities, financial position, and results of operations of the Group.

The Company assesses the risk to be low.

### **Risks relating to the public perception of, in particular, violent games and youth**

The games subsidiaries operate in a market that is highly dependent on public perception. Violent crimes are regularly associated with the consumption of online, console and mobile games by the press and in the context of social discussion. The more violent crimes are associated with the use of online, console and mobile games, the greater the risk that the image of the games industry will change adversely. This can also be the result of public discourse on gambling or game addiction problems, for example with regard to lack of sleep or the ingestion of performance-enhancing substances, in connection with online, console and mobile games. Additionally, based on the development in China, where new rules restricting minors' online games were introduced in August 2021, a stronger self-



regulation/regulation regarding youth could be expected or even enforced in China and/or in other jurisdictions. A negatively developing image of the games industry would mean that fewer and fewer customers are prepared to use the online, console and mobile games offered by the games subsidiaries and to purchase virtual goods in the process. This could also result in stricter regulation. Therefore, a negative development of the image of the games industry would have a detrimental effect on the games subsidiaries and might negatively affect the business activities, the reputation and net assets of the Group and might even lead to laws preventing from certain game types or services.

The Company assesses the risk to be medium.

#### **Risk relating to the handling of personal data**

In the respective markets, the Group is confronted with a multitude of frequently changing and constantly increasing legal conditions affecting the business activities of the Group. Numerous of such legal provisions concern the collection, processing and responsibility for the content and protection of data, in particular personal data. For the Group's operations on the European market, the handling of personal data is governed by the General Data Protection Regulation (the "GDPR").

For the Groups operations within the United States, the California Consumer Privacy Act (CCPA) and the California Privacy Rights and Enforcement Act (CPRA) applies. On 2 March 2021, the state of Virginia enacted a comprehensive state privacy law, the Virginia Consumer Data Protection Act (VCDPA), which aligns with the GDPR in a few key respects including the adoption of data protection assessment requirements, and "controller" and "processor" terminology. The VCDPA entered into effect on 1 January 2023, and similar laws and regulations such as the Colorado Privacy Act and the Utah Consumer Privacy Act have entered into effect during 2023. Furthermore, more and more countries/legislations beyond the US and the European Union are adopting GDPR-comparable standards (e.g. Brazil with the LGPD) with widely overlapping but often also deviating rules with regard to data protection.

Since the Group is active in several different jurisdictions globally, the Group must also adapt its operations and keep itself informed of potentially different interpretations of the GDPR by (or other applicable personal data legislation outside the EU) by the relevant competent data protection authority. As of the date hereof, the Company handles personal data of approximately 1 billion own customers. Since the Company handles a large amount of personal data, wrongful handling of personal data in violation of applicable data protection laws and regulations in the jurisdiction in which the Company operates could led to severe fines and in turn have a material adverse impact on the Company's operation and financial position and adversely affect the Group's reputation.

The Company assesses the risk to be medium.

#### **Risk related to advertising fraud**

The Group is at risk of being exposed to fraud, especially in the area of online advertising. Because of the high level of fraud in internet advertising, there is a substantial risk that the Company's operations are negatively affected even though various anti-fraud tools are being used. Detection of fraud is often very difficult especially as there is normally no possibility of access to customer data and systems in order to better detect fraud. Fraud can have a significant negative impact on the Groups customer acquisition as well as on media volumes of the business and therefore also negatively affect the business activities and the net assets, financial position and results of operations of the Group.

The Company assesses the risk to be low.

### **Disputes and litigation**

The Group is on a regular basis – mostly as a result of its continued M&A activities – involved in various legal disputes, proceedings and arbitration proceedings, in particular with partners, employees and former shareholders of acquired companies. The possible negative outcomes of current and future disputes could have a negative effect on the Group's business, earnings or financial position. Defending claims or lawsuits can be expensive and time consuming, divert management resources, damage the Group's reputation and also cause regulatory inquiries.

The Company assesses the risk to be low.

## **CORPORATE AND FINANCIAL RISKS**

### **Financing, liquidity and credit risks**

The Group finances its business activities using both debt and equity capital. Debt capital funding is always associated with the risk that it may not be possible to borrow the volume required at economically acceptable conditions or that attempts at refinancing using debt capital may fail totally or partially. The total interest-bearing debt of the Group as of 31st December 2023 amounted to € 416m. Internal factors (such as the credit rating assigned by the market on the basis of the group's earnings and financial situation or management's skill in dealing with existing and potential sources of debt funding) and external factors (such as the general interest rate levels on the market, the lending policies of banks and other sources of debt capital, or changes in the legal environment) both play a role. In addition, there is a risk that the refinancing interest level could move in an unfavorable direction and that the cost of financing could increase due to a rise in the interest rate. The Group is also subject to the general risk that extensions of existing liabilities, refinancing or acquisition financing may not be available to the desired extent or can only be obtained on economically unattractive terms, and that loan due dates may be brought forward, making it necessary to cash in securities under certain circumstances. The future unavailability of equity or debt on the scale required could weaken or render impossible the financing and growth of the Group.

The Company assesses the risk to be medium.

### **Risk of impairment losses recognised in income due to impairment tests**

The Group has on its balance sheet various assets, intangible assets, and goodwill, which as of 31 December 2023 amounted to EUR 797 million. These assets, intangible assets and goodwill are generally subject to an impairment risk which must be tested as part of mandatory impairment tests. As of the date hereof, the value in use of the assets and goodwill concerned exceeds the carrying amounts. Should the value in use of the assets or goodwill fall below the book values, the amount of the book values would have to be adjusted accordingly in the balance sheet in accordance with the applicable accounting standard. Future assets and goodwill, due to acquisitions of companies or parts of companies, would also have to be corrected with an effect on expenses. Impairment of assets and goodwill due to adjustments to the value in use of the assets would have a negative impact on the Group's financial position.

The Company assesses the risk to be medium.

### **Tax-related risks**

The Group conducts its business in accordance with its own (including the Group's advisors) interpretation of applicable tax regulations and applicable requirements and decisions. There is a risk that the Group's or its advisors' interpretation and the Group's application of laws, provisions, judicial practice has not been, or will in the future not be, correct or that such laws, provisions, and practice will be changed, potentially with retroactive effect. Such risk is increased, following the Company's relocation. If such an event should occur, the Group's tax liabilities can increase, which would have a negative effect on the Group's results and financial position. Revisions to tax regulations could for example comprise denied interest deductions, additional taxes on the direct or indirect sale of property and/or tax losses carried forward being forfeited. There is also the risk of tax increases and the introduction of additional taxes which would affect the Group's results and financial position in the future. In the event of a change in the tax legislations or the interpretation of existing tax laws, the business activities of the Group may be adversely affected.

The Company assesses the risk to be medium.

### **Acquisitions**

The Group has historically grown both organically and through acquisitions and has made over 35 acquisitions since 2013, including games, media, and technology companies as well as individual assets. On 18 June 2024, Verve Group announced that the Company has entered into an agreement to acquire all of the shares in Jun Group for a total consideration of EUR 170 million on a cash and debt free basis. The transformative transaction will materially increase the size and profitability of Verve Group. Given the Group's M&A activity, there will always be a risk that the integration of an acquisition might not be as successful as anticipated and that expected synergies do not occur.

The media companies are part of the core strategy and provide B2B advertising services to third parties as well as to own games subsidiaries. It is likely that the Group also in the future will perform further targeted acquisitions of companies or parts of companies for purposes of expanding its offerings and business activities. The acquisition of companies and shareholdings as well as the purchase of Company assets involves certain risks. There is a risk that the risks associated with an acquisition or asset purchase will arise or materialize at a later date, that were not identified or were misjudged during the previous audit or that are not covered by guarantees given. In such a case, the corresponding warranty period may already have expired or recourse to the seller may not be possible for other reasons. Issues relating to M&A of the Group might negatively affect the business activities, reputation, net assets, financial position, and results of operations of the Group.

In conjunction with an acquisition, the Company also makes certain assumptions and forecasts based on the acquired company's business plan pertaining to, for example, future sales levels of sales and costs and these assumptions and forecasts are associated with a number of uncertainties. The Company's assumptions and forecasts about the target company, including the acquisition target's own business plan, may prove to be incorrect or incomplete, which could mean the acquisition, in both the short and long term, does not result in the operating and financial benefits assumed by. If any of these risks were to materialise, this could have a material adverse impact the Group's cash flow, earnings and financial position.

The Company assesses the risk to be medium.

## RISKS RELATING TO THE BONDS

### THE NATURE OF THE BONDS

#### Dependence on subsidiaries, structural subordination and insolvency of subsidiaries

The Company holds no significant assets other than the shares in the Group companies. Accordingly, the Company is dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable it to make payments under the Bonds. The Company's subsidiaries are legally separate and distinct from the Company and have no obligation to pay amounts due with respect to the Company's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the Company's subsidiaries to make such payments to the Company is subject to, among other things, the availability of funds and should the Company not receive sufficient funds, the investor's ability to receive payment in accordance with the Terms and Conditions could be adversely affected. This can also lead to a market pricing the Bonds with a higher risk premium, which would have a negative effect on the value of the Bonds on the secondary market.

Should the value of the business conducted in the subsidiaries decrease, and/or should the Company not receive sufficient income from its subsidiaries, the investor's ability to receive payment under the terms and conditions may be adversely affected.

In the event of insolvency, liquidation or a similar event relating to one of the Company's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such subsidiary before the Company, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. There is a risk that the Company and its assets would not be protected from actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group may result in the obligation of the Group to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Group.

The Company assesses the risk to be medium.

### TRANSACTION SECURITY AND GUARANTEES

#### Risks related to incurrence of additional debt

The security and guarantees provided in relation to the Bonds are shared with the outstanding maximum EUR 350 million bond series 2020/2024 ("**Bonds 2020/2024**"), the issued bonds under the maximum EUR 300 million bond series 2022/2026 ("**Bonds 2022/2026**") and the maximum EUR 300 million bond series 2023/2027 ("**Bonds 2023/2027**") issued by the Company. Furthermore, under the terms and conditions of the Bonds, the Company will be permitted to incur certain additional debt, which share the security and guarantees with the Bonds and rank pari passu in right and priority of payment in case of an enforcement of the security or guarantees. Pursuant to the intercreditor agreement, any unpaid fees, costs, expenses and indemnities payable to the security agent, issuing agent, bond agent and certain other agents as well any outstanding amount under the hedging obligations rank in priority over the bondholders. Hence, certain secured creditors will have higher or equal ranking right to the proceeds of an enforcement of the security or the guarantees and the bondholders' recovery from an enforcement may therefore be substantially reduced.

The holders of Bonds, Bonds 2020/2024, Bonds 2022/2026 and Bonds 2023/2027 (and any future creditors share the security) are represented by a security agent in all matters relating to the transaction security pursuant to the intercreditor agreement. The security agent will only take enforcement instructions from the secured parties and no secured party may independently accelerate, seek payment and exercise other rights and powers to take enforcement actions. There is a risk that the security agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security. There is also a risk that in case of a consultation period occurring due to conflicting enforcement instructions, actions are not taken in a timely manner, or are taken in a manner that is detrimental to one of the secured parties.

The Company assesses the risk to be medium.

### **Risks related to the transaction security and guarantees**

Until such measures have been taken, the bondholders' security position will be limited. The transaction security and guarantees may be subject to hardening periods during which times the bondholders do not fully, or at all, benefit from the security.

The granted transaction security and guarantees may be subject to certain limitations on enforcement and may be limited by applicable German, US or other relevant law or subject to certain defences that may limit their validity and enforceability. In particular, an Aktiengesellschaft (AG) may only under limited circumstances provide security in rem or guarantees in order to secure or guarantee the liabilities of a direct or indirect shareholder of the Aktiengesellschaft, meaning that the validity and enforceability of the security and guarantees provided by gamigo AG (but, for the avoidance doubt, not in respect of the shares in gamigo AG) will be materially limited by law.

In particular, the enforceability of security or guarantees provided by a German law Stock Corporation, an Aktiengesellschaft (AG), and its subsidiaries or by a European Company Societas Europaea (SE) under German law and its subsidiaries in order to secure or guarantee the liabilities of a direct or indirect shareholder of the Aktiengesellschaft or SE, will be materially limited by law as such enforcement is only permitted under very limited circumstances. Enforcement of the security over the shares in gamigo AG will, to the extent provided by a German limited liability company (GmbH), be limited based on applicable capital maintenance rules, to the free net assets of the respective pledgor.

Each security interest or guarantee granted will be limited in scope to comply with limitations on financial assistance, capital maintenance rules or similar restrictions under applicable law. The transaction security and the guarantees may thus not be enforceable, or only be enforceable in part, which may limit the recovery of the bondholders.

If a subsidiary which shares are pledged in favour of the bondholders is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such share pledge may then have limited value because all of the subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for the bondholders. As a result, the bondholders may not recover full or any value in the case of an enforcement sale of such pledged shares. In addition, the value of the shares subject to the pledge may decline over time.

In addition, certain of the pledged assets may be illiquid and have no readily ascertainable market value. For example, the shares that are secured in favour of the Secured Parties may provide for only limited repayment, in part because these shares may not be liquid and their value to other parties may be less than their value to the Group. It is not certain that the secured assets will be saleable, or, even if saleable, that there will not be delays in the realisation of the value thereof. As a result, the bondholders may not recover full or any value in the case of an enforcement sale of such pledged shares.

Although the obligations under the Bonds and certain other obligations of the Group towards the bondholders will be secured by first priority security including guarantees, there is a risk that the proceeds of any enforcement sale of the security assets or enforcement of guarantees will not be sufficient to satisfy all amounts then owed to the bondholders or the amounts then due in respect of the Bonds. If the proceeds of an enforcement of the transaction security and/or the guarantees are not sufficient to repay all amounts due under or in respect of the Bonds, then the bondholders will only have an unsecured claim against the remaining assets (if any) of the Company for the amounts which remain outstanding under or in respect of the Bonds.

The Company assesses the risk to be medium.

## **ADMISSION OF THE BONDS TO TRADING**

### **Admission to trading and illiquid markets**

Under the terms and conditions for the Bonds, the Company undertakes to ensure that the Bonds are listed on a regulated market within certain stipulated time periods and the failure to do so provides each bondholder with a right of prepayment (put option) of its Bonds. Furthermore, the Company undertakes to use its best efforts to procure admission to trading on the Frankfurt Stock Exchange Open Market.

There is a risk that the Bonds will not be admitted to trading and even if the Bonds are admitted to trading, there can be no assurance that active trading in the Bonds occur and there is a risk that there will not be a liquid market for trading in the Bonds or that the market will be maintained even if the Bonds are listed. This may result in that the bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

The Company assesses the risk to be low.

## BACKGROUND AND STATEMENT OF RESPONSIBILITY

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The Initial Bonds were issued on 21 June 2022 (the "**First Issue Date**") and the issue was made based on a decision by the Board of Directors of the Company on 24 May 2022. The Subsequent Bonds were issued on 15 July 2024 and the issue was made based on a decision by the Board of Directors of the Company on 21 June 2024. The Prospectus has been prepared in accordance with the Prospectus Regulation in connection with the Company's admission to trading of the Subsequent Bonds on the corporate bond list on the regulated market Nasdaq Stockholm.

This Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) as the competent authority under the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**"). The Swedish Financial Supervisory Authority only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Group that is the subject of this Prospectus. Further, such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the securities.

The Company is responsible for the information given in the Prospectus. The Company is the source of all company specific data in the Prospectus. The Company confirms that the information contained in the Prospectus is, to the best of the Company's knowledge, in accordance with the facts and contains no omissions likely to affect its import. The Board of Directors is responsible for the information given in the Prospectus under the conditions and to the extent set forth in Swedish law. The Board of Directors of the Company confirms that the information contained in the Prospectus is, to the best of the Company's knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Stockholm, Sweden, 3 September 2024

**Verve Group SE**

*The Board of Directors*

## THE BONDS IN BRIEF

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

*Concepts and terms defined in the section “Terms and Condition of the Bonds” are used with the same meaning in this description unless otherwise is explicitly understood from the context.*

<b>The Issuer:</b>	Verve Group SE, a Societas Europaea company incorporated in Sweden with reg. no. 517100-0143.
<b>The Bonds:</b>	<p>Maximum EUR 300,000,000 in aggregate principal amount of Senior Secured Callable Floating Rate Bonds due 21 June 2026.</p> <p>As of the date of the Prospectus, total Bonds of EUR 240,000,000 have been issued with the Initial Bond Issue of EUR 175,000,000 on 21 June 2022 and the Subsequent Bond Issue of EUR 65,000,000 on 15 July 2024.</p> <p>No physical instruments have been issued. The Bonds are issued in dematerialized form and have been registered on behalf of each Bondholder with the Central Securities Depository.</p>
<b>Status of the Bonds:</b>	Subject to the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them, except for obligations mandatorily preferred by law applying to companies generally, and are guaranteed by the Initial Guarantors.
<b>Guarantees:</b>	Pursuant to the terms and conditions, the Bonds benefit from guarantees from the Initial Guarantors from time to time under a guarantee and adherence agreement. As of the date of the Prospectus, the Initial Guarantors are, apart from the Issuer:



- gamigo AG
- gamigo Inc.
- gamigo Publishing GmbH
- gamigo US Inc.
- Kings Holding Inc.
- Kingsisle Entertainment Inc.
- Verve Group Europe GmbH
- Verve Group Inc; and
- gamigo Spain Holding S.L.

<b>Transferability:</b>	The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
<b>ISIN-code:</b>	SE0018042277
<b>Short name:</b>	M8G 201
<b>Issue Date of the Initial Bond Issue of 175,000,000 (First Issue Date):</b>	21 June 2022
<b>The Subsequent Bond Issue:</b>	The total aggregate nominal amount of the Subsequent Bonds is EUR 65,000,000.
<b>Issue Date of the Subsequent Bond Issue:</b>	15 July 2024
<b>Nominal Amount:</b>	The nominal amount of each Bond is EUR 100,000.
<b>Price of the Initial Bond:</b>	98 per cent of the Nominal Amount.
<b>Price of the Subsequent Bond:</b>	102.50 per cent of the Nominal amount.
<b>Denomination:</b>	The Bonds are denominated in EUR.
<b>Securities register (Sw. <i>skuldbok</i>):</b>	The Bonds are connected to the account-based system of Euroclear Sweden AB, registration number 556112-8074, P.O. Box 191, SE 101 23 Stockholm, Sweden. Holdings of the Bonds are registered on behalf of the Holders on a securities account and no physical Bonds have, or will be, issued. The Bondholders' financial rights such as payments of the Nominal Amount and interest, as well as, if applicable, withholding of preliminary tax will be made by Euroclear Sweden.
<b>Use of proceeds:</b>	The Net Proceeds from the Subsequent Bond Issue shall be applied towards:

- (a) early redemption of the maximum EUR 350,000,000 secured bonds 2020/2024 issued by the Issuer with ISIN SE0015194527 (including accrued but unpaid interest and any prepayment premium); and
- (b) general corporate purposes (including investments, capital expenditures and acquisitions) of the Group.

**Interest rate:**

Means a floating rate of EURIBOR (3 months) plus 6.25 per cent. per annum, provided that if EURIBOR is less than zero, it shall be deemed to be zero.

As of the date of the Prospectus, the administrator of EURIBOR, European Money Markets Institute, is included in the ESMA register of administrators under Article 36 of the Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

**Interest Payment Dates:**

Means 21 March, 21 June, 21 September and 21 December each year (with the first Interest Payment Date for the Subsequent Bond on 21 September 2024 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)) or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

**Interest Period:**

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

**Final Redemption Date:**

21 June 2026.

**Redemption at maturity:**

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

Interest. If the Final Redemption Date is not a Business Day, the redemption shall to the extent permitted under the CSD's applicable regulations occur on the Business Day following from an application of the Business Day Convention or, if not permitted under the CSD's applicable regulations, on the first following Business Day.

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

The Issuer may redeem early all, but not only some, of the Bonds in full on any Business Day up to (but excluding) the Final Redemption Date, at the applicable Call Option Amount together with accrued but unpaid Interest.

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

Upon the occurrence of a Change of Control, De-listing or Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) percent. of the Nominal Amount together with accrued but unpaid Interest during a period of sixty (60) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (b) of Clause 13.4 (*Information: miscellaneous*). The sixty (60) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

**Time-bar for the right to receive payments under the Bonds:**

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

**Change of Control:**

Change of control means the occurrence of an event or series of events whereby one or more Persons, not being the Main Shareholder, acting in concert, acquire control over the Issuer and where "control" mean:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) percent of the voting rights 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.

**Representation of the Bondholders’:**

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

The Terms and Conditions are available at the Trustee's office address, Norrlandsgatan 23, 111 43 Stockholm, Sweden, during normal business hours as well as on the Trustee's web page, [www.nordictrustee.com](http://www.nordictrustee.com).

**Trustee:**

Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, Box 7329, 103 90 Stockholm, Sweden.

**Rating:**

Neither the Issuer nor the Bonds have received a credit rating.

**Listing of the Subsequent Bonds on the corporate bond list on Nasdaq Stockholm:**

The Company will submit an application for listing of the Initial Bonds, amounting to a total of 650, on the Corporate Bond List on the regulated market Nasdaq Stockholm in connection with the approval of the Prospectus by the Swedish Financial Supervisory Authority (the “SFS”). The preliminary first day of trading of the Bonds is on or about 5 September 2024.

**Listing costs:**

Cost and expenses incurred by the Company in connection with the listing of the Bonds such as expenses for admission to trading in relation to the SFSA and Nasdaq Stockholm (excluding Nasdaq Stockholm's annual fee) as well as fees to advisors is estimated to be approximately SEK 250,000.

**Listing Failure:**

A Listing Failure means the occurrence of an event whereby any Subsequent Bonds have not been admitted to trading on the same 34 Regulated Market as the Initial Bonds within sixty (60) days from the relevant Issue Date.

**Withholding tax:**

Euroclear Sweden AB or the trustee (in the case of nominee-registered securities) applies deduction for preliminary tax, currently 30 percent, on paid interest for natural persons resident in Sweden.

The above description does not constitute tax advice. The description is not exhaustive but is intended as a general information about some applicable rules. Creditors themselves will assess the tax consequences that may arise and consult tax advisors.

**Governing law:**

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

## BUSINESS OVERVIEW

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### Introduction to Verve

Verve Group SE is a fast-growing, profitable, digital media company that provides AI-driven ad-software solutions. Verve matches global advertiser demand with publisher ad-supply, enhancing results through first-party data from its own content. Aligned with the mission, “Let’s make media better,” the Company focuses on enabling better outcomes for brands, agencies, and publishers with responsible advertising solutions, with an emphasis on emerging media channels. Verve’s main operational presence is in North America and Europe. It enables companies to make their products and services known to potential customers and target groups, strengthen the brand and increase demand. In short, it is an essential factor for successful business growth. It also benefits end users, for example by informing them about products that are relevant to them or giving them free or discounted access to content.

In 2023, Verve generated approximately 80 percent of its revenue from its programmatic ad software platform. Approximately 20 percent was generated via subscriptions and in-game item sales of its subsidiary gamigo group (**gamigo**). Verve's core business and strategic focus is accordingly on advertising, or more precisely, on programmatic advertising.

If the purpose of advertising companies is to create and place ads and sell advertising space (ad inventory), then programmatic advertising companies aim to make the process of creating and placing ads and selling advertising space faster, easier, more transparent, and more effective by using artificial intelligence, powerful algorithms, and billions of data points.

Programmatic advertising companies are intermediaries between advertisers - who try to reach users on their smartphones, computers, connected TV devices or via digital public billboards (DOOH) to attract new customers - and publishers - who provide digital content that is consumed by users and monetized by selling ad space to advertisers. Whereas in traditional advertising an advertiser usually requested ad space directly from the publisher by phone or email - which is very time consuming and inefficient - with programmatic advertisement this process is fully automated and happens in real time, with revenue flowing from advertisers to publishers in an automated way - replacing the phone calls, faxes and paper Insertion Orders (IOs) used to manage and track deals in the past.

### Verve's history

#### **2012 – 2017** - *The Company's roots as a games company*

Verve's journey began in 2012, when Remco Westermann (CEO) acquired 100 percent of the shares in the German games company gamigo AG. At the time, gamigo AG was in financial distress, had around 100 employees and annual revenues of approximately EUR 10 million. From 2012 to 2017, gamigo AG's focus was on achieving critical mass for long-term success. In 2013 and 2014, gamigo was restructured and focused on reducing costs, discontinuing risky new games development and introducing an M&A model, resulting in 30 million registered users. In 2015, the Company made various acquisitions, including Looki Publishing GmbH. A key success factor for games companies is user acquisition and the monetization of content via advertising. As the Company was not satisfied with the external providers in either area, gamigo made its first acquisition in the media sector in 2016. The aim was to support the games sector in-house in the areas of user acquisition and monetization.

**2018 – 2023 - Transformation into a leading digital media company**

Drawing from Verve's experience in user acquisition and monetization as a games company, the Company began expanding its media business around 2018. Verve was no longer just supporting its games, this new focus on programmatic advertising became a second pillar alongside its games business. This led to the formation of MGI - Media and Games Invest, which has been listed in Germany since 2018 and on the Nasdaq First North Growth Market in Stockholm since 2020. Since then, Verve's media business (which was operated under the Verve brand) has grown significantly faster than the Company's games business, with a sharp acceleration in organic growth. As a result, Verve has increasingly shifted its operational focus to the media business, which accounts for more than 80 percent of its revenue of over EUR 300 million in 2023 and is the main driver of its strong organic growth.

**2024 - Focus on Verve's mission Let's Make Media Better**

Today, Verve has completed its transformation into a leading media company. The 2024 Annual General Meeting decided to change the name of MGI - Media and Games SE to Verve Group SE as a sign of its strategic focus now and in the future. The Company's mission is Let's Make Media Better. Verve's goal is enabling better outcomes with responsible media focusing on emerging channels. Today, Verve has over 700 employees worldwide, is profitable and growing organically at a substantial double-digit rate.

**Key events in the Group's history**

<p><b>2024</b></p>	<ul style="list-style-type: none"> <li>• In June 2024, Verve Group announced that the Company has entered into an agreement to acquire all of the shares in Jun Group for a total consideration of EUR 170 million on a cash and debt free basis. The transformative transaction will materially increase the size and profitability of Verve Group.</li> <li>• Verve completed a directed issue of 27,108,434 new shares, raising proceeds of approximately SEK 450 million. The Company intends to use the net proceeds from the Directed Share Issue in order to maintain the Company's desired capital structure following the financing of the acquisition of Jun Group announced on June 18, 2024, and to further strengthen the Company's financial position in line with the Company's updated financial targets.</li> <li>• MGI – Media and Games Invest rebranded as "Verve".</li> </ul>
<p><b>2023</b></p>	<ul style="list-style-type: none"> <li>• Verve successfully places EUR 225,000,000 of new senior secured floating rate bonds and repurchases EUR 176,200,000 of existing senior secured 2024 bonds.</li> </ul>
<p><b>2022</b></p>	<ul style="list-style-type: none"> <li>• In 2022, Verve generated 80 percent of its revenue through its programmatic ad software platform, while 20 percent was generated via subscriptions and in-game item sales through its games portfolio. Verve's core business and strategic focus has shifted therefore over the years to programmatic advertising.</li> <li>• Re-domiciliation of the Company from Malta to Sweden initiated and effected on 2 January 2023.</li> </ul>

	<ul style="list-style-type: none"> <li>• In December 2022, Verve successfully implemented an up to EUR 75 million receivables securitization program with Nord LB. The program allows to dispose receivables on a true sale non-recourse basis. The securitization program is another milestone for Verve and perfectly fits the financing needs of a profitable fast-growing advertising software company with a growing receivables portfolio.</li> <li>• With AxesInMotion (a mobile games company) and Datasat (a mobile demand side platform), two important missing building blocks of Verve's Platform were added via M&amp;A. Thereafter, the management has increased the focus on organic growth and integration.</li> <li>• Verve successfully places EUR 175 million of new senior secured bonds with a maturity in 2027 with a floating rate coupon of EURIBOR + 6.25 percent and repurchases EUR 115 million of existing senior secured bonds maturing in 2024.</li> </ul>
<b>2021</b>	<ul style="list-style-type: none"> <li>• Was the first year in which organic growth was almost as strong as Verve's inorganic growth. Verve executed more than 350 casual game launches which resulted in ad revenues from own games at a record level. In parallel, Verve grew the Ad-Software-Platform's customer base to 418 software clients with more than USD 100k revenues per year. This is based on adding 316 additional software clients with over USD 100k revenues per year, which altogether reflects a 410 percent growth rate in software clients.</li> <li>• With the acquisition of the gaming company KingsIsle and the media company Smaato, two transformative transactions were successfully completed in 2021 that significantly increased the Company's revenue and profitability.</li> <li>• With the acquisitions of the Beemray platform and Match2One, two further smaller but strategically important acquisitions were completed in the media sector.</li> <li>• Verve completed a SEK 900 million capital increase from international and long-only investors.</li> <li>• Completed repayment in October of unsecured EUR 25 million German bond ahead of due date.</li> </ul>
<b>2020</b>	<ul style="list-style-type: none"> <li>• Was a year with several M&amp;A transactions, the launch of the Verve Group and an increased focus and invest in organic growth. With more regular and also larger updates in the games portfolio, more focus on user acquisition for the games -which was also strongly supported by the Covid lock-downs- as well as focus on onboarding new Software Clients as well as growing the existing Client base on the media side.</li> <li>• In January 2020 essentially all assets of the media platform provider Verve Wireless Inc. were acquired and in February 2020</li> </ul>



	<p>the minority shareholders of gamigo have been bought out, increasing Verve's stake in gamigo to 99.9 percent. After the takeover of the Verve platform, it was decided that from then on, all media activities would be combined under the umbrella of the Verve Group and all games activities under the umbrella of gamigo Group, which meant that the group structure would henceforth consist of the parent company Media and Games Invest and its two synergetic operating segments Verve Group (media) and gamigo Group (games). During the rest of the year, Verve completed further transactions.</p> <ul style="list-style-type: none"> <li>• At the beginning of the fourth quarter the Company conducted a private placement of shares raising capital of SEK 300 million. The Company's shares were listed on Nasdaq First North Premier Growth Market on 6 October, 2020 in connection with the private placement.</li> <li>• In the beginning of November, Verve issued the Initial Bonds and redeemed the outstanding gamigo Bond in full on 10 December.</li> </ul>
<b>2019</b>	<ul style="list-style-type: none"> <li>• Next to focus on organic growth via the launch of ArcheAge Unchained, Verve and its subsidiaries executed various acquisitions including the assets of WildTangent as well as the PubNative GmbH.</li> <li>• gamigo issued a further EUR 18 million in Bonds with a premium. Also, Verve executed a Bond Issue of more than EUR 10 million and a capital increase of EUR 9.2 million.</li> </ul>
<b>2018</b>	<ul style="list-style-type: none"> <li>• Acquired a majority stake in gamigo AG. With the acquisition, Verve continued implementing gamigo's "BUY. INTEGRATE. BUILD &amp; IMPROVE" strategy in the Media and Games segment and appointed Remco Westermann as Chairman of the Board. While the focus of gamigo has so far been exclusively on inorganic growth to achieve critical mass, Verve decided to increase the focus on organic growth projects with immediate effect which resulted in 5 percent Organic Revenue Growth in this year.</li> <li>• gamigo issued EUR 32 million in bonds which were listed on Nasdaq Stockholm and Frankfurt Stock Exchange (FSE).</li> </ul>
<b>2017 (gamigo)</b>	gamigo AG repaid its 2013/2018 bond issued in 2013 via a term-loan from UniCredit Bank AG and acquired the video and social media specialist Mediakraft to strengthen user acquisition possibilities.
<b>2016 (gamigo)</b>	gamigo acquired aeria games and seven games media from ProSiebenSat1 Media SE, which becomes a shareholder of gamigo and starts the B2B Media business with the brand adspree.
<b>2015 (gamigo)</b>	gamigo executed various acquisitions, e.g. Looki Publishing GmbH, an independent publisher.

<b>2013-2014 (gamigo)</b>	Restructuring of gamigo AG - lowering costs, ceasing risky development activities. gamigo reaches 30 million registered users.
<b>2010-2012 (gamigo)</b>	gamigo purchased a stake in the German developer Reaktor Media in 2010. In 2012 Axel Springer AG sells its entire stake in gamigo AG to the strategic investor Samarion SE – Remco Westermann announced CEO of gamigo AG.
<b>2008-2009 (gamigo)</b>	gamigo expands in Europe with own risk developed games and becomes a 100% subsidiary of Axel Springer in 2009.
<b>2000-2007 (gamigo)</b>	Foundation of gamigo as an online PC and gaming magazine and later development towards publishing online role-playing games.

## Strategy and vision

Verve's mission is to make advertising better. To achieve this goal, the Company focuses on enabling better outcomes for advertisers, agencies, and publishers with responsible advertising solutions, while focusing on emerging media channels. Verve has built an integrated advertising platform that matches advertising demand and supply on a global scale and optimizes this process through the use of data. Integration, global reach and data form essential core elements in Verve's business model to successfully execute its mission.

## Financial targets

On 18 June 2024, in connection with entering into the agreement to acquire all shares in Jun Group, Verve announced updated financial targets as a result of the acquisition. The Company has set mid-term financial targets to 25-30% Revenue CAGR<sup>1</sup> (unchanged), 30-35% EBITDA<sup>2</sup> margin (25-30%), 20-25% EBIT margin<sup>3</sup> (15-20%) and reduces the net leverage target<sup>4</sup> significantly to 1.5-2.5x (2.0-3.0x).

## Business model

### *Integrated Solutions*

Verve's goal is building a one-stop shop that is vertically integrated. This means that Verve wants to cover the entire value chain between the advertiser and the publisher. In simplified terms, the advertising value chain today consists of a Demand Side Platform (DSP), to which the advertisers are connected, and a Supply Side Platform (SSP), to which the publishers are connected. Between the DSP and the SSP, the automated matching of demand and supply then takes place via auctioning the ad-spaces. This process is enriched with data contributed by a data management platform, the third layer. Currently, these three layers are mostly covered by several companies, each of which specializing in parts of the value chain. Accordingly, the value chain between advertisers and publishers is fragmented, leading to less transparency and more inefficiency. Verve operates all three layers with the aim of increasing transparency and efficiency in the process.

<sup>1</sup> Compounded Annual Growth Rate

<sup>2</sup> Earnings Before Interest Tax Depreciation and Amortization

<sup>3</sup> The EBIT (earnings before interest and taxes) margin is a profitability ratio that measures the percentage of earnings a company has before paying interest and taxes, relative to its total revenue. It is a measure of the Company's operating profitability as a proportion of its total revenue.

<sup>4</sup> Net leverage means the ratio of net financial debt (sum of interest-bearing loans and borrowings, current and non-current, less cash and cash equivalents) to adjusted EBITDA.

### ***Global reach***

Verve works with many of the Fortune 500 companies on the advertising side. These companies want to target customers all over the world. Accordingly, Verve's goal is to have a global presence so that advertisers do not have to work with different vendors for certain regions, which increases their overhead. Verve now has over 20 offices worldwide, reaches 2 billion end users worldwide monthly and delivers 1.7 billion ad impressions daily.

### ***Data***

Data and, accordingly, data protection are of crucial importance for the advertising industry. Data plays an essential role in how well users are targeted. In this context, targeting means placing advertisements within a previously categorized target group. The more precise the targeting, the less scatter loss occurs when ads are placed.

The availability of data is correspondingly important because, depending on how good the data are, precise assumptions can be made about the needs of an end user to whom, for example, advertising is to be displayed when an app is opened. The better the assumptions are, i.e., the better the targeting is, the higher the probability that the advertisement will lead to an action, such as the purchase of the product. Accordingly, the advertiser is then also willing to pay more for this advertising space. Less data means less advertising efficiency for advertisers and less revenue per ad for publishers.

The current changes in data protection are having a major impact on the advertising industry. Internationally, stricter standards are being set by legislators, and major market players such as Apple and soon Google are increasingly restricting the availability of identifiers (including Apple's IDFA but also cookies), which were previously mainly used for targeting. In addition, companies are increasingly paying attention to the sustainability of their supply chains, and this includes privacy issues in their advertising campaigns.

A significant change in the area of identifiers, which was most recently enforced by e.g. Apple or Firefox and will in the foreseeable future be further enforced by e.g. Google. Overall, there is a change from an opt-out to the opt-in procedure. In the opt-out process, as was the rule in the past, users had to actively refuse consent for the use of personal data. In the opt-in process, users must actively give their consent. Today, only about 20 percent of users give their consent. This means that for about 80 percent of users, targeting based on the use of personal data is no longer possible.

Verve has built its platform for exactly this new world, where privacy-compliant advertising is at the core. On the one hand, Verve has its own games, which means it has consensus-based first party data. On the other hand, Verve has developed innovative technologies that enable targeting without having to rely on personal data but instead use so-called contextual data. Contextual data are anonymous data that don't require consent. Verve's position in the field of data is an essential pillar for effective targeting.

### **Interest of advisors**

Pareto Securities AB, the Company's financial advisors and arrangers of the Bonds, may in the future provide the Company and/or any of the Initial Guarantors, with financial advice and participate in transactions with the Company, for which Pareto Securities AB may receive compensation. All services provided by Pareto Securities AB, and also those provided in connection with the issue, are provided by Pareto Securities AB as independent advisors. Accordingly, conflicts of interest may exist or may arise as a result.

Baker & McKenzie Advokatbyrå KB acts as legal advisor to the Company in connection with the listing of the Bonds and has no conflicting interest with the Company.

## THE INITIAL GUARANTORS

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### Information about the Initial Guarantors

The Initial Guarantors under the terms and conditions of the Bonds consist of:

- gamigo AG
- gamigo Inc.
- gamigo Publishing GmbH
- gamigo US Inc.
- Kings Holding Inc.
- Kingsisle Entertainment Inc.
- Verve Group Europe GmbH
- Verve Group Inc; and
- gamigo Spain Holding S.L.

All of the Initial Guarantors are, directly or indirectly, owned 99.9 to 100 percent by the Issuer. Any references to the websites of each Guarantor does not form a part of the Prospectus unless explicitly incorporate by reference into the Prospectus.

#### gamigo AG

gamigo AG is a public limited company incorporated in Germany with reg. no. HRB 105628 and is regulated by German Law and registered with the commercial register and the district court of Hamburg, Germany on 1 September 2000. gamigo AG's registered address is Behringstraße 16b, 227 65, Hamburg, Germany. gamigo AG has its corporate seat in Hamburg, Germany. gamigo AG's website can be found at <https://en.gamigo.com/>. gamigo AG's LEI code is 391200C246P1Y2ETA524.

gamigo AG's business purpose is (i) the operation of games portals on the internet and the associated marketing of advertising space, trading in computer games, console games and related accessories, and the development, operation and marketing of online games on the internet and games for mobile devices (including smartphones/tablets) and all other related business; (ii) the acquisition, holding, management and exploitation of its own and third-party assets, namely the acquisition, holding, management and exploitation of equity interests in domestic and foreign subsidiaries and companies; and (iii) the administration, financing, entrepreneurial management, assumption of management and representation of such subsidiaries and companies and the provision of management, consulting and other services to such subsidiaries and companies. gamigo AG may limit itself to one or more of the objects referred to in sentence 1. It may also limit itself to the activities of a management holding company and/or the other management of its own asset.

#### gamigo Inc.

gamigo Inc. is a corporation incorporated in the United States with reg. no. 4842564 and is regulated under the laws of Delaware, United States and registered with the commercial register and the district court of Delaware, United States on 13 May 2005. gamigo Inc. registered address is Corporation Trust Center, 1209 Orange St, Wilmington, Delaware 19801, USA. gamigo Inc. has its corporate seat in Delaware, USA. gamigo Inc. has no LEI code and no corporate website.

The object of the company is the development, publishing and distribution of computer games with a focus on Casual Games. gamigo Inc., acquired substantially all assets of the US games publisher WildTangent Inc. (“**WildTangent**”) on 3 April 2019. The assets include, among others, a portfolio of over 4,000 games, which are distributed via the company’s own platform and in close cooperation with leading computer and laptop manufacturers. WildTangent operates a gaming platform with more than 4 million visitors per month, a network of more than 400 game developers and publishers, a substantial customer base, as well as contracts for the distribution of the games portfolio via leading computer manufacturers. Wildtangent's website can be found at <https://www.wildtangent.com/>.

#### gamigo Publishing GmbH

gamigo Publishing GmbH is a limited liability company incorporated in Germany with reg. no. HRB 150346 and is regulated by German company law and registered with the commercial register and the district court of Hamburg, Germany on 31 May 2005. gamigo Publishing GmbH's registered address is Behringstraße 16b, 227 65, Hamburg, Germany. gamigo Publishing GmbH has its corporate seat in Hamburg, Germany. gamigo Publishing has no LEI code and uses the same website as gamigo AG, <https://en.gamigo.com/>.

The object of the gamigo Publishing GmbH is the development, creation, licensing and distribution of, as well as trade in, computer programs in the field of multimedia applications, the operation of games magazines on the Internet, the marketing of associated advertising space, the trade in (online) computer games, console games and accessories, the operation of online games and the licensing of online games and computer games, as well as all related activities.

#### gamigo US Inc.

gamigo US Inc. is a corporation incorporated in the United States with reg. no. 7097021 and is regulated under the laws of Delaware, United States, and registered with the commercial register and the district court of Delaware, United States on 21 March 2020. gamigo US Inc. registered address is 850 New Burton Road, Suite 201, in the City of Dover, County of Kent, Delaware 19904, USA. gamigo US Inc. has its corporate seat in Delaware, USA. gamigo US Inc. has no LEI code and uses the same website as gamigo AG, <https://en.gamigo.com/> and brief corporate information can be found on <https://www.trionworlds.com/en/legal/legal-notice/>.

The object of the company is the development, publishing and distribution of computer games. It focuses primarily on MMOs, particularly of the MMORPG and MMORTS genres. On 22 October 2018 gamigo US Inc has acquired major assets from Trion Worlds Inc., a leading US games publisher and developer of online and console MMO-games, with well-known games such as Rift, Defiance, Trove and ArcheAge in its portfolio.

#### Kings Holding Inc.

Kings Holding Inc. is a limited liability company incorporated in the United States with reg. no. 4738727 and is regulated under the laws of Delaware, United States and registered with the commercial register and the district court of Delaware, United States on 14 January 2021. Kings Holding Inc.'s registered address is 850 New Burton Road, Suite 201, in the City of Dover, County of Kent, Delaware 19904, USA. Kings Holding Inc. has its corporate seat in Delaware, USA. Kings Holding Inc.'s uses the same website as KingsIsle Entertainment, Inc, <https://www.kingsisle.com>. Kings Holding Inc. has no LEI code.

Kings Holding's business purpose is the acquisition, holding, management and exploitation of its own and third-party assets, namely the acquisition, holding, management and exploitation of equity interests in domestic subsidiaries and companies. Kings Holding Inc holds among others equity interest in Kingsisle Entertainment Inc.

#### Kingsisle Entertainment Inc.

Kingsisle Entertainment Inc. is a limited liability company incorporated in the United States with reg. no. 800435481 and is regulated under the laws of Texas, United States and registered with the commercial register and the district court of Texas, United States on 4 January 2005. Kingsisle Entertainment Inc.'s registered address is 1601 Elm Street, Suite 4360, Dallas, Texas 75201 USA. Kingsisle Entertainment Inc. has its corporate seat in Texas, USA. Kingsisle Entertainment Inc.'s website can be found at: <https://www.kingsisle.com>. Kingsisle Entertainment Inc. has no LEI code.

The object of the company is the development, publishing, and distribution of computer games. Kings Holding Inc. entered into an agreement with the shareholders of Kingsisle Entertainment Inc. to acquire 100 percent of the shares of Kingsisle. Kingsisle, based in Austin, Texas, is a leading game developer and publisher. The fully owned Massive-Multiplayer-Games Wizard101 and Pirate101 are having very loyal communities and as such also very sustainable revenues.

#### Verve Group Europe GmbH

Verve Group Europe GmbH is a limited liability company incorporated in the Germany with reg. no. HRB 160880 and is registered with the commercial register and the district court of Charlottenburg (Berlin), Germany on 21 August 2014. Verve Group Europe GmbH's registered address is Karl-Liebkecht-Str. 32, D-10178 Berlin, Germany. Verve Group Europe GmbH has its corporate seat in Berlin, Germany. Verve Group Europe GmbH website can be found at: <https://verve.com/>. Verve Group Europe GmbH's LEI code is: 39120002J6RNL7CQSY36.

The object of the company is digital advertising. Verve Group's omnichannel ad platform connects advertisers, agencies, brands, and publishers to people in real time. With a privacy-first approach, Verve Group offers advertising innovation at scale with full-stack programmatic solutions in brand-safe environments.

#### Verve Group Inc.

Verve Group Inc. is a corporation incorporated in the United States with reg. no. 7804104 and is regulated under the laws of Delaware, United States and registered with the commercial register and the district court of Delaware, United States on 16 January 2020. Verve Group Inc. registered address is 850 NEW BURTON ROAD SUITE 201, DOVER, DE 19904, USA. Verve Group Inc. has its corporate seat in Delaware, USA. Verve Group Inc.'s website can be found at: <https://verve.com/>. Verve Group Inc. has no LEI code.

The object of the company is digital advertising. Verve Group's omnichannel ad platform connects advertisers, agencies, brands, and publishers to people in real time. With a privacy-first approach, Verve Group offers advertising innovation at scale with full-stack programmatic solutions in brand-safe environments.

gamigo Spain Holding S.L.

gamigo Spain Holding S.L. is a corporation incorporated in Sevilla, Spain with reg. no. B09747452 and is regulated under the laws in Spain and registered with the Mercantile Registry of Seville on 10 February 2020. gamigo Spain Holding S.L. registered address is Calle Comerico, 47 – PISO 1 41927, Mairena Del Aljarafe, Sevilla Spain. gamigo Spain Holding S.L has its corporate seat in Sevilla, Spain gamigo Spain Holding S.L. has no LEI code and no corporate website.

The object of the company is the development, operation and marketing of online games and games for mobile end devices, and the development, operation and marketing of online games and games for mobile end devices, as well as the marketing of the related advertising space and the acquisition, holding, management, administration and disposal of securities and shares or any form of representation of shares or any form of representation of holdings in the capital of entities resident and of resident and non-resident entities in Spanish territory and the financing of the investees.



## INFORMATION REGARDING THE GROUP'S FINANCIAL REPORTING

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The historical financial information in the Prospectus consists of the Group's consolidated financial information for the financial years ending 31 December 2023 and 2022 and the interim period 1 January – 30 June 2024. The Group's consolidated financial information for the financial year 2023 and 2022 has been prepared in accordance with International Financial Reporting Standards of the International Accounting Standards Board (IASB) and in consideration of the Interpretation of the IFRS Interpretations Committee (IFRIC) as adopted by the EU ("IFRS"). The historical financial information has been derived from the Group's consolidated financial statements for the financial years 2023 and 2022 which have been audited by the Company's auditor.

Furthermore, the historical financial information regarding the interim period 1 January – 30 June 2024 has been derived from the Group's interim report for the same period which has been prepared in accordance with IAS34 Interim Financial Reporting. The interim report has not been audited by the Company's auditor.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company's auditors.

The Group's consolidated financial statements for the financial years ended 31 December 2023 and 2022, and the interim report for the period 1 January – 30 June 2024, are available at the Company's web page, <https://investors.verve.com/investor-relations/financial-reports-and-presentations/>.

### **Recent material events relevant to the Group's, or any of the Initial Guarantors, solvency**

On 18 June 2024, Verve entered into an agreement to acquire all of the shares in Jun Group for a total consideration of EUR 170 million on a cash and debt free basis. The consideration is divided into three fixed components comprising three installments. EUR 120 million closing consideration will be paid from cash at hand while the Company intends to issue equity (see below) to maintain the Company's desired capital structure with a mid-term combined Net Leverage ratio<sup>5</sup> of 1.5-2.5x. The deferred consideration is payable in two annual instalments of EUR 25 million and will be paid out of running cashflow 12 and 18 month after closing of the transaction. The transaction will improve Verve balance sheet, increase flexibility and reduce leverage<sup>6</sup>. The acquisition was completed on 31 July 2023.

On 18 June 2024, the Company announced its completion of a directed issue of 27,108,434 new shares, raising proceeds of approximately SEK 450 million. The Company intends to use the net proceeds from the Directed Share Issue in order to maintain the Company's desired capital structure following the financing of the acquisition of Jun Group announced on 18 June 2024, and to further strengthen the Company's financial position in line with the Company's updated financial targets.

Other than the above stated, there have been no recent events particular to the Group or any of the Initial Guarantors, which are to a material extent relevant to the evaluation of the Company's solvency.

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<sup>5</sup> Net leverage ratio, or net debt to EBITDA (Earnings Before Interest Tax Depreciation and Amortization) measures the ratio of the business' debt to earnings.

<sup>6</sup> Leverage in this context refers to the use of debt, or borrowed funds, for the use of investments.

**Material adverse changes in the prospects of the Group or any of the Initial Guarantors**

As of the date of the Prospectus, there has been no material adverse changes in the prospects of the Group or any of the Initial Guarantors since the date of the publication of the last audited consolidated financial statement for the financial period ending 31 December 2023.

**Significant changes to the Group's, or any of the Initial Guarantors, financial performance**

There has been no significant changes in the financial performance of the Group or any of the Initial Guarantors since the end of the last financial period ended 31 December 2023 for which financial information has been published.

**Significant changes in the financial position of the Group or any of the Initial Guarantors**

There has been no significant change in the financial position of the Group or any of the Initial Guarantors since the end of the last interim financial period ended 30 June 2024 for which financial information has been published.

## BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS OF THE COMPANY AND THE INITIAL GUARANTORS

Verve Group SE is a Societas Europaea (SE) company incorporated in Sweden. Verve's activities are governed by EU law, Swedish law, primarily by the Swedish Companies Act (2005:551) and Verve's Memorandum and Articles of Association (the “**Articles of Association**”). Following the listing of the Company's shares on Nasdaq First North Premier Growth Market, the Company also applies Nasdaq First North Growth Market's Rule Book for Issuers of Shares and the Swedish Corporate Governance Code.

### Board of Directors of the Group

In accordance with the Articles of Association of the Company. The board of directors shall, in addition to any directors who may lawfully be appointed by another body than the general meeting, comprise 4–7 directors. As of the date of the Prospectus, Verve’s Board of Directors consists of seven (7) members, which were elected at the annual general meeting held on 13 June 2024, all of whom have been elected, and re-elected, for a period until the end of the first annual general meeting after the resolution. A description of the current board members, their position and the year in which they were elected is presented in the table below. The Board of Directors and the senior executive management of the Group, and for any of the Initial Guarantors, may be contacted through the contact information of Verve Group SE, please see the section “*Addresses*”.

Board of Directors		
Name	Position	Member since
Tobias M. Weitzel	Chairman (since 2022)	2018
Remco Westermann (Group CEO)	Board member	2018
Elizabeth Para	Board member	2020
Franca Ruhwedel	Board member	2022
Johan Roslund	Board member	2022
Greg Coleman	Board member	2024
Peter Huijboom	Board member	2024

#### Tobias M. Weitzel

*Born:* 1973

*Other significant positions:* Member of the executive board of CREDION AG, CREDION Kapitalverwaltungsgesellschaft, CREDION Komplementärgesellschaft and AfricaConnect GmbH. CEO of BSK GmbH.

#### Remco Westermann

*Born:* 1963

*Other significant positions:* Managing Director of Jarimovas GmbH, Bodhivas GmbH, Bodhisattva GmbH, Sarasvati GmbH, and Garusadana GmbH.

#### Elizabeth Para

*Born:* 1972

*Other significant positions:* None.

**Franca Ruhwedel**

*Born:* 1973

*Other significant positions:* Member of the Supervisory Board/Chairperson of the Audit Committee and the Related Party Committee at thyssenkrupp nucera, Member of the Supervisory Board/ Chairperson of the Audit Committee of VTG AG, Member of the Supervisory Board/ Member of the Audit Committee of National-Bank AG.

**Johan Roslund**

*Born:* 1958

*Other significant positions:* Chairman of the Board of Nordic Asia Investment Group.

**Greg Coleman**

*Born:* 1954

*Other significant positions:* EIR at Lerer Hippeau Ventures CS LLC, Adjunct Professor, Digital Marketing at NYU Stern School of Business, Board Member at BuzzFeed, Cadent, Static Media, Guideline and Botify.

**Peter Huijboom**

*Born:* 1963

*Other significant positions:* None.

**Senior executive management****Remco Westermann (Group CEO)**

See above under section "*Board of Directors of the Group*".

**Paul Echt (Group CFO)**

*Born:* 1990

*Other significant positions:* None.

**Jens Knauber (Group COO)**

*Born:* 1980

*Other significant positions:* None.

**Alex Stil (Group CCO)**

*Born:* 1970

*Other significant positions:* None.

**Sameer Sondhi (Group CRO)**

*Born:* 1974

*Other significant positions:* None.

**Board of Directors of the Initial Guarantors**

gamigo AG

**Jens Knauber - Chairman of the Executive Board**

See above under section "*Senior executive manager*".

gamigo Publishing GmbH

**Jens Knauber - *Managing director***

See above under section "*Senior executive manager*".

gamigo, Inc.

**Remco Westermann – Sole Member of the Board of Directors, *Chief Operating Officer***

See above under section "*Board of Directors of the Group*".

**Jens Knauber – *Chief Executive Officer, Treasurer, President***

See above under section "*Senior executive management*".

gamigo US, Inc.

**Remco Westermann - Member of the Board of Directors, *President***

See above under section "*Board of Directors of the Group*".

**Jens Knauber – Member of the Board of Directors, *Chief Executive Officer, Chief Financial Officer and Secretary***

See above under section "*Senior executive management*".

gamigo Spain Holding S.L.

**Jens Knauber (Director)**

See above under section "*Senior executive management*".

Kings Holding, Inc.

**Remco Westermann - Member of the Board of Directors, *President***

See above under section "*Board of Directors of the Group*".

**Jens Knauber – Member of the Board of Directors, *Chief Executive Officer, Chief Financial Officer and Secretary***

See above under section "*Senior executive management*".

KingsIsle Entertainment Inc.

**Remco Westermann – Member of the Board of Directors, *President***

See above under section "*Board of Directors of the Group*".

**Jens Knauber – Member of the Board of Directors, *Chief Executive Officer, Chief Financial Officer and Secretary***

See above under section "*Senior executive management*".

Verve Group Europe GmbH

**Remco Westermann – *Managing Director***

See above under section "*Senior executive management*".

**Sameer Sondhi - *Managing director***

Born 1974

*Other significant positions: None.*

Verve Group, Inc.

**Remco Westermann - Sole Member of the Board of Directors, President**

See above under section "*Board of Directors of the Group*".

**Sameer Sondhi – Vice President, Chief Executive Officer, Chief Financial Officer and Secretary**

See above under section "*Senior executive management*".

### **Auditor of the Group**

Deloitte Sweden AB, Rehnsgatan 11, SE-113 57 Stockholm, Sweden is, since 1 January 2023, the Company's statutory auditor with Christian Lundin as the main responsible auditor in charge. Christian Lundin is an authorized public accountant and a member of FAR (the professional institute for authorized public accountants).

RSM Malta, with Roberta West Falzon as the responsible auditor, an authorised auditor and a member of Association of Certified Chartered Accountants (ACCA) and of the Malta Institute of Accountants, was the auditor in charge for the Group's financial year 2022.

### **Other information about the Board of Directors and management of the Group and the Initial Guarantors**

There are no conflicts of interest or potential conflicts of interest between the undertakings of the board members and management in relation to Verve or the Initial Guarantors and their private interests and/or other undertakings (however, a number of board members and management have certain financial interests in Verve due to their direct or indirect shareholdings, warrants or phantom stock in the Company).

## LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

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### General

Verve Group SE (previously named MGI – Media and Games Invest SE) is a Societas Europaea (SE) registered with the Swedish Companies Registration Office in Sweden on 2 January 2023 with company registration number 517100-0143. The Company was established and initially registered with the Malta Business Registry (MBR), Malta on 21 March 2011 before its re-domiciliation from Malta to Sweden. Verve operates primarily under Swedish law. The Company's registered office is located at Stureplan 6, 114 35 Stockholm, Sweden. The Company's LEI is 391200UIIWMXRLGARB95. The Company's website is <https://verve.com/> (the information provided at the Company's website does not form a part of the Prospectus unless explicitly incorporate by reference into the Prospectus).

The Company is the parent holding company of Media and Games Services AG (Switzerland), gamigo Holding GmbH (Germany), Platform 161 BV (Netherlands), Samarion GmbH (Germany), Verve Holding GmbH (Germany), Vajrapani Limited (Malta) and ME Digital GmbH (Germany). The Company's shares are listed on Nasdaq First North Premier Growth Market in Stockholm and in the scale segment of Frankfurt Stock Exchange.

### Group structure

Verve is the parent company of the Group consisting of, as of the date of the Prospectus, approximately 50 directly and indirectly, wholly and partially, owned companies. The subsidiaries are registered and located globally such as Germany, Sweden, United States, China and India with the majority being located in Germany and US. All of the Initial Guarantors are, directly or indirectly, owned by minimum 99.9 percent by the Issuer. The Company is dependent on these group companies for the generation of profits and cash flow to service its payment obligation under the Bonds. A significant part of the Group's assets and revenues relate to the Company's subsidiaries.

### Ownership structure and shareholders' agreements

As of 30 June 2024, Remco Westermann (CEO and board member), through the legal entity Bodhivas GmbH, holds 25,78 percent of the shares in the Company which is the largest shareholding in the Company. Sarasvati GmbH is the sole shareholder of Bodhivas GmbH and Remco Westermann holds 90 percent of the shares in Sarasvati GmbH, the remaining ten percent of the shares are held by Jaap Westermann, Remco Westermann's brother. Furthermore, to the best of the Company's knowledge as of 30 June 2024, Oaktree Capital Management holds approximately 15.93 percent. Further, a group of shareholders, acting in concert, holds 7.57 percent consisting of Trend Finanzanalysen GmbH, Smile Autovermietung GmbH, T.E.L.L. Verwaltungs GmbH and the representative Anthony Gordon, as well as other private shareholders.

The shareholder's influence is exercised through active participation in the decisions made at the general meetings of the Company. To ensure that the control over the Company is not abused, the Company complies with the relevant laws in Sweden including, among others, the Swedish Companies Act (2005:551) (Sw. *Aktiebolagslagen*). Corporate governance in the Company is based on Swedish law, the Company's Articles of Association, the rules and regulations of the Frankfurt Stock Exchange (Scale segment) and Nasdaq First North Premier Growth Market's Rule Book and Nasdaq Stockholm Rule Book for Issuers of Fixed Income Instruments as well as internal rules and instructions.

Other than the above stated, and to the best of the Board of Directors' knowledge, as of the date of this Prospectus, there are no other shareholders' agreement or similar agreements that could result in a change in the control of the Company. As far as the Company is aware, and other than the above stated, no other shareholder holds more than five percent of the shares and votes in the Company.

## **Material agreements of the Group and the Initial Guarantors**

### ***Financial loans***

As of 1 July 2021, gamigo AG has a revolving facility agreement with UniCredit Bank AG regarding a revolving facility in a maximum aggregate principal amount of EUR 30,000,000. The revolving facility agreement is governed by the laws of Germany.

gamigo AG has a revolving facility agreement with Commerzbank AG regarding a revolving facility in a maximum aggregate principal amount of EUR 2,000,000. The revolving facility agreement was entered into 9 April 2019. The revolving facility agreement is governed by the laws of Germany.

In December 2022, Verve Group SE and its subsidiary Verve AR Services LLC, entered into agreements relating to an up to EUR 75 million receivables securitization program with Nord LB. The program enables to dispose receivables on a true sale non-recourse basis originated by certain subsidiaries of Verve in the USA and Germany. The agreements are either governed by the laws of the State of New York, USA or Germany.

In December 2023, Verve Group Europe GmbH entered into a revolving facility agreement with UniCredit Bank AG regarding a revolving facility in a maximum aggregate principal amount of EUR 20 million.

Other than the above stated, neither Verve nor the companies within the Group have entered into any material agreements outside of the ordinary course of business which could materially affect Verve's ability to fulfil its obligation under the terms and conditions of the Bonds.

### **Disputes and litigation**

The Group, or any of the Initial Guarantors, has not been involved in any governmental, legal or arbitration proceedings in the last 12 months including any such proceedings which are pending or threatened of which the Company is aware, which may have, or have had in the recent past significant effects on the Group's financial position or profitability.

### **Available documentation**

Up to date memorandum and the articles of association of both the Issuer and each of the Initial Guarantors (as applicable) as well as the guarantee and adherence agreement in relation to the Initial Guarantors, can be obtained from the Company's web page <https://investors.verve.com/>.



## DOCUMENTS INCORPORATED BY REFERENCE

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The documents referred to and the page references provided below have been incorporated in the Prospectus by reference. The documents have been made public prior to the publication of the Prospectus and are available on the Company's web page, <https://investors.verve.com/investor-relations/financial-reports-and-presentations/>, during the validity period of the Prospectus.

### **Verve's consolidated interim report for the period 1 January – 30 June 2024**

- Condensed consolidated income statement Page 8
- Condensed consolidated statement of comprehensive income Page 9
- Condensed consolidated statement of financial position Page 10
- Condensed consolidated statement of changes in equity Page 11
- Condensed consolidated statement of cash flows Page 12
- Selected explanatory notes Page 14-16

Link: [https://investors.verve.com/media/uguajfam/verve-group\\_q2-report\\_2024.pdf](https://investors.verve.com/media/uguajfam/verve-group_q2-report_2024.pdf)

### **Verve's consolidated financial statements for the financial year ended 31 December 2023**

- Consolidated statement of financial position Page 125-126
- Consolidated income statement Page 127
- Consolidated statement of comprehensive income Page 128
- Consolidated statement of changes in equity Page 129
- Consolidated statement of cash flows Page 130
- Notes Page 131-192
- Auditor's report Page 207-212

Link: <https://investors.verve.com/media/bhvnoswm/annual-and-sustainability-report-2023-english.pdf>

### **Verve's consolidated financial statements for the financial year ended 31 December 2022**

- Consolidated statement of financial position Page 92-93
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Link: <https://investors.verve.com/media/effjkgme/mgi-media-and-games-invest-se-annual-report-2022.pdf>

*Investors should read the information which is incorporated by reference as part of the Prospectus. It should be noted that the non-incorporated parts of the interim-report for the period 1 January – 30 June 2024 and the annual reports for the financial years 2023 and 2022, are either deemed not relevant for investors or covered elsewhere in the Prospectus.*

## **TERMS AND CONDITIONS**



**Verve Group SE (previously MGI - Media and Games Invest SE)**

**Maximum EUR 300,000,000**

**Senior Secured Callable Floating Rate Bonds  
2022/2026**

ISIN: SE0018042277

First Issue Date: 21 June 2022

Subsequent Issue Date: 15 July 2024

*The Issuer, Verve Group SE, was previously named MGI – Media and Games Invest SE. Any references to the Issuer or MGI – Media and Games Invest SE, should refer to Verve Group SE.*

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# TERMS AND CONDITIONS

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## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

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

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

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

“**Advance Purchase Agreement**” means:

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are normal for the relevant type of project contracts; or
- (b) any other trade credit incurred in the ordinary course of business.

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

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

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

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

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

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

“**Call Option Amount**” means:

- (a) if the call option is exercised on or after the First Issue Date to, but not including, the First Call Date, an amount equivalent to the sum of:
  - (i) 103.125 per cent. of the Nominal Amount; and
  - (ii) the remaining interest payments up to, and including, the First Call Date;
- (b) 103.125 per cent. of the Nominal Amount, together with accrued but unpaid interest, if the call option is exercised on or after the First Call Date to, but not including, the date falling thirty (30) months after the First Issue Date;
- (c) 102.344 per cent. of the Nominal Amount, together with accrued but unpaid interest, if the call option is exercised on or after the date falling thirty (30) months after the First Issue Date to, but not including, the date falling thirty-six (36) months after the First Issue Date;
- (d) 101.563 per cent. of the Nominal Amount, together with accrued but unpaid interest, if the call option is exercised on or after the date falling thirty-six (36) months after the First Issue Date to, but not including, the date falling forty-two (42) months after the First Issue Date; or
- (e) 100.781 per cent. of the Nominal Amount, together with accrued but unpaid interest, if the call option is exercised on or after the date falling forty-two (42) months after the First Issue Date to, but not including, the Final Redemption Date.

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group calculated according to the latest Financial Statements and in accordance with the Accounting Principles.

“**Change of Control**” means the occurrence of an event or series of events whereby one or more Persons, not being the Main Shareholder, acting in concert, acquire control over the Issuer and where “**control**” means:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the voting rights 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.

“**Clean Down Period**” has the meaning set forth in Clause 16.6 (*Clean Down Period*).

“**Compliance Certificate**” means a certificate substantially in the form set out in **Error! Reference source not found.** (*Form of Compliance Certificate*), unless otherwise agreed between the Trustee and the Issuer.

“**Credit Facilities**” means any bank or credit facilities in an aggregate amount of up to twelve point five (12.5) per cent. of the aggregate outstanding nominal amount of the Bonds and any Parity Debt (including, for the avoidance of doubt, the Existing Bonds).

“**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, SE-101 23 Stockholm, Sweden).

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

“**Cure Amount**” has the meaning set forth in Clause 15.4 (*Equity Cure*).

“**De-listing**” means:

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

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

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

- (a) *before deducting* any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) *before deducting* any Net Finance Charges;
- (c) *before taking into account* any costs, charges and provisions relating to the vesting of accrued non-cash payments to the Group’s employees under or in respect of the Incentive Programme;
- (d) *before taking into account* any extraordinary items and any non-recurring items which are not in line with the ordinary course of business of the Group (“**Exceptional Items**”), in an aggregate amount not exceeding ten (10.00) per cent. of EBITDA of the relevant Reference Period (prior to any adjustments for Exceptional Items);
- (e) *before taking into account* any Transaction Costs;
- (f) *not including* any accrued interest owing to any member of the Group;
- (g) *before taking into account* any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (h) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;

- (i) *after deducting* the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (j) *plus or minus* the Group's share of the profits or losses of entities which are not part of the Group; and
- (k) *after adding* back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

“**Equity Cure**” has the meaning set forth in Clause 15.4 (*Equity Cure*).

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

- (a) held by NT Services AS with a reputable bank in Norway;
- (b) from which no withdrawals may be made by any member of the Group except as contemplated by the Finance Documents; and
- (c) to which only Net Proceeds of the Initial Bond Issue may be transferred by the Issuer.

“**Escrow Account Agreement**” means the escrow agreement entered into between the Issuer, NT Services AS and the Trustee prior the First Issue Date in respect of the Escrow Account and all funds standing to the credit of the Escrow Account.

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

“**EUR**” means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

“**EURIBOR**” means:

- (a) the applicable percentage rate per annum displayed on Thomson Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or
- (b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between:
  - (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period; and
  - (ii) the applicable screen rate for the shortest period (for which that screen rate is available) which exceeds that Interest Period,

in each case as of or around 11.00 a.m. (Brussels time) on the Quotation Day; or

- (c) if no rate is available for the relevant Interest Period pursuant to paragraphs (a) or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of EUR 10,000,000 for the relevant period; or

- (d) if no rate is available for the relevant Interest Period pursuant to paragraphs (a) or (b) above and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Euro offered in the relevant interbank market for the relevant period.

“**Existing Bonds**” means the up to EUR 350,000,000 secured bonds 2020/2024 issued by the Issuer with ISIN SE0015194527.

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

“**Final Redemption Date**” means 21 June 2026.

“**Finance Charges**” means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Statements (calculated on a consolidated basis) other than Transaction Costs, interest on any loan owing to any Group Company or any Shareholder Loan and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

“**Finance Documents**” means the Terms and Conditions, the Intercreditor Agreement, the Transaction Security Documents, the Guarantee and Adherence Agreement, the Parallel Debt Agreement and any other document designated to be a Finance Document by the Issuer and the Trustee.

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability;
- (c) receivables sold or discounted (other than receivables sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Principles (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);



- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in paragraphs (a) to (f) above.

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

“**First Call Date**” means the date falling twenty-four (24) months after the First Issue Date.

“**First Issue Date**” means 21 June 2022.

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

“**gamigo AG**” means gamigo AG (reg. no. HRB 105628).

“**German Obligor**” means each Initial Guarantor incorporated under the laws of Germany.

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

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

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

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

“**Guarantor**” means:

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

“**Guarantor Cover Threshold**” means that the aggregate earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of the Guarantors in aggregate represent at least eighty (80.00) per cent. of the consolidated EBITDA of the Group.

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

“**Incentive Programme**” means the employee phantom stock incentive programme of the Issuer.

“**Incurrence Test**” has the meaning set forth in Clause 15.2 (*Incurrence Test*).

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

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

“**Initial Guarantors**” means Aeria Games GmbH (reg. no. HRB 145568 (AG Hamburg)), gamigo AG (a company incorporated under the laws of Germany), gamigo Inc. (a company incorporated under the laws of Delaware, U.S.), gamigo Publishing GmbH (reg. no. HRB 150346 (AG Hamburg)), Gamigo US Inc. (a company incorporated under the laws of Delaware, U.S.), Kings Holding, Inc (a company incorporated under the laws of Delaware, U.S.), Kingsisle Entertainment Inc. (a company incorporated under the laws of Texas, U.S.), and Verve Group Europe GmbH (reg. no. HRB 160880 B (AG Charlottenburg)) and Verve Group Inc. (a company incorporated under the laws of Delaware, U.S.).

“**Intellectual Property**” means:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of each Group Company (which may now or in the future subsist).

“**Intercreditor Agreement**” means the intercreditor agreement dated 7 December 2020 entered into between, amongst others, the Issuer, Nordic Trustee & Agency AB (publ) and certain of the Initial Guarantors in connection with the issue of the Existing Bonds.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 11.1 to 11.3.

“**Interest Payment Date**” means 21 March, 21 June, 21 September and 21 December each year (with the first Interest Payment Date on 21 September 2022 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)) or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

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

“**Interest Rate**” means a floating rate of EURIBOR (3 months) plus 6.25 per cent. *per annum*, provided that if EURIBOR is less than zero, it shall be deemed to be zero.

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

“**Issuer**” means Media and Games Invest SE, Maltese reg. no. SE 15, a Societas Europaea.

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

“**Listing Failure**” means the occurrence of an event whereby:

- (a) the Initial Bonds have not been admitted to trading on a Regulated Market within sixty (60) days from the First Issue Date; or

- (b) any Subsequent Bonds have not been admitted to trading on the same Regulated Market as the Initial Bonds within sixty (60) days from the relevant Issue Date,

in each case with an intention to complete such admission to trading within thirty (30) days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations).

“**Main Shareholder**” means Remco Westermann and/or any of his directly or indirectly controlled Affiliates.

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

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

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

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

“**Material Group Company**” means:

- (a) the Issuer;
- (b) the Guarantors; and
- (c) any other Group Company with:
  - (i) earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) representing ten (10.00) per cent. or more of the EBITDA of the Group; or
  - (ii) assets representing ten (10.00) per cent. or more of Total Assets of the Group,in each case calculated on a consolidated basis according to the latest Financial Statements.

“**Material Intercompany Loan**” means any intercompany loans between Group Companies in an amount exceeding EUR 2,000,000.

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

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

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

- (a) *after deducting* any interest payable for that Reference Period to any Group Company;
- (b) *after deducting* any interest income of the Group relating to Cash and Cash Equivalents; and
- (c) *excluding* any interest capitalised on Shareholder Loans and, for the avoidance of doubt, any Hybrid Instruments.

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

- (a) *excluding* guarantees, counter indemnities in respect of bank guarantees, Shareholder Loans, Bonds held by the Issuer or a Group Company and interest bearing debt borrowed from any Group Company; and
- (b) *less* Cash and Cash Equivalents.

**“Net Proceeds”** means the cash proceeds from the Initial Bond Issue (taking into account any Roll-over Bonds and any exchange offer cash component in relation thereto) or any Subsequent Bond Issue after deduction has been made for any fees payable to the Issuing Agent or the sole bookrunner or another issuing agent, arranger or bookrunner in connection with the relevant Subsequent Bond Issue.

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

**“NT Services AS”** means NT Services AS, reg. no. 916 482 574, Kronprinsesse Märthas plass 1, N-0160, Oslo, Norway.

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

**“Parallel Debt Agreement”** means the agreement pursuant to which claims of the Trustee are created for the purpose of certain Germany law governed Transaction Security Documents.

**“Parity Debt”** means the Existing Bonds and any Financial Indebtedness incurred in accordance with paragraph (l) of the definition of Permitted Debt, provided that the relevant Parity Debt Creditor (or Parity Debt Agent, if applicable) has entered into or acceded to the Intercreditor Agreement.

**“Parity Debt Agent”** means the Parity Debt Creditors’ agent under the finance documents of any Parity Debt.

**“Parity Debt Creditor”** means any creditor in respect of Parity Debt.

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

- (a) incurred under the Bonds (except for any Subsequent Bonds);
- (b) arising under a foreign exchange transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;

- (c) arising under any interest rate hedging transactions in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- (d) incurred under Advance Purchase Agreements;
- (e) arising under the Incentive Programme in an aggregate amount not exceeding EUR 10,000,000;
- (f) incurred under the Existing Bonds (excluding any Roll-over Bonds);
- (g) incurred under any Roll-over Bonds not held by the Group, provided that the Incurrence Test is met on a *pro forma* basis (prior to the Group's disposal of Roll-over Bonds to any third party);
- (h) arising under any contractual non-interest bearing earn-out payments relating to acquisitions made by the Group;
- (i) arising under loans with zero (0) interest to shareholders of the Issuer incurred for the purpose of funding an acquisition made by the Group with shares in the Issuer owned by such shareholders (a "**Share Loan**"), provided that each such Share Loan is (i) subordinated to the Bonds under the Intercreditor Agreement in the case of insolvency of the Issuer and (ii) converted into equity within twelve (12) months of its incurrence;
- (j) arising under any vendor financing in relation to acquisitions made by the Group up to an amount of thirty (30.00) per cent. of the purchase price for each acquisition, provided that such vendor financing is committed to be and is repaid no later than eighteen (18) months after the relevant acquisition;
- (k) incurred by the Issuer if such Financial Indebtedness is incurred as a result of a Subsequent Bond Issue and meets the Incurrence Test on a *pro forma* basis;
- (l) incurred by the Issuer if such Financial Indebtedness:
  - (i) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents;
  - (ii) meets the Incurrence Test on a *pro forma* basis; and
  - (iii) has a final maturity date or a final redemption date and, when applicable, early redemption dates or instalment dates, which occur after the Final Redemption Date (however with respect to Parity Debt, such redemption dates may also occur on the Final Redemption Date);
- (m) incurred under any Shareholder Loan;
- (n) taken up from, or guarantees made for the benefit of, a Group Company;
- (o) incurred as a result of any Group Company acquiring another entity after the First Issue Date which entity already had incurred Financial Indebtedness but not incurred or increased or having its maturity date extended in contemplation of, or since that acquisition, provided that (i) the Incurrence Test is met on a *pro forma* basis if tested immediately after the making of that acquisition, and (ii) such Financial Indebtedness

is: (A) repaid in full within three (3) months of completion of such acquisition, or (B) refinanced in full within three (3) months of completion of such acquisition with the Issuer as the new borrower;

- (p) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, inter alia, the redemption of the Bonds;
- (q) of the Group under any pension or tax liabilities of the Group incurred in the ordinary course of business;
- (r) incurred for any rental obligations in respect of any real property leased by a Group Company in the ordinary course of business;
- (s) subject to Clause 16.6 (*Clean Down Period*), under any Credit Facilities; and
- (t) any other Financial Indebtedness incurred by Group Companies not in aggregate exceeding EUR 2,000,000 at any time.

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

- (a) provided under the Finance Documents;
- (b) provided under the Existing Bonds in accordance with the Intercreditor Agreement;
- (c) provided that the Intercreditor Agreement has been entered into by the relevant Parity Debt Creditor (or Parity Debt Agent, if applicable), arising under or in respect of any Parity Debt;
- (d) arising by operation of law or in the ordinary course of business (including terms and conditions of account banks, collateral or retention of title arrangements, in particular in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (e) provided in connection with factoring of receivables on a non-recourse basis;
- (f) provided in relation to any lease agreement entered into by a Group Company;
- (g) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (h) arising under any escrow agreement or in connection with acquisitions and disposals;
- (i) created for purposes of securing obligations to the CSD; and
- (j) provided pursuant to paragraph (a), (b), (c), (g), (k), (o), (p), (s) or (t) of the definition of Permitted Debt.

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

**“Quotation Day”** means:

- (a) in relation to an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, two (2) Business Days before the First Issue Date); or
- (b) in relation to any other period for which an Interest Rate is to be determined, two (2) Business Days before the first day of that period.

**“Record Date”** means the fifth (5<sup>th</sup>) Business Day prior to (i) an Interest Payment Date, (ii) Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 17.12 (*Distribution of proceeds*), (iv) the date of a Bondholders’ Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

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

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

**“Roll-over Bonds”** means any Existing Bonds applied in payment in kind of the Initial Bonds.

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

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

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

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

**“Shareholder Loans”** means any loan made to the Issuer by a shareholder of the Issuer, if such loan:

- (a) is subordinated to the obligations of the Issuer under the Terms and Conditions pursuant to its terms;
- (b) according to its terms have a final redemption date or, when applicable, early redemption dated or instalment dates which occur after the Final Redemption Date, and
- (c) according to its terms yield only payment in kind interest (other than any cash interest permitted to be paid pursuant to Clause 16.1 (*Distributions*)).

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

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

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

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

**“Total Assets”** means total assets of the Group calculated on a consolidated basis, in each case according to the latest consolidated Financial Statements of the Group and in accordance with the Accounting Principles.

**“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 Initial Bond Issue or any Subsequent Bond Issue, (ii) the listing of the Initial Bonds or any Subsequent Bonds and (iii) acquisitions and divestments of companies by the Group.

**“Transaction Security”** means:

- (a) Security in respect of all shares in gamigo AG which are directly or indirectly fully controlled by the Issuer, but in any event at least ninety (90.00) per cent. of the shares in gamigo AG;
- (b) Security in respect of all shares in each Initial Guarantor (save for gamigo AG);
- (c) Security in respect of all present and future Material Intercompany Loans made by the Initial Guarantors; and
- (d) any additional Security provided pursuant to Clause 16.13 (*Additional Security and Guarantees*).

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

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

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

**“U.S. Obligor”** means each Initial Guarantor incorporated in the state of Delaware.

**“Written Procedure”** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18.3 (*Written Procedure*).



## 1.2 **Construction**

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (d) a provision of regulation is a reference to that provision as amended or re-enacted; and
- (e) a time of day is a reference to Stockholm time.

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

1.2.3 When ascertaining whether a limit or threshold specified in EUR has been attained or broken, any amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the European Central Bank on its website ([www.ecb.europa.eu](http://www.ecb.europa.eu)). If no such rate is available, the most recently published rate shall be used instead.

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

1.2.5 No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

1.2.6 To the extent any Hybrid Instrument, wholly or partly, is treated as equity in the balance sheet of the Issuer in accordance with the Accounting Principles in force on the relevant issue date for such Hybrid Instruments, the whole or such part of the Hybrid Instrument as applicable shall, to the same extent, be deemed to be equity for all purposes under these Terms and Conditions (and, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness, a Market Loan or any other form of indebtedness under these Terms and Conditions). To the extent any Hybrid Instrument, wholly or partly, is treated as debt in the balance sheet of the Issuer in accordance with the Accounting Principles in force on the relevant issue date for such Hybrid Instruments, the whole or such part of the Hybrid instrument as applicable shall, to the same extent, be deemed to be subordinated debt to be treated in the same way as a Shareholder Loan for all purposes under these Terms and Conditions.

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

## 1.3 **Conflict of terms**

In case of any conflict of terms between the Intercreditor Agreement and any other Finance Document, the Intercreditor Agreement shall take precedent.

## 2. STATUS OF THE BONDS

Subject to the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them, except for obligations mandatorily preferred by law applying to companies generally.

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

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

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

3.3 The total aggregate nominal amount of the Initial Bonds is EUR 175,000,000 (“**Initial Bond Issue**”), which will be represented by Bonds, each of a nominal amount of EUR 100,000 (the “**Nominal Amount**”).

3.4 All Initial Bonds are issued on a fully paid basis at an issue price of ninety-eight (98.00) per cent. of the Nominal Amount. The price of Subsequent Bonds may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount.

3.5 The minimum permissible investment in connection with the Initial Bond Issue is EUR 100,000.

3.6 The ISIN for the Bonds is SE0018042277.

3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals EUR 300,000,000, provided that (i) the Issuer meets the Incurrence Test (tested on a *pro forma* basis with the new debt being incurred) and (ii) no Event of Default is continuing or would result from the Subsequent Bond Issue. Any Subsequent Bond shall, for the avoidance of doubt, benefit from and be subject to the Finance Documents and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The price of the Subsequent Bonds may be set at par, a discount or a premium compared to the Nominal Amount.

## 4. USE OF PROCEEDS

The Net Proceeds from the Initial Bond Issue and any Subsequent Bond Issue shall be applied towards general corporate purposes (including investments, capital expenditures and acquisitions) of the Group.

## 5. ESCROW OF PROCEEDS

- 5.1 The Net Proceeds of the Initial Bond Issue shall be deposited on the Escrow Account.
- 5.2 If the conditions precedent set out in Part 3 (*Conditions Precedent for Release of Escrow Account*) of **Error! Reference source not found.** (*Conditions Precedent*) have not been fulfilled within ninety (90) Business Days from the First Issue Date, and the Trustee has not amended or waived such conditions in accordance with Clause 19 (*Amendments and waivers*), the Issuer shall redeem all, but not some only, of the outstanding Bonds in full at a price equal to one hundred (100.00) per cent. of the Nominal Amount, together with any accrued but unpaid interest (the “**Mandatory Redemption**”). The Mandatory Redemption shall fall no later than thirty (30) Business Days after the ending of the period referred to above. Any shortfall shall be covered by the Issuer.
- 5.3 A Mandatory Redemption shall be made by the Issuer giving notice to the Bondholders and the Trustee promptly following the date when the Mandatory Redemption is triggered pursuant to Clause 5.2 above. Any such notice shall state the Redemption Date and the relevant Record Date.

## 6. CONDITIONS PRECEDENT

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

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

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

- 6.2.1 The settlement of any Subsequent Bond Issue is subject to the Trustee being satisfied it has received all of the documents and other evidence listed in Part 2 (*Conditions Precedent for Settlement – Subsequent Bond Issue*) of **Error! Reference source not found.** (*Conditions Precedent and Conditions Subsequent*).
- 6.2.2 The Trustee shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 6.2.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Trustee makes

such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Day prior to the relevant Issue Date (or later, if the Issuing Agent so agrees) or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.

- 6.2.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 6.2.2, the Issuing Agent shall settle the issuance of the Subsequent Bonds and pay the Net Proceeds of such Subsequent Bond Issue to the Issuer on the relevant Issue Date.

### 6.3 **Conditions Precedent for Release of Escrow Account**

- 6.3.1 Provided that the conditions precedent for disbursement of the Net Proceeds set forth in Part 3 (*Conditions Precedent for Release of Escrow Account*) of Schedule 1 (*Conditions Precedent*) have been fulfilled to the satisfaction of the Trustee, the Trustee shall procure the release of the Net Proceeds from the Escrow Account by notice to NT Services AS and the relevant account bank and the funds standing to the credit of the Escrow Account shall be disbursed to the Issuer and thereafter be available to be applied in accordance with Clause 4 (*Use of Proceeds*).

- 6.3.2 The Trustee shall promptly confirm to the Issuer when it is satisfied that the conditions in Clause 6.3.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)).

### 6.4 **No responsibility for documentation**

The Trustee may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Trustee does not have to verify or assess the contents of any such documentation or evidence. Neither the conditions precedent nor the conditions subsequent are reviewed by the Trustee from a legal or commercial perspective of the Bondholders.

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

- 7.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.

- 7.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.

- 7.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents relating to such Bonds are automatically transferred to the transferee.

- 7.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

7.5 For the avoidance of doubt and notwithstanding the above, a Bondholder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Bondholder hereunder in each case until such allegations have been resolved.

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

8.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.

8.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

8.3 The Issuer (and the Trustee when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the Debt Register. At the request of the Trustee, the Issuer shall promptly obtain such information and provide it to the Trustee.

8.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register. If the Trustee does not otherwise obtain information from such Debt Register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Trustee obtain information from the Debt Register and provide it to the Trustee.

8.5 At the request of the Trustee, the Issuer shall promptly obtain information from the Debt Register and provide it to the Trustee.

8.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Trustee, as notified by the Trustee, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Trustee or unless consent thereto is given by the Bondholders.

8.7 The Issuer (and the Trustee when permitted under the CSD's applicable regulations) may use the information referred to in Clause 8.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Trustee Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

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

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

- 9.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 9.3 The Trustee shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 9.1 and 9.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Trustee has actual knowledge to the contrary.
- 9.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (*Sw. förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

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

- 10.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 10.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 10.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 11.4 during such postponement.
- 10.4 If payment or repayment is made in accordance with this Clause 10, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

## **11. INTEREST**

- 11.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 11.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 11.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 11.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Trustee or the CSD, in which case the Interest Rate shall apply instead.

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

### **12.1 Redemption at maturity**

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

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

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

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

- 12.3.1 The Issuer may redeem early all, but not only some, of the Bonds in full on any Business Day up to (but excluding) the Final Redemption Date, at the applicable Call Option Amount together with accrued but unpaid Interest.
- 12.3.2 For the purpose of calculating the remaining interest payments pursuant to paragraph (a) of the definition of Call Option Amount, it shall be assumed that the Interest Rate for the period from the relevant Record Date to and including the First Call Date will be equal to the Interest Rate

in effect on the date on which notice of redemption is sent to the Bondholders in accordance with Clause 12.3.3. The relevant Record Date shall be agreed upon between the Issuer, the CSD and the Trustee in connection with such redemption.

12.3.3 Redemption in accordance with Clause 12.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Trustee. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

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

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

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

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

12.5.1 Upon the occurrence of a Change of Control, De-listing or Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of sixty (60) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (b) of Clause 14.4 (*Information: miscellaneous*). The sixty (60) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

12.5.2 The notice from the Issuer pursuant to paragraph (b) of Clause 14.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (b) of Clause 14.4 (*Information: miscellaneous*). The repurchase



date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.5.1.

- 12.5.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 12.5, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 12.5 by virtue of the conflict.
- 12.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.4, if a third party in connection with the occurrence of a Change of Control, a De-listing or a Listing Failure, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 12.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 12.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 12.5.5 Any Bonds repurchased by the Issuer pursuant to this Clause 12.5 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.

### **13. TRANSACTION SECURITY AND GUARANTEES**

#### **13.1 Transaction Security and Guarantees**

- 13.1.1 Subject to the Intercreditor Agreement, as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants, and shall procure that each other Group Company (as applicable) grants, the Transaction Security as first ranking Security to the Secured Parties as represented by the Trustee at the times set out in these Terms and Conditions. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Transaction Security Documents.
- 13.1.2 The Trustee shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents and the Intercreditor Agreement.
- 13.1.3 Subject to the Intercreditor Agreement, the Issuer shall ensure that first ranking Security is granted in favour of the Secured Parties in accordance with and at the times stipulated in Clause 16.13 (*Additional Security and Guarantees*) in respect of the Transaction Security.
- 13.1.4 Subject to the terms of the Intercreditor Agreement, unless and until the Trustee has received instructions from the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*), the Trustee shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

13.1.5 Subject to the terms of the Intercreditor Agreement, each Guarantor shall, at the time set out in these Terms and Conditions, irrevocably and unconditionally, in accordance with Swedish law, as principal obligor (Sw. *proprieborgen*), guarantee to the Trustee and the Bondholders the punctual performance of the Secured Obligations in accordance with and subject to the Guarantee and Adherence Agreement.

13.1.6 The Trustee shall hold the Guarantees on behalf of the Secured Parties in accordance with the Guarantee and Adherence Agreement and the Intercreditor Agreement.

### 13.2 **Further assurance**

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

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

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

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

### 13.3 **Enforcement**

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

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

instructing Bondholders in writing commit to holding the Trustee indemnified and, at the Trustee's own discretion, grant sufficient security for the obligation.

- 13.3.3 For the purpose of exercising the rights of the Bondholders and the Trustee under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Trustee to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Bondholders in accordance with Clause 13.3.2 above. To the extent permissible by law, the powers set out in this Clause 13.3.3 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Trustee provide the Trustee with any such documents, including a written power of attorney, which the Trustee deems necessary for the purpose of carrying out its duties under Clause 17.12.2 below (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Trustee's request, provide the Trustee with a written power of attorney empowering the Trustee to change the bank account registered with the CSD to a bank account in the name of the Trustee and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 13.3.2 above to the Bondholders through the CSD.

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

- 13.4.1 Subject to the Intercreditor Agreement, the Trustee shall be entitled to release the Transaction Security and Guarantees in accordance with the terms of the Transaction Security Documents and the Guarantee and Adherence Agreement.
- 13.4.2 The Trustee shall be entitled to release the Net Proceeds from the Escrow Account in accordance with the Escrow Account Agreement in order to fund a Mandatory Redemption.

#### 13.5 **Miscellaneous**

For the purpose of exercising the rights of the Secured Parties, the Trustee may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Trustee provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee and the CSD), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 13.

### **14. INFORMATION UNDERTAKINGS**

#### 14.1 **Financial Statements**

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

- (a) as soon as they are available, but in any event within six (6) months after the expiry of each financial year the annual audited consolidated financial statements of the Group; and

- (b) as soon as they are available, but in any event within two (2) months after the expiry of each quarter of each of its financial years, the quarterly interim unaudited consolidated financial statements or year-end report (as applicable) of the Group for that financial quarter.

## 14.2 Requirements as to Financial Statements

- 14.2.1 The Issuer shall prepare the Financial Statements in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm (or any other Regulated Market, as applicable) (as amended from time to time), the rules and regulations of Nasdaq First North Growth Market (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).
- 14.2.2 Each of the Financial Statements shall include a profit and loss account, a balance sheet, a cash flow statement and a management commentary or report from the Issuer's board of directors.

## 14.3 Compliance Certificate

- 14.3.1 The Issuer shall issue a Compliance Certificate to the Trustee signed by the Issuer:
  - (a) when Financial Statements are made available to the Trustee in accordance with Clause 14.1 (*Financial Statements*);
  - (b) in connection with making of a Restricted Payment or any incurrence or issuance of Financial Indebtedness, in each case which requires that the Incurrence Test is met; and
  - (c) at the Trustee's reasonable request, within fifteen (15) Business Days from such request.
- 14.3.2 In each Compliance Certificate, the Issuer shall:
  - (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it;
  - (b) if provided in connection with the quarterly interim Financial Statements being made available, certify that the Maintenance Test is met as per the Reference Date to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test;
  - (c) if provided in connection with making of a Restricted Payment or any incurrence or issuance of Financial Indebtedness, which requires that the Incurrence Test is met, certify that the Incurrence Test is met as per the relevant Incurrence Test Date, including calculations and figures in respect of the Incurrence Test, calculated *pro forma* including the relevant Financial Indebtedness or Restricted Payment (as applicable); and
  - (d) if provided in connection with annual audited Financial Statements being made available:
    - (i) confirm the clean down of the Credit Facilities pursuant to Clause 16.6 (*Clean Down Period*) (unless already confirmed in another Compliance Certificate for that financial year);
    - (ii) provide a list of all Material Group Companies; and

- (iii) confirm that the requirements pursuant to Clause 16.13 (*Additional Security and Guarantees*) are met.

#### 14.4 **Information: miscellaneous**

The Issuer shall:

- (a) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) available on the website of the Group; and
- (b) promptly notify the Trustee (and, as regards a Change of Control, De-listing or Listing Failure, the Bondholders) when the Issuer is or becomes aware of the occurrence of a Change of Control, De-listing, Listing Failure or an Event of Default (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing), and shall provide the Trustee with such further information as the Trustee may request (acting reasonably) following receipt of such notice.
- (c) procure that all information to the Bondholders, including the Financial Statements, shall be in English.

### 15. **FINANCIAL COVENANTS**

#### 15.1 **Maintenance Test**

15.1.1 The Maintenance Test shall be tested quarterly on each Reference Date from and including 30 June 2022, for as long as any Bond is outstanding, and be calculated in accordance with the applicable Accounting Principles on the basis of the consolidated interim Financial Statements for the period ending on the relevant Reference Date, with respect to the Reference Period ending on such Reference Date, and shall be reported in the Compliance Certificate delivered in connection with such Financial Statements.

15.1.2 The Maintenance Test is met if the ratio of Net Interest Bearing Debt to EBITDA does not exceed 4.50:1.00.

#### 15.2 **Incurrence Test**

15.2.1 The Incurrence Test shall be made in connection with any Restricted Payment and any incurrence or issuance of Financial Indebtedness, in each case which requires that the Incurrence Test is met.

15.2.2 The Incurrence Test is met if:

- (a) if made in respect of any Restricted Payment, the ratio of Net Interest Bearing Debt to EBITDA is not greater than 2.50:1.00;
- (b) if made in respect of the incurrence of any Financial Indebtedness, the ratio of Net Interest Bearing Debt to EBITDA is not greater than 3.50:1.00; and
- (c) no Event of Default is continuing or would occur upon making the relevant Restricted Payment or the incurrence of Financial Indebtedness (as applicable).

in each case calculated in accordance with Clause 15.3 (*Calculation principles*).

### 15.3 Calculation principles

For the purpose of any Incurrence Test (without double counting):

- (a) the calculation of the ratio of Net Interest Bearing Debt to EBITDA shall be made as per a testing date determined by the Issuer, falling no more than two (2) months prior to the date of the relevant Restricted Payment or the incurrence of Financial Indebtedness (the “**Incurrence Test Date**”);
- (b) the Net Interest Bearing Debt shall be measured on the relevant Incurrence Test Date, but include the new Financial Indebtedness provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce the Net Interest Bearing Debt);
- (c) any Financial Indebtedness which will be refinanced with the proceeds of any Financial Indebtedness incurred after the end of the Reference Period and up until and including the Incurrence Test Date shall be deducted from Net Interest Bearing Debt, *pro forma*; and
- (d) the figures for EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Statements shall be used for the Incurrence Test, but adjusted so that:
  - (i) the transaction which requires that an Incurrence Test is made shall be included in the calculations, *pro forma*;
  - (ii) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a member of the Group acquired during the Reference Period, or any entity to be acquired with the proceeds from new Financial Indebtedness, shall be included, *pro forma*, for the entire Reference Period; and
  - (iii) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a member of the Group disposed of during the Reference Period shall be excluded, *pro forma*, for the entire Reference Period.

### 15.4 Equity Cure

15.4.1 If there is a breach of the Maintenance Test, no Event of Default will occur if, within thirty (30) Business Days of the earlier of:

- (a) the delivery of the relevant Compliance Certificate evidencing that breach; and
- (b) the date when such Compliance Certificate should have been delivered in accordance with the Terms and Conditions,

the Issuer has received an equity injection in cash in the form of a share issue, an unconditional shareholder contribution or Shareholder Loan in an amount sufficient to ensure compliance with the Maintenance Test as at the relevant Reference Date (the “**Cure Amount**”) (an “**Equity Cure**”).

15.4.2 For the purpose of the calculation of the ratio of Net Interest Bearing Debt to EBITDA, Net Interest Bearing Debt shall be deemed reduced on the relevant Reference Date with an amount equal to the Cure Amount. For the avoidance of doubt, there shall be no EBITDA cure.

15.4.3 Any Equity Cure must be made in cash and no more than two (2) Equity Cures may be made over the lifetime of the Bonds. Equity Cures may not be made in respect of any consecutive Reference Dates. Any Equity Cure made in respect of any Reference Date shall be included until such time as that Reference Date falls outside the Reference Period.

## 16. SPECIAL UNDERTAKINGS

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

### 16.1 Distributions

The Issuer shall not, and shall procure that none of its Subsidiaries will:

- (a) make or pay any dividend on its shares (other than to the Issuer or a wholly-owned Subsidiary of the Issuer);
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders;
- (d) repay principal under any Shareholder Loans or capitalised or accrued interest thereunder;
- (e) redeem or repurchase any Hybrid Instrument or otherwise repay principal under any Hybrid Instruments or pay capitalised or accrued interest or any other fees, costs or expenses thereunder;
- (f) make any payments under the Incentive Programme to the beneficiaries thereof; or
- (g) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, any Affiliates of the Issuer or any holder of Hybrid Instruments,

(the transactions set out in paragraphs (a) to (g) above are together and individually referred to as a “**Restricted Payment**”). Notwithstanding the above and provided that any such Restricted Payment is permitted by law:

- (a) a Restricted Payment may be made if made to the Issuer or a wholly-owned Subsidiary of the Issuer or, if made by or to a Subsidiary which is not directly or indirectly wholly-owned by the Issuer (including, for the avoidance of doubt, gamigo AG), is made on a *pro rata* basis;
- (b) the Issuer may pay cash interest on, or repay, Shareholder Loans, in an amount of up to EUR 500,000 in any financial year, provided that payments under this paragraph (b) may not be made in relation to Shareholder Loans:
  - (i) which existed on the First Issue Date owed to a shareholder of the Group; or

- (ii) carrying a cash interest in excess of fifteen (15.00) per cent. *per annum* of the Shareholder Loan's outstanding principal amount;
- (c) the Issuer may pay principal or capitalised or accrued interest under any Hybrid Instruments if the Incurrence Test is met (calculated pro forma including the relevant Restricted Payment);
- (d) the Issuer may make Restricted Payments provided that:
  - (i) the Incurrence Test is met (calculated *pro forma* including the relevant Restricted Payment); and
  - (ii) the aggregate amount paid (aggregated with all other Restricted Payments made by the Issuer the same financial year, including any Restricted Payment made pursuant to paragraph (b) or (c) above but excluding any Restricted Payment made pursuant to paragraph (e) or (f) below) does not exceed fifty (50.00) per cent. of the Group's consolidated net profit according to the annual audited consolidated financial statements of the Issuer for the previous financial year (and without accumulation of profits from previous financial years);
- (e) the Issuer may pay principal or capitalised or accrued interest under any Hybrid Instrument in connection with a refinancing in part or in full of such Hybrid Instrument financed by the issuance by the Issuer of new Hybrid Instruments or any other instrument accounted for as equity in accordance with the Accounting Principles; and
- (f) the Group may make a payment and/or a share buyback (as applicable) in accordance with the Incentive Programme *provided that*:
  - (i) such Restricted Payment is financed by or made in kind with newly issued shares in the Issuer; or
  - (ii) the Incurrence Test is met (calculated *pro forma* including the relevant Restricted Payment) and such Restricted Payment (as aggregated with any previous Restricted Payments made in accordance with this paragraph (f)(ii) during the lifetime of the Bonds) does not exceed EUR 10,000,000.

## 16.2 Admission to trading of Bonds

Without prejudice to Clause 12.5 (*Mandatory repurchase due to a Change of Control, Delisting or Listing Failure (put option)*), the Issuer shall use its best efforts to procure that:

- (a) the Initial Bonds are admitted to trading on the Frankfurt Stock Exchange Open Market on or about the First Issue Date and, in any event, within thirty (30) days of the First Issue Date; and
- (b) the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within sixty (60) days after the First Issue Date and with an intention to complete such listing within thirty (30) days after the First Issue Date and, in any event, procure that the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within twelve (12) months of the First Issue Date and that any Subsequent Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within the later of



(i) the date falling twelve (12) months after the First Issue Date and (ii) the date falling sixty (60) calendar days after the issuance of the relevant Subsequent Bonds, in each case, if such admission to trading is not possible to obtain or maintain or the Issuer determines in its reasonable discretion that a different Regulated Market should be preferred, admitted to trading on another Regulated Market.

### 16.3 **Nature of business**

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

### 16.4 **Financial Indebtedness**

The Issuer shall not, and shall procure that none of its Subsidiaries will, incur, prolong, renew or extend any Financial Indebtedness, save for Permitted Debt.

### 16.5 **Disposals of assets**

16.5.1 The Issuer shall not, and shall procure that none of its Subsidiaries will, sell or otherwise dispose of any shares in any Group Company or of any substantial assets (including but not limited to material intellectual property rights) or operations to any person not being the Issuer or any of its wholly-owned Group Companies (it being understood and agreed that gamigo AG shall be deemed to be wholly-owned by the Issuer, notwithstanding the minority interest held by another person on the date hereof) or a Guarantor, except:

- (a) disposals of obsolete or redundant assets;
- (b) if the transaction is carried out at fair market value and on terms and conditions customary for such transaction; or
- (c) disposals of receivables on a non-recourse basis,

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

16.5.2 Notwithstanding the aforementioned, the Issuer shall not, and shall procure that none of its Subsidiaries will, dispose of shares or assets pledged under the Transaction Security Documents, except as permitted under the Intercreditor Agreement.

### 16.6 **Clean Down Period**

16.6.1 The Issuer shall procure that during each calendar year there shall be a period of three (3) consecutive days during which the aggregate of:

- (a) the amount outstanding under any Credit Facilities (as applicable) (excluding any non-cash elements of ancillary facilities);

*less*

- (b) Cash and Cash Equivalents,

amounts to zero (0) or less (a “**Clean Down Period**”).

16.6.2 Not less than six (6) months shall elapse between two Clean Down Periods. The clean down shall be confirmed in the next Compliance Certificate delivered pursuant to paragraph (a) of Clause 14.3.1 above.

#### 16.7 **Loans out**

The Issuer shall not, and shall procure that none of its Subsidiaries will, extend any loans in any form to any other party other than:

- (a) loans made to other Group Companies;
- (b) loans made in the ordinary course of business; or
- (c) any other loans made by any Group Company to any third parties not exceeding EUR 200,000 in aggregate.

#### 16.8 **Intellectual Property**

The Issuer shall (and the Issuer shall procure that each other Group Company will):

- (a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for the business of the relevant Group member;
- (b) use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property;
- (c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property;
- (d) not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil the right of any Group Company to use such property; and
- (e) not discontinue the use of the Intellectual Property,

where failure to do so or such use, permission to use, omission or discontinuation (as applicable), is reasonably likely to have a Material Adverse Effect.

#### 16.9 **Negative pledge**

The Issuer shall not, and shall procure that none of its Subsidiaries will, provide, prolong or renew any security over any of its/their assets (present or future) to secure Financial Indebtedness, provided however that the Issuer and the Group have a right to provide, retain, prolong or renew, any Permitted Security. Notwithstanding the aforementioned, the Issuer shall not, and shall procure that none of its Subsidiaries will, provide, prolong or renew any security over any of its intellectual property rights (including its domain names).

#### 16.10 **Dealings with related parties**

The Issuer shall, and shall procure that its Subsidiaries will, conduct all dealings (other than any Restricted Payments permitted under Clause 16.1 (*Distributions*) above) with their direct and

indirect shareholders (excluding the Issuer and any of its Subsidiaries) and/or any Affiliates of such direct and indirect shareholders on arm's length terms.

#### 16.11 **Compliance with laws and regulations**

The Issuer shall, and shall procure that each other Group Company will, comply with all laws and regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq First North Growth Market and the rules and regulations of Nasdaq Stockholm or any other MTF or Regulated Market (as applicable) on which the Issuer's securities from time to time are listed, in each case where the failure to do so would have a Material Adverse Effect.

#### 16.12 **Authorisations**

The Issuer shall, and shall procure that each other Group Company will, obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, in each case where the failure to do so would have a Material Adverse Effect.

#### 16.13 **Additional Security and Guarantees**

The Issuer shall procure that within sixty (60) days following the delivery of each of the Group's annual audited consolidated Financial Statements:

- (a) unless the Guarantor Cover Threshold is attained, procure that further Group Companies become Guarantors so that the Guarantor Cover Threshold is attained, in each case as evidenced by such Financial Statements and Compliance Certificate;
- (b) the shares in each Guarantor have been pledged under a Transaction Security Document in favour of the Trustee and the Bondholders (represented by the Trustee) and evidence that the documents, notices and other evidences to be delivered pursuant to such Transaction Security Documents have been delivered and satisfied in accordance with the terms of the Transaction Security Document;
- (c) each Guarantor has entered into a Transaction Security Document in favour of the Trustee and the Bondholders (represented by the Trustee) in respect of all present and future Material Intercompany Loans granted by the Guarantor; and
- (d) in relation to any Guarantor not incorporated in Sweden or any Transaction Security Document governed by non-Swedish law, a legal opinion on due execution and enforceability issued to the Trustee by a reputable law firm and in form and substance satisfactory to the Trustee acting reasonably.

### 17. **TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 17 is an Event of Default (save for Clause 17.11 (*Termination*) and Clause 17.12 (*Distribution of proceeds*)).

### 17.1 **Non-payment**

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

### 17.2 **Maintenance Test**

Subject to the Equity Cure, the Issuer fails to comply with the Maintenance Test on any Reference Date.

### 17.3 **Other obligations**

An Obligor does not comply with its obligations under the Finance Documents in any other way than as set out under Clause 17.1 (*Non-payment*) and 17.2 (Maintenance Test) above, unless the non-compliance is:

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

### 17.4 **Cross-payment default / cross-acceleration**

- (a) Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described);
- (b) any commitment for any Financial Indebtedness incurred by Material Group Company is cancelled or suspended by a creditor of any Material Group Company as a result of an event of default (however described); or
- (c) any security interest securing Financial Indebtedness over any asset of any Material Group Company is enforced,

provided however that the amount of Financial Indebtedness referred to under paragraph (a), (b) and/or (c) above, individually or in the aggregate exceeds an amount corresponding to EUR 1,000,000 (or its equivalent in any other currency or currencies) and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

### 17.5 **Insolvency**

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

## 17.6 **Insolvency proceedings**

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

## 17.7 **Mergers and demergers**

A decision is made that any Group Company shall be demerged or merged, but only if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger subject to existing security between Group Companies only or between the Issuer and a Group Company, where the Issuer is the surviving entity, shall not be an Event of Default and a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

## 17.8 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding EUR 1,000,000 and is not discharged within sixty (60) days.

## 17.9 **Impossibility or illegality**

It is or becomes impossible or unlawful for the Issuer or any Material Group Company to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable and such illegality, invalidity or ineffectiveness has a Material Adverse Effect.

## 17.10 **Cessation of business**

The Issuer or any other Material Group Company ceases to carry on its business if such discontinuation is likely to have a Material Adverse Effect.

## 17.11 Termination

- 17.11.1 If an Event of Default has occurred and is continuing, the Trustee is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.11.3 or 17.11.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Trustee determines (such later date not falling later than twenty (20) Business Days from the date on which the Trustee made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 17.11.2 The Trustee may not terminate the Bonds in accordance with Clause 17.11.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 17.11.1.
- 17.11.3 The Trustee shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Trustee received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Trustee may postpone a notification of an Event of Default (other than in relation to Clause 17.1 (*Non-payment*)) up until the time stipulated in Clause 17.11.4 for as long as, in the reasonable opinion of the Trustee such postponement is in the interests of the Bondholders as a group. The Trustee shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 17.11.4 The Trustee shall, within twenty (20) Business Days of the date on which the Trustee received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Trustee has decided not to terminate the Bonds, the Trustee shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 18 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Trustee to terminate the Bonds, the Trustee shall promptly declare the Bonds terminated. However, if the cause for termination according to the Trustee's appraisal has ceased before the termination, the Trustee shall not terminate the Bonds. The Trustee shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 17.11.5 If the Bondholders, without any prior initiative to decision from the Trustee or the Issuer, have made a decision regarding termination in accordance with Clause 18 (*Decisions by Bondholders*), the Trustee shall promptly declare the Bonds terminated. The Trustee is however not liable to take action if the Trustee considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Trustee harmless from any loss or liability and, if requested by the Trustee in its discretion, grant sufficient security for such indemnity.

- 17.11.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Trustee shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.11.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 17.11.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 17 without relevant decision by the Trustee or following instructions from the Bondholders' pursuant to Clause 18 (*Decisions by Bondholders*).
- 17.11.9 If the Bonds are declared due and payable in accordance with this Clause 17, the Issuer shall redeem all Bonds with an amount per Bond together with a premium on the due and payable amount as set forth in the Call Option Amount for the relevant period but and shall up until the First Call Date be the price set out in paragraph (b) of the definition of Call Option Amount (plus accrued but unpaid Interest).

17.12 **Distribution of proceeds**

- 17.12.1 If the Bonds have been declared due and payable in accordance with this Clause 17, all payments by the Issuer relating to the Bonds and any proceeds received from an enforcement of the Transaction Security or the Guarantees shall be distributed in accordance with the Intercreditor Agreement and shall, prior to the entering into of an Intercreditor Agreement, be made and/or distributed in the following order of priority, in accordance with the instructions of the Trustee:
- (a) *firstly*, in or towards payment *pro rata* of:
    - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee under the Finance Documents (in its capacity as bond trustee or security agent);
    - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights under the Finance Documents incurred by the Trustee;
    - (iii) any non-reimbursed costs incurred by the Trustee for external experts under the Finance Documents (in its capacity as bond trustee or security agent); and
    - (iv) any non-reimbursed costs and expenses incurred by the Trustee in relation to a bondholders' meeting or a written procedure under the Finance Documents;
  - (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
  - (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
  - (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

- 17.12.2 Funds that the Trustee receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Trustee shall arrange for payments of such funds in accordance with this Clause 17.12 as soon as reasonably practicable.
- 17.12.3 If the Issuer or the Trustee shall make any payment under this Clause 17.12, the Issuer or the Trustee, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 10.1 shall apply.

## **18. DECISIONS BY BONDHOLDERS**

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

- 18.1.1 A request by the Trustee for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 18.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Trustee and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Trustee. The Person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 18.1.3 The Trustee may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Trustee that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 18.1.4 The Trustee shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Trustee.
- 18.1.5 Should the Trustee not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 18.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with



necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Trustee to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.

18.1.6 Should the Issuer want to replace the Trustee, it may convene a Bondholders' Meeting in accordance with Clause 18.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 18.3.1. After a request from the Bondholders pursuant to Clause 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18.2.1. The Issuer shall inform the Trustee before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Trustee is proposed to be replaced is sent and supply to the Trustee a copy of the dispatched notice or communication.

## 18.2 **Bondholders' Meeting**

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

18.2.2 The notice pursuant to Clause 18.2.1 shall include:

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

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

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

18.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Trustee may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.

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

### 18.3 **Written Procedure**

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

18.3.2 A communication pursuant to Clause 18.3.1 shall include:

- (a) each request for a decision by the Bondholders;
- (b) a description of the reasons for each request;
- (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;
- (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 18.3.1); and
- (f) if the voting shall be made electronically, instructions for such voting.

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

### 18.4 **Majority, quorum and other provisions**

18.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 9 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

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

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

- 18.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds ( $66\frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2:
- (a) except as expressly regulated elsewhere in the relevant Finance Document, release any Transaction Security or Guarantee, in whole or in part;
  - (b) a mandatory exchange of the Bonds for other securities;
  - (c) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
  - (d) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
  - (e) amend the provisions in this Clause 18.4.2 or in Clause 18.4.3.
- 18.4.3 Any matter not covered by Clause 18.4.2 shall require the consent of Bondholders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 19.1) or a termination of the Bonds.
- 18.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Trustee in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 18.4.3.
- 18.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount in case of any other matter:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 18.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18.2.1) or initiate a second Written Procedure (in accordance with Clause 18.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 18.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 18.4.7 Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under these Terms and Conditions shall be subject to the Issuer's or the Trustee's consent, as appropriate.
- 18.4.8 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

- 18.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 18.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 18.4.11 All costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.
- 18.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 18.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Trustee, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

## **19. AMENDMENTS AND WAIVERS**

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

- 19.2 The Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Trustee. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 19.3 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Bondholders' Meeting, in the Written Procedure or by the Trustee, as the case may be.

## **20. THE TRUSTEE**

### **20.1 Appointment of Trustee**

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

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

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

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

20.2.3 When acting pursuant to the Finance Documents, the Trustee shall carry out its duties with reasonable care and skill in a proficient and professional manner.

20.2.4 The Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

20.2.5 The Trustee is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Trustee shall however remain liable for any actions of such parties if such parties are performing duties of the Trustee under the Finance Documents.

20.2.6 The Issuer shall on demand by the Trustee pay all costs for external experts engaged by it:

- (a) after the occurrence of an Event of Default;
- (b) for the purpose of investigating or considering:
  - (i) an event or circumstance which the Trustee reasonably believes is or may lead to an Event of Default; or
  - (ii) a matter relating to the Issuer or the Finance Documents which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
- (c) in connection with any Bondholders' Meeting or Written Procedure;
- (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 17.12 (*Distribution of proceeds*).

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

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

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

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

20.2.9 The Trustee shall:

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

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

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

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

20.2.12 The Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or the Trustee Agreement or if it refrains from acting for any reason described in Clause 20.2.11.

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

20.3.1 The Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Trustee shall never be responsible for indirect or consequential loss.

20.3.2 The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

20.3.3 The Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Trustee to the Bondholders, provided that the Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Trustee for that purpose.

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

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

#### 20.4 **Replacement of the Trustee**

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

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

20.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Trustee be dismissed and a new Trustee appointed.

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

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

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

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

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

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

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

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

20.4.7 Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action



which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Trustee.

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

## **21. THE ISSUING AGENT**

- 21.1 The Issuer shall when necessary appoint an Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 21.2 The Issuing Agent shall be a commercial bank or securities institution approved by the CSD. The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 21.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.
- 21.4 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **22. THE CSD**

- 22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 22.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

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

- 23.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Trustee.
- 23.2 Clause 23.1 shall not apply if the Trustee has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or the Trustee Agreement or by any reason described in Clause 20.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.12 before a Bondholder may take any action referred to in Clause 23.1.
- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 12.4 (*Mandatory repurchase due to a Change of Control, Delisting or Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## **24. TIME-BAR**

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

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

### **25.1 Notices**

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

- (a) if to the Trustee, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Trustee to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Trustee to the Issuer from time to time;
- (b) if to the Issuer, shall be given to such address as notified by the Issuer to the Trustee by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Trustee, to such e-mail address as notified by the Issuer to the Trustee from time to time; and
- (c) if to the Bondholders, shall be given at their addresses as registered with the CSD on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Trustee.

25.1.2 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (or, if between the Trustee and the Issuer, by e-mail) and will only be effective:

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

25.1.3 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

### **25.2 Press releases**

25.2.1 Any notice that the Issuer or the Trustee shall send to the Bondholders pursuant to Clause 5.3, Clause 12.3 (*Early voluntary total redemption (call option)*), Clause 12.4 (*Early voluntary total redemption due to illegality (call option)*), paragraph (b) of Clause 14.4 or Clauses 17.11.3, 17.12.3, 18.4.13, 18.2.1, 18.3.1, 19.2, 20.2.12 or 20.4.1 shall also be published by way of press release by the Issuer or the Trustee, as applicable.

25.2.2 In addition to Clause 25.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Trustee may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Trustee shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Trustee considers it necessary to issue a press release containing such information before it

can lawfully send a notice containing such information to the Bondholders, the Trustee shall be entitled, but not obligated to issue such press release.

## **26. FORCE MAJEURE**

- 26.1 Neither the Trustee nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Trustee or the Issuing Agent itself takes such measures, or is subject to such measures.
- 26.2 Should a Force Majeure Event arise which prevents the Trustee or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 26.3 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **27. ADMISSION TO TRADING**

- 27.1 The Issuer intends to have the Initial Bonds and any Subsequent Bonds admitted to trading on a Regulated Market or an MTF within thirty (30) calendar days from the relevant Issue Date. Furthermore, if the Initial Bonds or any Subsequent Bonds have not been admitted to trading on a Regulated Market and/or MTF within sixty (60) calendar days after the relevant Issue Date, each Bondholder has a right of repurchase (put option) of all or some of its Bonds subject to and in accordance with Clause 12.5 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*).
- 27.2 The Issuer shall:
- (a) use its best efforts to procure that the Initial Bonds are admitted to trading on the Frankfurt Stock Exchange Open Market on or about the First Issue Date and, in any event, within thirty (30) days of the First Issue Date; and
  - (b) use its best efforts to procure that the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within sixty (60) days after the First Issue Date and with an intention to complete such listing within thirty (30) days after the First Issue Date.
- 27.3 The Issuer has in accordance with Clause 16.2 (*Admission to trading of Bonds*) undertaken to have the Initial Bonds admitted to trading within twelve (12) months after the First Issue Date and any Subsequent Bonds admitted to trading on the corporate bond list of Nasdaq Stockholm within the later of (i) the date falling twelve (12) months after the First Issue Date and (ii) the date falling sixty (60) calendar days after the issuance of the relevant Subsequent Bonds, in each case, if such admission to trading is not possible to obtain or maintain or the Issuer determines in its reasonable discretion that a different Regulated Market should be preferred, admitted to trading on another Regulated Market.

## **28. GOVERNING LAW AND JURISDICTION**

- 28.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 28.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 28.3, be determined by Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 28.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Trustee (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
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## ADDRESSES

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