



Creditas Financial Solutions, Ltd.

**PROSPECTUS REGARDING LISTING OF
USD 40,000,000
SENIOR UNSECURED FIXED RATE BONDS
2023/2026
ISIN: NO0013024950**

Manager:

Pareto
Securities

The date of this Prospectus is 24 October 2024

The validity of this Prospectus will expire twelve (12) months after the date of its approval. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Creditas Financial Solutions, Ltd. (the “**Company**” or the “**Issuer**”), registration number 298193, in relation to the application for listing of bonds issued under the Company’s USD 40,000,000 senior unsecured callable fixed rate bonds 2023/2026 with ISIN: NO 0013024950 (the “**Bonds**”), which was issued on 3 November 2023 (the “**Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Bond Terms**”) (the “**Bond Issue**”). In this Prospectus, references to the “**Group**” means the Company and its subsidiaries, from time to time. References to “**USD**” refer to United States Dollar.

This Prospectus has been prepared in accordance with the standards and requirements 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 (the “**Prospectus Regulation**”) and the rules and regulations connected thereto, as applicable.

Unless otherwise stated or required by context, terms defined in the Bond Terms for the Bonds beginning on page 42 shall have the same meaning when used in this Prospectus.

This Prospectus does not constitute 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. This Prospectus may not be distributed in any country where such distribution requires an additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any U.S. state securities laws and may be subject to U.S. tax law requirements. 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 other 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 Bonds are freely transferable and may be pledged, subject to the following: each Person registered as owner or nominee holder of a Bond who are located in the United States will not be permitted to transfer the Bonds except (A) subject to an effective registration statement under the Securities Act, (B) to a Person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (C) outside the United States in accordance with Regulation S under the Securities Act in a transaction on the relevant exchange, and (D) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available). Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations applicable at own cost and expense.

This Prospectus will be available at the Swedish Financial Supervisory Authority’s web page (www.fi.se) and the Company’s web page (www.creditas.com), and paper copies may be obtained from the Company.

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

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

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

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

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Introduction and warnings

Introduction

The name of the Bonds is senior unsecured callable fixed rate bonds up to USD 150,000,000 due 2026 registered with the international securities identification number (ISIN) NO0013024950.

The name and registration number of the Issuer is Creditas Financial Solutions, Ltd. (reg. no 298193), a limited liability company registered under the Companies Law of the Cayman Islands, having its registered office address at Campbells Corporate SVC Limited, Floor 4, Willow House, Cricket Square, Grand Cayman – Cayman Islands. The Issuer’s legal entity identifier (LEI) is: 549300BWYUOF28MWTB90.

The competent authority under the Prospectus Regulation, which approved this Prospectus on 24 October 2024 is the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*), with postal address Finansinspektionen, P.O. Box 7821, 103 97 Stockholm, Sweden and visiting address Brunnsgratan 3, 111 38 Stockholm, Sweden, with telephone number +46 (0)8 408 980 00 and website: www.fi.se.

Warnings

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Bonds should be based on consideration of the Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability may only attach to those persons who are responsible for the summary, including any translation thereof, only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or where it does not provide, together with other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

Key information on the Issuer

Who is the issuer of the securities?

The issuer

The name and registration number of the issuer is Creditas Financial Solutions, Ltd. (reg. no 298193), a limited liability company registered under the Companies Law of the Cayman Islands, having its registered office address at Campbells Corporate SVC Limited, Floor 4, Willow House, Cricket Square, Grand Cayman – Cayman Islands with e-mail address investor-relations@creditas.com. The Issuer’s legal entity identifier (LEI) is: 549300BWYUOF28MWTB90. The Group is headquartered in Sao Paulo, Brazil and the Issuer operates jointly with its subsidiaries (the “**Group**”).

Principal activities

The Group forms part of the Creditas Financial Solutions group of companies (“**Creditas**”). Creditas engages in the intermediation of business and services in general, offering both financial and non-financial products primarily focusing on the Brazilian and Mexican markets. The primary business model is centered on offering online financial solutions, with a main emphasis on securitized asset-backed loans in the sectors of cars, housing and benefits. The Group has also placed a significant emphasis within the insurance sector with a brokerage service helping their customers to find an insurance policy individually adapted for their needs with flexible payment terms.

Shareholders

The four largest shareholders of the Issuer are Softbank Latam, Softbank Vision Fund, Sergio Furio and VEF AB. The total number of issued shares are 11,585,999, where 10,012,522 shares are preference shares and 1,573,477 shares are ordinary shares.

No natural persons own or control more than 25 per cent. of the total issued shares of the Company, however, Mr. Furio is the controlling person of Creditas and has the authority to personally appoint and remove the majority of the board.

The major shareholders of the Issuer as at 30 June 2024 are listed in the table below.

Name of shareholder	Ordinary shares ownership (% issued shares)	Preference shares ownership (% issued shares)
Softbank Latam	0%	14.7%
Softbank Vision Fund	0%	14.2%
Sergio Furio	84.2%	11.4%
VEF AB (publ)	0%	10.2%
Others:	15.8%	49.5%
Total	100%	100%

Executive Management

The Executive Management of the Group consists of a team of two (2) persons, see the table below.

Name	Position	Member of Executive Management since
Sergio Furio Esquer	Founder & Chief Executive Officer	24 January 2013
Ann Williams	Group Chief Operating Officer	1 April 2017

Auditor

KPMG Auditores Independentes Ltda, is the Company's auditor, with Fernando Antonio Rodrigues Alfredo as the auditor in charge, which has performed the audit for the period covered by the historical financial information in the Prospectus (financial years ended 31 December 2022 and 31 December 2023). Fernando Antonio Rodrigues Alfredo is a member of the IBRACON, professional institute for accountants in Brazil, since 27 December 2006.

What is the key financial information regarding the issuer?

The key financial information in respect of the Issuer has been summarised below.

Condensed income statement

BRL 1,000	2023	2022	2024 Jan-Jun	2023 Jan-Jun
Operating profit/loss (adjusted)	426,353	(1,171,213)	(11,687)	(314,891)

Condensed balance sheet

BRL 1,000	2023	2022	Jun 2024	Jun 2023
Financial liabilities at amortized cost	5,101	5,354	5,254	5,174
Convertible Notes	63	447	72	455
Cash and cash equivalents	-511	-927	-515	-437
Net Debt	4,653	4,875	4,812	5,191

Condensed cash flow statement

BRL 1,000	2023	2022	2024 Jan-Jun	2023 Jan-Jun
Net cash flows generated from or used in operating activities	(1,113,803)	(1,459,914)	128,115	(383,249)
Net cash flows generated from or used in financing activities	740,863	1,165,363	11,862	(14,651)
Net cash flows generated from or used in investing activities	(44,106)	(87,965)	(132,263)	(74,043)

What are the key risks that are specific to the Issuer?

The below overview summarises some of the main risks specific to the Issuer and the Group, for an in-depth analysis of possible risks please refer to the section *Risk Factors* of this Prospectus.

Risk of Ongoing Operating Losses and Uncertain Future Profitability

The Issuer experienced increase in losses from 2020 to 2022 primarily due to the rapid growth rate, leading to higher customer acquisition costs and the frontloading of related provisions, as well as a sharp rise in Brazilian interest rates, which adversely affected the portfolio’s financial margin. However, the level of losses has reduced significantly in 2023 and the first half of 2024, leading to operational breakeven in December 2023. A failure to maintain profitability may have a material adverse effect on the credit profile of the Company and, accordingly, a material adverse effect on the price of the Bonds as well as the ability of the Group to refinance the Bonds at maturity.

Risks in relation to competitors

The Group operates in a competitive industry, facing competition from various players, including, among others, credit-issuing banks and other fintech companies offering consumer credit products. Competitors with more diversified products and broader customer bases, as well as new market entrants, may contribute to adversely affect the Issuer’s market share and/or ability to capitalise new market opportunities. This may also lead to loss of customers and also necessitate changes to the general conditions of the loans / pricing offered to customers, potentially reducing margins.

Economic Risks and Credit Risks

An economic downturn can significantly impact the ability to generate returns and manage losses. When assessing a new customer’s default probability and pricing, the Group rely on robust data, including credit reports, scoring models, and market expertise. Financial stress during a downturn can affect customers’ repayment abilities, compromising the credit assessments and lending decisions. Additionally, the value of loan collateral may depreciate, reducing recovery potential on defaulted loans and negatively affecting the Company’s financial results. The longevity and severity of a downturn may also make asset-backed securitisation vehicles less attractive to investors. The Issuer is also in general exposed to their customers’ ability to pay back their loans.

Risk relating to the Creditas brand

Offering a better way for customers to have access to consumer credit is critical to the Group’s success. If customers do not trust the Creditas brand or have a positive experience, it may in turn result in loss of existing customers. Moreover, the Group’s ability to attract new customers is highly dependent on its reputation and on positive recommendations from the existing customer base. Any failure to maintain a consistently high level of customer service, or a market perception that the Group does not maintain high-quality customer service, could adversely affect the reputation and the number of positive customer referrals received. As a result, the Group’s business, results of operations and financial condition could be materially and adversely affected.

Risks relating to acquisitions, partnerships or joint ventures

The Group plans to continue evaluating, potential strategic acquisitions, partnerships, and joint ventures with complementary businesses, services, or technologies. Acquisitions involve specific risks, including, among others, (i) management distraction, (ii) integration challenges, and (iii) potential risks of litigation or other claims related with the acquired company. The Group may struggle to identify suitable targets for acquisition, partnerships, and/or joint ventures and could face difficulties in financing or integrating these entities. Additionally, the Group risks losing customers as a result of potential conflicts arising due to acquisitions or joint ventures.

Risk related to reliance on third parties

The Group relies on third parties to provide various services, including credit analysis, KYC, processing financial transactions and other service elements. These third parties are outside the Company's control. If these third parties fail to deliver services adequately, refuse to provide services acceptable terms, or suitable alternatives are not found, the business could face several issues. These include a shortage of information for customer credit analysis, increased exposure to fraud or risk assessment mistakes, difficulties to establish a good communication with the clients, and decreased team productivity, all of which could negatively impact the customer experience throughout the business process.

IT Risks

The Group's platform and internal systems depend on software that is highly technical and complex. This software often needs to interact with third-party software or operating systems. Any incompatibility, unavailability, or usage limitations of such software or operating systems may prevent the proper processing of customer transactions. This could lead to losses, disputes with customers, lawsuits, regulatory fines, sanctions, regulatory intervention, the need to issue refunds, or other damages, all of which could materially adversely affect the business.

Risks related to defaulted credits

When borrowers default on loan and financing agreements, the Company, who acts as the servicing agent of the funds, takes judicial or extrajudicial measures to collect the amounts due. There can be no assurance that the collection procedures and foreclosure of guarantees linked to these loans and/or financing activities will be the most appropriate or that they will result in the actual recovery of the amounts due. Being the owner of the subordinated quotas of the funds, the Company's returns rely on the excess spread generated by the portfolio, which may be materially adversely affected to the extent that the Company is unable to substantially recover unpaid balances.

Risks related to fraudulent activities and/or cyber attacks

Lending institutions like Creditas, as well as vendors and other third parties, are and will likely continue to be the target of increasingly sophisticated cyber attacks, fraudsters and fraud rings in the future which could have an increased adverse impact on the Group and its business.

Risks related to Financing

The Company must maintain a variety of funding arrangements, including asset-backed securitization structures, credit lines with lenders, and the commercial agreement with Andbank. If the Company is unable to maintain access to, or to expand, the network and diversity of funding arrangements, the business, results of operations, financial condition, and prospects could be materially and adversely affected. The Company cannot guarantee that these funding arrangements will continue to be available on favourable terms or at all, and the funding strategy may change over time, depending on the availability of such funding arrangements.

The Company raises substantial equity financing to support its growth and may require additional equity funding to pursue its business objectives and growth strategy. This funding is necessary to respond to business opportunities, challenges or unforeseen circumstances. It may be used to increase marketing expenditures to attract new customers and improve brand awareness, develop new products, introducing new services, expand internationally into existing or new markets, and potentially acquiring complementary businesses and technologies. Accordingly, the Company regularly needs, or may need, to engage in equity or debt financing to secure additional funds. However, these funds

may not be available when needed, in the required amounts, permitted for specific use cases, on terms acceptable, or at all. In the last couple of years, fintech companies have been impacted by the rises in global interest rates, which increase the cost of available capital, compressing margins, especially in growing, capital consuming companies. Though not public, when accessing capital markets, the Company may be compared to similar traded companies and may have its valuation adversely affected by the deterioration of multiples in the public market. Furthermore, depreciated and volatile valuations may also adversely impact the availability of capital for equity financing in the market.

Legal and Regulatory Risks

The Group may be in the future, party to legal, arbitration and administrative investigations, inspections and proceedings arising in its ordinary course of business or from extraordinary corporate, tax or regulatory events, involving customers, suppliers, as well as competition, government agencies and tax authorities, particularly with respect to civil, criminal, tax and labour claims, and any such investigations, inspections and proceedings may also include its shareholders, directors, officers, employees and other affiliates. A negative outcome to these investigations, inspections and proceedings may culminate in financial penalties that could adversely affect the Group's future profit generation.

In the Group's main market, Brazil, the lending platform is subject to minimum government regulation. The Group cannot predict whether there will be in the future changes to the regulatory framework of the Brazilian consumer finance regulation that may have an adverse effect on the business and subject the business to further regulation and scrutiny by governmental authorities.

Key information on the securities

What are the main features of the securities?

The securities

The Bonds are senior unsecured callable fixed rate bonds. The Bonds are unilateral debt instruments intended for public trading and they will be identified by the ISIN NO0013024950. The nominal amount of each Bond is USD 2,000.

The Bonds are denominated in United States dollars ("USD") being the legal currency of the United States of America. The Issuer issued a total of 20,000 Bonds in the total aggregate nominal amount of USD 40,000,000 on 3 November 2023 and may also issue subsequent bonds up to a maximum aggregate nominal amount of USD 110,000,000, pursuant to the Terms and Conditions.

The Bonds are freely transferable. However, the Bondholders may be subject to purchase or transfer restrictions with regards to the Bonds, as applicable, under local regulation to which a Bondholder may be subject.

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

The Bonds carry interest from, and including, 3 November 2023 to, and including, the Final Redemption Date. The interest rate is fixed at thirteen (13) per cent. per annum, with bi-annual interest payments on 3 May and 3 November each year.

A request by the Agent for a decision by the Bondholders on a matter relating to the Terms and Conditions shall (at the option of the Agent) be considered at a Bondholders' Meeting or by way of Written Procedure. 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 the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent.

According to the Terms and Conditions, no individual Bondholder or group of Bondholders may take action against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such action may only be taken by the Agent.

The Maturity Date of the Bonds is 3 November 2026. The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Maturity Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid interest.

Where will the securities be traded?

The Initial Bonds will be admitted to trading at Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, another Regulated Market.

What are the key risks that are specific to the securities?

Dependency on subsidiaries

The Company is the parent company in the Group and does not carry out any significant income generating business operations of its own. This means that the Company's ability to make required payments on the Bonds and its other debts and funding (as well as financing its costs in general) is directly affected by the ability of its subsidiaries to transfer available cash resources to it which may be restricted or prohibited by legal and contractual requirements applicable to the subsidiaries from time to time.

Ability to service debt and credit risk

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

Risks related to the Redemption Evidence

If the Bonds are redeemed in full prior to the final redemption date of the Bonds and if at such time a Valuation Event (as defined in the Terms and Conditions) has not occurred, the bondholders have the right to exercise a so-called early redemption premium option which gives each bondholder a right to receive a redemption premium on the Bonds if a Valuation Event (as defined in the Terms and Conditions) occurs after the redemption of the Bonds in full but prior to the earlier of (i) the final redemption date and (ii) the date falling twelve months after the relevant early redemption date. Each bondholder must within 30 days from the notice provide proof of holdings in the Bonds as at the record date for the early redemption, and such other details as the Company may reasonably request to the Company and the agent under the Bonds and the Company shall not be liable to make the payment of the redemption premium if the Redemption Evidence is incomplete or inaccurate or is invalid at the time of the payment of the redemption premium.

Currency risk

If investors in the Bonds measure their investment return by reference to a currency other than USD, an investment in the Bonds will entail foreign exchange-related risks. For example, possible significant changes in the value of the USD relative to the currency by reference to which investors measure the return on their investments could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments.

Key information on the admission to trading on a regulated market

Why is this prospectus being produced?

This Prospectus has been prepared to enable the Initial Bonds to be admitted to trading on the corporate bond list at Nasdaq Stockholm (or another Regulated market) in accordance with the Terms and Conditions.

Use and estimated net amount of proceeds

The estimated net amount of proceeds from the issue of the Initial Bonds is USD 40,000,000 less customary transaction costs and fees. The net proceeds of the Initial Bond Issue have been applied to finance general corporate purposes of the Group (including capital expenditures, acquisitions, and Transaction Costs).

Material conflicts

Pareto Securities AB (reg. no. 556206-8956) was the manager in conjunction with the issuance of the Initial Bonds. NT Services AS is acting as paying agent in accordance with the Terms and Conditions. The manager and the paying agent and their affiliates have engaged in, and may in the future engage in, certain investment banking and/or commercial banking and other services to the Issuer and the Group for which they have received, or will receive, remuneration. Accordingly, conflicts of interest may exist or may arise as a result of the managers and the paying agent having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties.

Expected timing

The admission to trading of the Bonds is expected to take place at the earliest on 28 October 2024.

Investments in the Bonds involve inherent risks. These risks include, but are not limited to, risks attributable to the Issuer and the Group's operations, regulatory and financial risks and risks relating to the Bonds.

The description below is based on information available as of the date of this Prospectus. In this section, the Issuer's material risk factors are illustrated and discussed. In each category of the below section, the most material risks, in the assessment of the Issuer based on the probability of their occurrence and the expected magnitude of their negative impact, are presented first. The subsequent risk factors are not ranked in order of materiality or probability of occurrence and thus presented in no particular order. Please note that in the event that several risks occur at the same time, this may lead to material consequences, irrespective of the impact of each such risk taken individually.

All risk factors included in this section have been assessed to be material and specific to the Issuer and/or the Bonds in accordance with the Prospectus Regulation.

Before making a decision to invest in the Bonds, any potential investor should carefully consider the risk factors outlined below, as well as evaluate external factors, and make an independent evaluation.

Risks Relating to Our Business and Industry

We have a history of operating losses and may not achieve or sustain profitability in the future.

We incurred net losses under IFRS of R\$1,154 million, R\$1,484 million and R\$961 million for the years ended 31 December 2023, 2022 and 2021, respectively, and R\$24 million and R\$414 million for the six-month periods ended 30 June 2024 and 2023, respectively. The increase in losses from 2021 to 2022 was driven by (1) the fast growth rate we experienced, which made the Company book a higher customer acquisition cost and resulting in provisions being frontloaded, and (2) a steep increase in the Brazilian Interest Rates (SELIC) which negatively impacted our portfolio financial margin. The decrease in losses since 2022 was driven by (1) price increase of new originations across all pre fixed rate products (Auto and Private Payroll) and (2) lower origination volumes which drove down customer acquisition cost and provision frontloading. This led to reaching operational breakeven by December 2023. Since the beginning of 2024, the Company has been focusing on resuming growth by reinvesting the gross profit generated, while maintaining the business around breakeven. Given the nature of our business, adverse events in markets, a deterioration in the macroeconomic environment, or a force-majeure event of any other nature may affect our ability to maintain profitability on a quarterly or annual basis in the future. A failure to maintain profitability may have a material adverse effect on the credit profile of the Company and, accordingly, a material adverse effect on the price of the Bonds as well as the ability of the Group to refinance the Bonds at maturity.¹

We operate in a highly competitive industry.

We operate in a highly competitive and dynamic industry. Our platform faces competition from a variety of players, including credit issuing banks and other fintech companies which provide consumer credit products. We expect the market to continue to be highly competitive, both as large financial incumbents increasingly seek to innovate the services that they offer to compete with our platform and as early-stage companies attempt to capitalise on the same, or similar, products.

Some of our competitors, particularly large retail banks, are substantially bigger, which potentially provide them with access to more diversified products, a broader customer base, the ability to reach more customers, the ability to cross-sell their products, operational efficiencies, the ability to cross-subsidise their offerings through their other business lines, broad-based local distribution capabilities, and a lower-cost of funding. In addition, many of our

¹ Results reported as in the Company's accounting Financial Statements. Considering managerial adjusted results, the total incurred net losses would be R\$386 million, R\$1,061 million and R\$716 million for the years ended 31 December 2023, 2022 and 2021, respectively, and R\$14 million and R\$247 million for the six-month periods ended 30 June 2024 and 2023, respectively, encompassing: R\$ 217 million, R\$284 million and R\$246 million of deferred income tax (not yet recognised in the financial statements), respectively for 2023, 2022 and 2021, and R\$80 million and R\$122 million for the six months period ended in 30 June 2024 and 30 June 2023; reversion of R\$127 million and R\$121 million of intangible impairment in 2023 and 2022 respectively; and reversion of other loss provisions and non-cash G&A expenses recognised as one-off in the financial statements, which totalled R\$424 million, R\$18 million and -R\$1 million in 2023, 2022 and 2021, and -R\$70 million and R\$45 million for the six months ending 30 June 2024 and 2023, respectively.

competitors are large financial institutions that fund themselves through low-cost insured deposits and continue to own the loans that they originate, which provides them with certain revenues and funding opportunities currently not directly available to us. Besides that, when new competitors seek to enter our markets, or when existing market participants seek to increase their market share, these competitors sometimes undercut, or otherwise exert pressure on, the prevalent market pricing terms, which can adversely affect our market share and/or ability to capitalise on new market opportunities, or result in the need for the Company to alter the general conditions of the loans / pricing we offer to customers, potentially reducing margins.

If we are unable to successfully compete, the demand for our products could stagnate or substantially decline, and we could fail to retain or grow the number of customers using our platform as well as the amount of loans originated, which would materially and adversely affect our business, results of operations, financial condition, and future prospects.

We operate in a cyclical industry. In an economic downturn, we may not be able to grow our lending business and revenues or maintain expected levels of liquidity.

The timing, severity, and duration of an economic downturn can have a significant negative impact on our ability to generate adequate returns and to absorb expected and unexpected losses. This is a relevant point as, when assessing the default probability of a new customer, and determining appropriate pricing, our decision relies on robust data collection, including third-party sources such as credit reporting agencies, proprietary scoring models, and market expertise; an economic downturn could place financial stress on our current and/or prospective customers, affecting their ability to repay their debts and potentially jeopardising our ability to make accurate credit assessments or lending decisions. In addition to that, the value of the collateral for a certain loan could be adversely impacted in an economic downturn due to the depreciation of market value of vehicles and/or houses, and higher unemployment rates in the case of payroll loans, which would reduce recovery potential over defaulted loans and, therefore, negatively impact the Company's financial results.

The longevity and severity of a downturn may also make our asset-backed securitisation vehicles less attractive to investors. Although most of our securitisation structures and loan agreements contain committed terms, there can be no assurance that our financing arrangements will remain available to finance the new projected origination. The timing and extent of a downturn may also require us to change, postpone or cancel our strategic initiatives or growth plans to pursue shorter-term sustainability. The longer and more severe an economic downturn, the greater the potential adverse impact on credit losses and funding market liquidity and cost, which may cause a material effect in Creditas' capability to continue growing and diluting operational costs, as well as maximizing portfolio financial results.

We are subject to credit risk in general as part of our core business, and to errors in credit risk assessment given unpredictable risk factors.

We are exposed to our customers' ability to pay back their loans. For example, in relation to loans originated in the second quarter of 2024, we estimate that approximately 14 per cent. of the total lent amount will not be repaid by the client; given that, it is part of our daily business to adopt mechanisms that estimate credit risk and establish reserves and mitigating factors for potential credit losses. An important part of our credit risk management system is to employ an internal credit rating system to assess the particular risk profile of a client. This process involves subjective and complex judgments, and considers both quantitative and qualitative factors, including projections of economic conditions and assumptions on the ability of our lending business's borrowers to repay their loans. Additionally, our lending business may not be able to modify its credit risk management system or effectively implement new resources and tools available on a timely basis to detect risks before they occur, which may increase our lending business's credit risk.

Our provisions for impairment losses are based on our current assessment, as well as expectations, concerning various factors affecting the quality of our loan portfolio. As many of these factors are beyond our control and there is no infallible method for predicting loan and credit losses, we cannot assure that our current or future provisions for impairment losses will be sufficient to cover actual losses. When borrowers default on loan and financing agreements, as part of our standard collection processes, we take measures that range from simple notifications to judicial or extrajudicial procedures to collect the amounts due. There can be no assurance that our standard

collection processes and foreclosure of collateral linked to these loans and financing activities will result in the recovery of the amounts due.

If our assessment of and expectations concerning the above-mentioned factors differ from actual developments, if the quality of our total loan portfolio deteriorates, for any reason, or if the future actual losses exceed our estimates of expected losses, we may be required to increase our provisions for impairment losses, which may adversely affect our business, results of operations, financial condition, and future prospects.

Expanding our operations internationally would subject us to new challenges and risks.

We currently operate in Brazil and Mexico and we may seek to further expand our business internationally, in particular in Latin America. Managing any international expansion will require us to comply with new regulatory frameworks and additional resources and controls. Any expansion internationally would subject our business to risks associated with international operations, including:

- political, social and/or economic instability;
- adjusting the proprietary risk algorithms that we use to account for the differences in information available in different jurisdictions on customers;
- conformity of our platform with applicable business customs, including translation into foreign languages and associated expenses;
- higher levels of credit risk and fraud;
- potential changes to our established business model;
- the need to support and integrate with local vendors and service providers;
- competition with companies that have greater experience in the local markets than we do or that have pre-existing relationships with potential customers and investors in those markets;
- difficulties in collecting payments in multiple foreign currencies and associated foreign currency exposure;
- difficulties in staffing and managing foreign operations in an environment of diverse culture, laws, and customers, and the increased travel, infrastructure, and legal and compliance costs associated with international operations;
- compliance with multiple, potentially conflicting, and changing governmental laws and regulations, including banking, securities, employment, tax, privacy, and data protection laws and regulations;
- compliance with U.S. and foreign anti-bribery laws, including the Foreign Corrupt Practices Act;
- potential restrictions on repatriation of earnings;
- expanded compliance with potentially conflicting and changing laws of taxing jurisdictions where we conduct business, the complexity and adverse consequences of such tax laws, and potentially adverse tax consequences due to changes in such tax laws; and
- reduced protection for intellectual property rights in some countries.

As a result of these difficulties in adapting to a new operation environment and proper assessment of customers' demand and credit risks in a new jurisdiction, any potential future international expansion efforts that we may undertake may not be successful and our financial performance and operating results could suffer.

Our business depends to a large extent on our brand.

Offering a better way for customers to have access to consumer credit is critical to our success. If customers do not trust our brand or have a positive experience, it will in turn result in us losing existing customers. Moreover, our ability to attract new customers is highly dependent on our reputation and on positive recommendations from our existing customer base. Any failure to maintain a consistently high level of customer service, or a market perception that we do not maintain high-quality customer service, would adversely affect our reputation and the number of positive customer referrals that we receive. As a result, our business, results of operations and financial condition would be materially and adversely affected.

Furthermore, any negative publicity about our industry or our company, the quality, reliability and performance of our products and services, our risk management processes, changes to our products and services, our ability to effectively manage and resolve customer complaints, our privacy and security practices, litigation, regulatory

activity, and the experience of customers using our products or services (even if inaccurate or false) could adversely affect our reputation and the confidence in and use of our products and services. Harm to our brand can arise from many sources, including failure to satisfy expectations of service and quality, inadequate protection of personal information, compliance failures and claims, litigation and other claims, third-party trademark infringement claims, administrative proceedings at the applicable national trademark offices, employee misconduct, and misconduct of service providers, or other counterparties. If we do not successfully maintain well-regarded and widely known brands, our business could lose recognition in the market, reducing potential for growth and profit generation over the portfolio under management, which could materially and adversely affect the Company's future results.

In addition, we believe that promoting our brands in a cost-effective manner is critical to achieve widespread acceptance of our products and services and to expand our customer base. Our brand promotion activities may not generate customer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in building our brands. If we fail to successfully promote and maintain our brands or if we incur excessive expenses in this effort, we risk having a significant increase in the level of investment that is necessary to attract new customers, which may not be fully compensated by increases in price, therefore affecting the Company's profitability.

The introduction and promotion of new services, as well as the promotion of existing services, may be partly dependent on our visibility on third-party advertising platforms, such as Google, Facebook, Instagram and YouTube. Changes in the way these platforms operate or changes in their advertising prices or other terms could make the maintenance and promotion of our products and services and our brands more expensive or more difficult. If we are unable to market and promote our brands on third-party platforms effectively, our ability to acquire new customers would be materially impacted, which could adversely affect our business, financial condition, and results of operations.

Any acquisitions, partnerships or joint ventures that we make or enter into entail risks to our business.

We have entered into, and expect to continue to evaluate, potential strategic acquisitions of, and partnerships or joint ventures with, complementary businesses, services or technologies. The risks we face in connection with acquisitions include, but are not restricted to:

- diversion of management time and focus from operating our business to addressing acquisition integration challenges;
- integration of the acquired company's services, technologies, accounting, management information, human resources, and other administrative systems;
- transition of the acquired company's users to our website and mobile applications;
- cultural challenges associated with integrating employees from the acquired company into our organization;
- retention of employees from the acquired company;
- financial, reputational and technical issues, including with respect to accounting practices, financial statement disclosures and internal controls, as well as other regulatory or compliance matters, all of which we may not have identified as part of our due diligence process and that may not be sufficiently indemnifiable under the relevant acquisition or joint venture agreement;
- potential write-offs of intangibles or other assets acquired in such transactions that may have an adverse effect on our operating results;
- liability for activities of the acquired company before the acquisition, including patent and trademark infringement claims, violations of laws, commercial disputes, tax liabilities, and other known and unknown liabilities; and
- litigation or other claims in connection with the acquired company, including claims from terminated employees, customers, former investors, or other third parties.

We may not be successful in identifying acquisition, partnership, and joint venture targets. In addition, we may not be able to successfully finance or integrate any businesses, services, or technologies that we acquire or with which we form a partnership or joint venture, and we may lose customers as a result of any acquisition, partnership or joint venture. Furthermore, we may be unable to complete a proposed acquisition, partnership or joint venture if we are unable to obtain any required regulatory approvals for the relevant transaction, which might include approval by

the Central Bank and the Brazilian anti-trust authority (the Administrative Council for Economic Defense, or Conselho Administrativo de Defesa Econômica) and applicable authorities from other jurisdictions.

In addition, we may be unable or unwilling to comply with any pre-conditions to any required regulatory approvals, which may cause us to be unable to complete a proposed acquisition, partnership, or joint venture. Certain acquisitions, partnerships and joint ventures may prevent us from competing for certain customers or in certain lines of business and may lead to a loss of customers. In addition, we may spend time and money on projects that do not increase our revenue or profitability. To the extent we finance any acquisition or investment in cash, it will reduce our cash reserves, and to the extent we finance any acquisition or investment with the proceeds from the incurrence of debt, this would increase our level of indebtedness and could adversely affect our liquidity, credit rating, and restrict our operations. Our competitors may be willing to pay more than us for acquisitions or investments, which may cause us to lose certain opportunities that we would otherwise desire to complete. There can be no assurance that any acquisition, partnership, investment, or joint venture will not have a material adverse effect on our business, financial condition, and results of operations.

Reliance on third parties and their systems to process transaction data.

To provide our services, we rely on third parties that we do not control, such as Serasa, Boa Vista, TransUnion, Neoway, PH3A, LexisNexis, Oiti, Salesforce, Crivo, ClearSale, Zapay, Whatsapp Business among others. We rely on these third parties for a variety of services, including credit analysis, customer data validation (KYC), processing financial transactions and the provision of information and other elements of our services. In the event that these third parties fail to provide these services adequately, including as a result of financial difficulty or insolvency, errors in their systems, outages or events beyond their control, or refuse to provide these services on terms acceptable to us or at all and we are not able to find suitable alternatives, our business could suffer from a shortage of information for our customer credit analysis, increasing exposure to frauds or risk assessment mistakes, difficulties to establish a good communication with the clients, as well as drops in the teams productivity, which affect the customer experience throughout the business process; these risks may materially and adversely affect our business competitiveness, volume of sales and negatively impact the potential for profit generation through new origination.

Reliance on third-party licensed software, systems, and cloud hosting platforms in our business.

We utilise third party software, systems, and cloud hosting platforms from third-party service providers (such as AWS - Amazon Web Services and Google), to make certain content available on our platform. Our operations depend, in part, on the service providers' ability to protect their facilities against damage or interruption from natural disasters, power or telecommunications failures, criminal acts, unauthorised entry and computer viruses and similar events.

Even though we work with a multi Availability Zone and multi-region approach to mitigate risks regarding cloud hosting issues, the occurrence of spikes in user volume, traffic, natural disasters, acts of terrorism, vandalism or sabotage, or a decision to close a facility without adequate notice, or other unanticipated problems at our service providers' facilities could result in lengthy interruptions in the availability of our platform, which could affect our ability to offer products to new clients or to protect the information of existing clients, impacting customers trust and causing adverse effects to our potential to generate revenue.

We may not be able to renew or maintain the agreements entered into with third-party suppliers for the use of the software, systems and cloud-hosting platforms. Such contracts may be suspended or terminated in the event of a breach of contract by Creditas, or even without reason by the supplier or due to factors beyond the control of the parties, in which case we would be prevented from continuing to use said systems. We cannot guarantee that we would be able to replace such third-party suppliers in a timely manner and without major impacts on our operations, and use of additional or alternative third-party software would require us to enter into license agreements which may not be available on commercially reasonable terms or at all. Many of the risks associated with the use of third-party software cannot be eliminated, and these risks could negatively affect our business.

Additionally, the software powering our technology systems incorporates software covered by open-source licenses. The terms of many open-source licenses have not been interpreted by U.S. courts, and there is a risk that the licenses

could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to operate our systems. In the event that portions of our proprietary software are determined to be subject to an open-source license, we could be required to publicly release the affected portions of our source code or re-engineer all or a portion of our technology systems, each of which could reduce or eliminate the value of our technology systems. Such risk could be difficult or impossible to eliminate and, besides impacting our technology system value, could adversely impact our business competitiveness advantage, therefore affecting the Company's potential to attract new clients and generate future results.

IT risks.

Our platform and our internal systems rely on software that is highly technical and complex. For example, these systems are required to process a significant number of transactions efficiently and accurately, as well as enable the processing, storage and secure transfer of confidential data and other sensitive information, such as personally identifiable information, customer contracts and behavior information, or credit bureau data. The software that we use to process these transactions is often required to interact with third party software or operating systems. Accordingly, any incompatibilities or the unavailability of such software or operating systems, or any limitations as to their use, may prevent proper processing of transactions made by our customers resulting in losses, disputes with customers, lawsuits, regulatory fines, sanctions, regulatory intervention, an obligation to issue refunds or other damages, each of which could materially adversely affect our business.

In addition, our platform and our internal systems depend on the ability of such software to store, retrieve, process, and manage immense amounts of data. Our operations depend on the efficient and uninterrupted operation of our IT systems. As a result, undetected errors, failures, bugs, or defects may be present in such software or occur in the future in such software, including open-source software and other software we license in from third parties, especially when updates or new products or services are released.

Any real or perceived errors, failures, bugs, or defects in the software may not be found until our customers use our platform and could result in outages or degraded quality of our services, which could adversely impact our business, as well as trigger negative publicity, harm to our brand or weakening of our competitive position. In such an event, we might be required or choose to expend significant additional resources in order to correct the problem and could be subject to liability claims. We also could have impaired our ability to attract new customers, retain existing customers and expand their use of our products and services, all of which would adversely affect our business.

Downturns in economic conditions or political instability could increase customer default rates, as well as have adverse effects on our revenues, returns, and funding sources availability.

Economic or political instability has historically created a difficult environment for companies in the financial services industry. Many external factors may result in higher default rates by our loan customers, and adversely affect our revenues, margins, and liquidity level (such as, but not restricted to, spikes in inflation level, instability or controversy in the political arena, increase in unemployment rates, declining level of customer and business confidence, changes in customer spending, as well as events such as natural disasters, public health crises, like the COVID-19 pandemic, acts of war, terrorism and catastrophes). Also, investors tend to become more risk averse, which can negatively affect overall demand for our securitization products - asset backed securities such as Fundos de Investimentos em Direitos Creditórios, or FIDCs, and Certificados de Recebíveis Imobiliários, or CRIs, and restrict our access to funding sources (which also tend to become more expensive). Having fewer options for funding would potentially lead the Company to slow down its growth strategy, given the market low appetite, affecting its ability to optimise potential future returns on the portfolio under management.

Rises in Selic (Brazilian basic interest rate) may affect our profits, especially if sudden and sharp, both from eventual mismatches between assets and liabilities index rates, and from the increased likelihood of customer delinquency due to the deceleration in the economic activity.

Similarly, low basic interest rates, especially if sustained for long periods, stimulate the economy and may exert pressure on pricing of loans and other products (as a result of a more competitive environment), while at the same time driving the general population to increased leverage at family or individual levels, (possibly leading to worse credit risk profiles), both of which could negatively impact our margins and financial results.

Models, policies, procedures and methodologies that we have adopted to manage risks (including market, liquidity, credit, operational and environmental risks) may not be sufficient to prevent exposure to unforeseen risks or the occurrence of known risks.

The models, policies, procedures, and methodologies that we use to monitor, measure and manage risks may not be sufficient to prevent our exposure to unforeseen risks or the occurrence of known risks, which may materially adversely affect us. Moreover, potential measures or changes instituted by regulators, including changes in laws, may materially adversely affect us.

As such, statistical models and management tools used to estimate our exposure within a given time-period may prove inaccurate in estimating the capital, controls or safeguards required to cover, control or mitigate unpredictable, unforeseen or erroneously quantified factors. Furthermore, stress tests and sensitivity analyses based on predefined scenarios may not identify all of the possible impacts on our results of operations.

We may incur losses resulting from failures, inadequacies or deficiencies in internal processes, systems, or human error. In addition, we may incur losses resulting from external events such as natural disasters, terrorism, theft and vandalism, as well as events that are not properly identified and addressed by our models. The incurrence of any of these risks may materially adversely affect our ability to continue offering a competitive product, as well as retaining the trust and loyalty of our customer base, which would affect our business, financial condition, and results of operations.

An increase in fraudulent activity and/or cyber attacks could lead to financial exposure (including fines and other penalties), as well as reputational, legal and regulatory exposure.

Lending institutions like us, as well as vendors and other third parties, are and will likely continue to be the target of increasingly sophisticated cyber attacks, fraudsters and fraud rings in the future.

Despite adopting and developing systems and processes that aim to detect and prevent cyber-attacks and fraudulent activity, which require significant investment, maintenance and ongoing monitoring and updating as technologies and regulatory requirements change and as efforts to overcome security and anti-fraud and anti-attack measures become more sophisticated, the possibility of attacks, fraudulent or other malicious activities and human error or malfeasance cannot be eliminated entirely from our business and will evolve as new and emerging technology is deployed, including the increasing use of personal mobile and computing devices that are outside of our network and control environments. Risks associated with each of these include theft of funds and other monetary loss, the effects of which could be compounded if not detected quickly. Fraudulent activity and cyber-attacks may not be detected until well after it occurs, and the severity and potential impact may not be fully known for a substantial period of time after it has been discovered.

Fraudulent activity, cyber-attacks and other actual or perceived failures to maintain a product's integrity and/or security has led to increased regulatory scrutiny and may lead to regulatory investigations and intervention (such as mandatory card reissuance), increased litigation (including class action litigation), remediation, fines and response costs, negative assessments of us and our subsidiaries by regulators and rating agencies, reputational and financial damage to our brand, and reduced usage of our products and services, any of which could have a material adverse impact on the Group's financial performance and operating results.

Reliance on our senior management team and key individuals.

Sergio Furio, founder of Creditas and Chief Executive Officer, is a key individual, and his personal role in the Company is very important in the context of Creditas' branding and debt and equity investors. The success of the Company has also depended and continues to depend on having a talented body of executives who make up our highly qualified senior management team, able to identify and pursue new opportunities, and to execute our business plan. Even though Creditas does not have any kind of dependency or consider key personnel any individual executive other than Sergio, our success depends on our continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and we may incur significant costs to attract and retain them. In addition, the loss of any of our senior management team could adversely affect

our ability to execute our business plan and strategy, as we may not be able to find adequate replacements on a timely basis.

Our ability to attract, recruit, develop and retain qualified employees is critical to our success and growth.

Our business functions are at the intersection of rapidly changing technological, social, economic, and regulatory developments that require a wide-ranging set of expertise and intellectual capital. For us to successfully compete and grow, we must attract, recruit, develop and retain the necessary personnel who can provide the required expertise across the entire spectrum of our intellectual capital needs. We must develop our personnel to provide succession plans capable of maintaining continuity in the midst of the inevitable unpredictability of human capital. However, the market for qualified personnel is competitive, and we may not succeed in recruiting additional personnel or may fail to effectively replace current personnel who depart with qualified successors on a timely basis. Many of our employees are highly trained in specific skills, such as software developers and engineers, product managers and system security professionals and, accordingly, we may face challenges in recruiting and retaining such qualified personnel. Our efforts to retain and develop personnel may also result in significant additional expenses, which could adversely affect our profitability. There can be no assurance that qualified employees will continue to be employed or that we will be able to attract and retain qualified personnel in the future. Failure to retain or attract key personnel could have a material adverse effect on our business, financial condition and results of operations.

Risks related to the effectiveness of the collection and recovery process over defaulted credits.

When borrowers default on loan and financing agreements, Creditas, who acts as the servicing agent of the funds, takes judicial or extrajudicial measures to collect the amounts due. There can be no assurance that our collection procedures and foreclosure of guarantees linked to these loans and/or financing activities will be the most appropriate or that they will result in the actual recovery of the amounts due. Being the owner of the subordinated quotas of the funds, the Company's returns rely on the excess spread generated by the portfolio, which may be materially adversely affected to the extent that we are unable to substantially recover unpaid balances.

Risks relating to the impairment of intangible assets.

As of 30 June 2024, and 31 December 2023, our balance sheet included intangible assets that amounted to R\$394 million and R\$398 million, respectively. These assets consist primarily of identified intangible assets associated with our acquisitions. We also expect to engage in additional acquisitions, which may result in our recognition of additional intangible assets. Under current accounting standards, we are required to amortise certain intangible assets over the useful life of the asset, while certain other intangible assets are not amortised. On at least an annual basis, we assess whether there have been impairments in the carrying value of certain intangible assets. If the carrying value of the asset is determined to be impaired, then it is written down to fair value by a charge to operating earnings. An impairment of a significant portion of intangible assets could have a material adverse effect on our business, financial condition and results of operations.

Rises in early payments of the loans could negatively impact our returns.

The rate at which borrowers prepay their loans can impact our net revenues, given that faster portfolio decay can lead to a reduction in the size of the portfolio, and even if combined with an origination pace that is sufficient to maintain or grow total portfolio, this new origination would result in further customer acquisition costs ("CAC"). A portfolio with low levels of prepayment dilutes CAC effects and therefore has positive effects on our financial results and margins. Prepayment rates and levels are subject to a variety of economic, social, competitive, and other factors, including fluctuations in interest rates, availability of alternative financing, regulatory changes and others.

While we anticipate some variability in prepayment levels, extraordinary or extended increases or decreases in prepayment rates could affect our financials.

Risks Relating to Financing

Having a capital efficient funding model is key to the success of our lending business. To support this model and the growth of our business, we must maintain a variety of funding arrangements, including asset-backed

securitization structures, credit lines with lenders, and the commercial agreement with Andbank (acquired in 2022 and pending approval by Brazil Central Bank). If we are unable to maintain access to, or to expand, our network and diversity of funding arrangements, our business, results of operations, financial condition, and prospects could be materially and adversely affected.

We cannot guarantee that these funding arrangements will continue to be available on favourable terms or at all, and our funding strategy may change over time, depending on the availability of such funding arrangements. The capital markets have from time-to-time experienced periods of significant volatility, including volatility driven by the COVID-19 pandemic and other geopolitical events such as the conflicts in Ukraine and the Middle East. This volatility can materially and adversely affect financing costs when compared to historical norms, or even make funding unavailable at any cost for certain periods. If financing is difficult, expensive or unavailable, our business, financial condition, results of operations, cash flows and future prospects could be materially and adversely affected.

If our existing funding arrangements are not renewed or replaced by alternative funding sources currently not used by us, or our existing funding sources are unwilling or unable to provide additional funding to Creditas on terms acceptable to us, or at all, we would need to either secure additional sources of funding or reduce our operations significantly. Furthermore, the increase in volume of loan origination increases may require the expansion of our funding capacity under our existing funding arrangements or through new funding arrangements.

The agreements governing our funding arrangements require us to comply with certain covenants. A breach of such covenants or other events of default under our funding agreements could result in the reduction or early termination of such instruments, and/or (in the case of securitizations) in a reduction of the cashflow directed to Creditas from these structures; it also could also increase our cost of funding, as a result of eventual change in the risk perception from investors. Some of these covenants, early redemption triggers, or events of default/acceleration include (but are not restricted to) performance indicators of our loan portfolio and/or financial statements metrics, which may be negatively affected by factors that are beyond our control and beyond the control of individual customers, such as economic downturns, the rate of unemployment, the level of customer and business confidence, commercial real estate values, the value of the Brazilian real, changes in customer and business spending and leverage, disruptions in the credit markets, the COVID-19 pandemic, and others.

In the event of a sudden or unexpected shortage of funds in the financial system, we may not be able to maintain necessary levels of funding without incurring high funding costs, a reduction in the term or size of funding facilities, and/or the liquidation of certain assets. In such a case, if we are unable to arrange new or alternative methods of financing on favourable terms, we would have to reduce our origination volume. These events could have a material adverse effect on our business, results of operations, financial condition, cash flows, and prospects.

Since our founding, we have raised substantial equity financing to support the growth of our business. Because we intend to continue to make investments to support the growth of our business, we may require additional equity funding to pursue our business objectives and growth strategy and respond to business opportunities, challenges or unforeseen circumstances, increasing our marketing expenditures to attract new customers and improve our brand awareness, developing other products, introducing new services, further expanding internationally in existing or new countries or further improving existing offerings and services, enhancing our operating infrastructure and potentially acquiring complementary businesses and technologies. Accordingly, on a regular basis we need, or we may need, to engage in equity or debt financings to secure additional funds. However, additional funds may not be available when we need them, in amounts we need, or permitted to be applied to specific use cases, on terms that are acceptable to us or at all.

In the last couple of years, fintech companies have been impacted by the rises in global interest rates, which increase the cost of available capital, compressing margins, especially in growing, capital consuming companies. Though not public, when accessing capital markets, the Company may be compared to similar traded companies and may have its valuation adversely affected by the deterioration of multiples in the public market. Furthermore, depreciated and volatile valuations may also adversely impact the availability of capital for equity financing in the market.

Legal & Regulatory risks

Adverse decisions in legal and administrative proceedings to which we, our subsidiaries or our directors and officers are a party may materially adversely affect our business, financial condition or results of operations.

We and our subsidiaries are, and may be in the future, party to legal, arbitration and administrative investigations, inspections and proceedings arising in the ordinary course of our business or from extraordinary corporate, tax or regulatory events, involving our customers, suppliers, as well as competition, government agencies and tax authorities, particularly with respect to civil, criminal, tax and labour claims, and any such investigations, inspections and proceedings may also include our shareholders, directors, officers, employees and other affiliates. A negative outcome to these investigations, inspections and proceedings may culminate in financial penalties that could adversely affect the Group's future profit generation.

Indemnity rights that we seek to negotiate in certain transactions (including in the context of merger and acquisitions) may not cover all claims that may be asserted against us, generating negative financial impact, and any claims asserted against us, regardless of merit or eventual outcome, may adversely affect our reputation. In addition, unfavourable decisions in proceedings involving our management relating to practices outside its scope of duties, actions taken in bad faith and/or beyond the limits of the Company's by-laws, may prevent them from continuing to serve as our officers or directors, which could adversely impact the Group's day-to-day operations, and materially adversely affect our reputation and business.

Should the ultimate judgments or settlements in any pending or future litigation or investigation significantly exceed the amounts of the provisions that we have recognised (or may recognise in the future) or that we are able to recover under any indemnity arrangements, such judgments or settlements could have a material adverse effect on our business, financial condition, results of operations, and reputation. Further, even if we adequately address issues raised by an inspection conducted by an agency or successfully defend our case in an administrative proceeding or court action, we may have to set aside significant financial and management resources to settle issues raised by such proceedings or to those lawsuits or claims, which could adversely affect our business.

The Group currently has approximately 220 ongoing labour lawsuits relating to issues such as overtime and wage parity. These disputes are related to the normal course of business in Brazil and usually don't represent a material impact. Nonetheless, there is no guarantee that such lawsuits won't have negative outcomes, generating an adverse financial impact to the Group through the payment of fines.

We may face restrictions and penalties under the Brazilian Consumer Protection Code.

Brazil has a series of strict customer protection laws, referred to together as the Consumer Defense Code (*Código de Defesa do Consumidor*). These laws apply to all companies in Brazil that supply products or services to Brazilian customers, including the financial services provided by us. We may infringe upon, or be accused of infringing upon, the Consumer Defense Code, and as a result we may incur penalties, and we may be unable to contest such penalties. They include protection against misleading and deceptive advertising and collection, protection against coercive or unfair business practices and protection in the formation and interpretation of contracts, usually in the form of civil liabilities and administrative penalties for violations. Moreover, given the digital nature of our activities, we are often subject to fraud attempts and cyber-attacks that could cause losses to our clients and subject us, among others, to civil contingencies arising from the Consumer Defense Code. The public prosecutor's office and public defenders in Brazil can also file public civil proceedings against companies that violate customer rights or the rules of competition, to ensure strict compliance with the customer defense laws, and can impose indemnities for any damage to customers. Companies that violate the relevant regulations face potential automatic fines. Brazilian Public Prosecutors may also file public civil actions against companies who violate customer rights, seeking strict observation of the customer protection laws and compensation for any damages to customers.

To the extent customers file such claims against us in the future, we may be required to pay fines for non-compliance that could adversely affect our results of operations as well as our reputation.

Having regulated companies in the Group, as well as being a service provider for other third-party financial institutions may subject us to several regulatory requirements

The Group currently has amongst its operational companies a financial institution regulated by the Brazilian Central Bank (“**Central Bank**”), an insurance broker company regulated by the Superintendence of Private Insurance (“**SUSEP**”), both situated in Brazil, and a multi-purpose financial company (“**SOFOM**”) in Mexico, which performs activities that are subject to the regulation of the National Commission for the Protection and Defense of Financial Services Users (*Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros* or *CONDUSEF*). These institutions have a series of monthly, semi-annual and annual obligations regarding financial requirements, accounting principles, business continuity plans, annual effectiveness reports, internal and external audit, suspected cases of money laundering and terrorist financing, etc. A failure to comply with these obligations and regulations could result in a partial or complete suspension of operations, in addition to fines, sanctions and even loss of the operational licence.

Besides that, having relationships with third parties that are subject to various federal laws and regulations in Brazil, may also require that other Group companies comply with the laws to which such third parties are subject. As a service provider or partner to financial institutions, such as banks, we may become subject to regulatory oversight and examination by the Central Bank.

Changes to applicable laws and regulations and enhanced regulatory oversight may compel us to divert more resources to compliance, terminate or modify our relationships with our partners, or otherwise limit the manner in which we conduct our business. If we are unable to adapt our products and services to conform to applicable laws and regulations, or if these laws and regulations have a negative impact on our partners, we may experience difficulties in continuing to grow the business or increased operating costs, which could have a material adverse effect on our business, financial condition and results of operations.

Changes to the regulatory framework.

In our main market, Brazil, our lending platform is subject to minimum government regulation and to date has been subject to minimum licensing requirements from the Central Bank. However, although we strive to remain in constant compliance with the constantly changing regulatory environment, we cannot predict whether there will be in the future changes to the regulatory framework of the Brazilian consumer finance and payroll regulation that may have an adverse effect on us and/or subject our business to further regulation and scrutiny by governmental authorities.

In the event that the acquisition of the Andbank licence is approved, then the Group will be subject to increased regulatory scrutiny including capital adequacy requirements, which Andbank is already subject to.

Consumer finance and payroll regulation is constantly changing, and new laws or regulations, or new interpretations of existing laws or regulations, could have a material adverse impact on our ability to operate as currently intended, and cause us to incur significant expense to ensure compliance. These potential regulatory changes and uncertainties may make our business planning more difficult and could result in changes to our business model and potentially adversely impact our results of operations. If we fail to adapt our business sufficiently to comply with applicable laws, we could lose one or more of our licenses or authorizations or face other sanctions or penalties or be required to obtain a license in one or more such jurisdictions, which may have an adverse effect on our business.

Historically, the Brazilian government has implemented or amended the regulations that govern financial institutions in connection with the implementation of the Brazilian government’s economic policy. These regulations are constantly modified by the Brazilian government to control the availability of credit and to reduce or increase consumption. Certain controls are temporary in nature and may be modified from time to time in accordance with the Brazilian government’s credit policies or to address concerns of the government during periods of heightened political and economic uncertainty. Other controls were introduced and remain in force or were gradually reduced. We have no control over the enactment of regulations relating to financial services operations – whether they currently apply to us or may apply to us in the future – including those that govern:

- minimum capital requirements;

- limits on fixed asset investments;
- lending limits and other credit restrictions, including compulsory allocations;
- limits and other restrictions on interest rates and fees, including the period for capitalizing interest;
- accounting and statistical requirements;
- limits on exchange exposure;
- requirements for the contracting of services for the processing and storage of data and cloud computing;
- requirements in relation to the prevention of money laundering, record keeping and ethical issues; and
- intervention, liquidation and/or temporary monitoring.

The applicable regulatory framework has been continuously changing. Existing laws and regulations may be amended, the way existing laws and regulations are enforced or interpreted may change, and new laws or regulations may be adopted, any of which may have a material adverse effect on our business.

Although we have a compliance program focused on applicable laws, rules, and regulations of each jurisdiction in which we operate and are continually investing in this program, we may nonetheless be subject to fines or other penalties in one or more jurisdictions levied by federal, state, or local regulators, as well as those levied by foreign regulators. In addition to fines, penalties for failing to comply with applicable rules and regulations could include significant criminal and civil lawsuits, forfeiture of significant assets, or other enforcement actions, including loss of required licenses or approvals in a given jurisdiction. We could also be required to make changes to our business practices or compliance programs because of regulatory changes and scrutiny. In addition, any perceived or actual failure to adapt our business to comply with applicable laws, rules, and regulations could have a significant impact on our reputation as a trusted brand and could cause us to lose existing customers, prevent us from obtaining new customers, require us to expend significant funds to remedy problems caused by breaches and to avert further breaches, and expose us to legal risk and potential liability. Any disciplinary or punitive action by our regulators or failure to obtain required operating authorizations could adversely affect our business and results of operations.

In addition, the Brazilian regulatory and legal environment exposes us to other compliance and litigation risks that could materially affect our results of operations. These laws and regulations may change, sometimes significantly, as a result of political, economic or social events. Some of the federal, state or local laws and regulations in Brazil that affect us include those relating to customer products, product liability or customer protection; those relating to the manner in which we advertise, market or sell products; labour and employment laws, including wage and hour laws; tax laws or interpretations thereof; bank secrecy laws, data protection and privacy laws and regulations.

In addition, the Brazilian Constitution used to establish a ceiling on loan interest rates and certain Brazilian courts have issued decisions in the past limiting interest rates on customer financing transactions that are considered abusive or excessively onerous in comparison with market practice. Brazilian courts' future decisions as well as changes in legislation and regulations restricting interest rates charged by financial institutions could have an adverse effect on our business as it could potentially reduce the interest we charge customers, consequently negatively impacting our net income.

In connection with our operations in Mexico, our subsidiary in Mexico LGF Occidente S.A. de C.V. SOFOM, or LGF, performs activities that are not currently subject to the oversight of the CNBV, the National Commission for Retirement Savings (*Comisión Nacional del Sistema de Ahorro para el Retiro*) and does not require any licenses to operate. In future, changes to the regulatory framework of the Mexican consumer finance regulation may have an adverse effect on us and subject our business to further regulation and scrutiny by governmental authorities.

Furthermore, any changes to the rules and regulations governing consumer finance and payroll loans, as well as securitization vehicles and instruments, may adversely affect the Group's business and financial position.

Changes in tax laws and differing interpretations of tax laws.

Brazilian government authorities at the federal level are amending tax laws. For example, the Brazilian federal government presented Bill of Law No. 2,337/2021 to the National Congress, proposing significant changes to the corporate income tax (“**IRPJ**”) legislation. This bill was approved by the House of Representatives but is still under review and awaiting approval by the Federal Senate, subject to potential further modifications.

Additionally, Brazil's value-added tax ("VAT") reform was approved by both the House of Representatives and Federal Senate. The tax reform will take effect in 2026, with an eight-year transition period. The Group is awaiting information from the federal government on the tax base, rate, and calculation method.

As a result, Brazil will introduce a dual VAT regime, including (1) a Tax on Goods and Services (*Imposto sobre Bens e Serviços* or *IBS*), which will replace the state-level ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*) and municipal-level ISS (*Impostos sobre Serviços*), and (2) the Contribution on Goods and Services (*Contribuição sobre Bens e Serviços* or *CBS*), which will replace the federal contributions PIS (*Programa de Integração Social*)/COFINS (*Contribuição para o Financiamento da Seguridade Social*) as well as the federal excise tax on industrial products (*Imposto sobre Produtos Industrializados* or *"IPI"*).

Tax laws, regulations and tax treaties are complex, and their application to us is sometimes open to interpretation, which may lead to different interpretations by us and tax authorities.

The application of indirect taxes, such as VAT, ISS, corporate income taxes (including Corporate Income Tax or Imposto de Renda Pessoa Jurídica (IRPJ) and Corporate Social Contribution Tax or Contribuição Social sobre o Lucro Líquido), and gross receipt contributions (PIS and COFINS), to businesses like ours is complex and continues to evolve. We are required to exercise significant judgment in evaluating applicable tax obligations. The effects of these changes and any other changes resulting from the enactment of additional tax reforms have not been and cannot be quantified. Such reforms may, if implemented, increase the overall tax burden on our operations and business. The interpretations of Brazilian tax authorities regarding tax events, tax rates, and the calculation of certain taxes may change from time to time, including in ways that could materially affect us, investors, and our financial position and results of operations.

We are subject to laws and regulations relating to money laundering, terrorist financing, corruption and other illegal activities in the jurisdictions in which we operate.

We are subject to laws and regulations related to the prevention and combating of money laundering, terrorist financing, corruption and other illegal activities. These laws and regulations require, among other measures, that we adopt and apply "know-your-client" (including politically exposed person, or PEP, assessments and background checks), "know-your-partner", "know-your-supplier" and "know-your-employee" policies and procedures. We must also provide annual training for employees in the prevention of money laundering, terrorist financing and other related illegal activities, as well as report suspicious transactions to the appropriate authorities as soon as detected.

These standards have become more detailed and complex, requiring that we improve already sophisticated systems and use specialised personnel for compliance and monitoring purposes. These standards are subject to oversight by government bodies as well as regulatory and self-regulatory authorities. Policies and procedures to detect and prevent the use of our framework for money laundering, terrorist financing, corruption and related illicit activities as well as those designed to prevent bribery and other illegal practices may not prove effective in preventing the unauthorised use of our systems by our employees or third-party agents for illegal or improper activities.

If we are unable to fully comply with applicable laws and regulations to prevent and combat money laundering and the financing of terrorism, combating corruption or other related illegal activities, regulatory and/or self-regulatory agencies with jurisdiction over us may impose fines and other penalties, including the revocation of licenses and operating permits.

We may be materially adversely affected to the extent we are involved, or accused of being associated with, money laundering, terrorist financing, corruption or other related illegal activities, or in the event that our operations, accounts or systems are used, with or without our knowledge, to further money laundering, terrorist financing, corruption or other illegal or improper purposes, considering that such events could adversely affect the Group reputation, impact customers trust, reducing potential for future growth, diminish the Group's ability to continue funding its operations at a lower cost and, therefore, reduce profitability.

Compliance with data privacy and security laws and regulations.

Use of technology to offer our services and/or products involves the storage and transmission of information, including personal information, in relation to our staff, contractors, business partners and current, past or potential customers. Security breaches and direct attacks by (but not limited to) hackers, insiders, and any form of social engineering, could expose confidential information, which could result in potential regulatory investigations, fines, penalties, compliance orders, liability, litigation and remediation costs, as well as reputational harm, any of which could materially adversely affect our business and financial results. Any of these incidents, or any other types of security or privacy related incidents, could result in an investigation by a competent regulator, resulting in a fine or penalty, or an order to implement specific compliance measures. It could also trigger claims by affected third parties. While we use encryption and authentication technology licensed from third parties designed to effect secure transmission of such information, we cannot guarantee the security of the transfer and storage of personal information.

Any of the issues above could adversely affect our ability to attract new customers or retain existing customers, or subject us to governmental or third-party lawsuits, investigations, regulatory fines or other actions or liability, resulting in a material adverse effect to our business, results of operations and financial condition.

Also, we are subject to the provisions of laws regulating the maintenance, use and processing of sensitive and personal data, and we may be bound by contractual obligations relating to our collection, use, processing and disclosure of personal, financial and other data or may find it necessary or desirable to join industry or other self-regulatory bodies or other privacy or data protection-related organizations that require compliance with their rules pertaining to privacy and data protection. Any violations of such laws, provisions and/or contractual obligations may expose us to penalties and fines which could have a material adverse effect on our business and financial results.

While we strive to comply with all applicable privacy, data protection and information security laws and regulations, as well as our contractual obligations, posted privacy policies and applicable industry standards, such laws, regulations, obligations and standards continue to evolve and are becoming increasingly complex, and sometimes conflict among the various jurisdictions and countries in which we operate, which makes compliance challenging and expensive. We expect that there will continue to be new proposed laws, rules of self-regulatory bodies, regulations and industry standards concerning privacy, data protection and information security in Brazil and other jurisdictions, and we cannot yet determine the impact such future laws, rules, regulations and standards may have on our business. Additionally, our customers may be subject to differing privacy laws, rules and legislation, which may mean that they require us to be bound by varying contractual requirements application to certain other jurisdictions. Because global laws, regulations and industry standards concerning privacy and data security have continued to develop and evolve rapidly, it is possible that we or our products or platform may not be, or may not have been, compliant with each such applicable law, regulation and industry standard and compliance with such new laws or to changes to existing laws may impact our business and practices, require us to expend significant resources to adapt to these changes, or to stop offering our products in certain countries. These developments could adversely affect our business, results of operations and financial condition.

Further, CMN Resolution 4,893 sets forth requirements for data processing, storage and cloud computing services by financial institutions authorised to operate by the Central Bank, such as **Creditas Sociedade de Crédito Direto S.A. (“Creditas SCD”)**, and determine the mandatory implementation of a cybersecurity policy. Financial institutions, including Creditas SCD, are required to draw up internal cybersecurity policies, to appoint an officer to be responsible for implementing and overseeing cybersecurity policies, to adopt procedures and controls to prevent and respond to cybersecurity incidents and to include specific mandatory clauses in contracts regarding data processing, storage and cloud computing services. Furthermore, Creditas SCD must comply with Supplementary Law No. 105 of 10 January 2001, which subjects it to strict secrecy rules on transactions and requires it to preserve the confidential nature of assets and liabilities transactions and of the services provided to its customers.

Protection of intellectual property rights.

Our ability to lend to our customers depends, in part, upon our proprietary technology. We may be unable to protect our proprietary technology effectively, which would allow competitors to duplicate our business processes and

know-how, and adversely affect our ability to compete with them. A third party may attempt to reverse engineer or otherwise obtain and use our proprietary technology without our consent. The pursuit of a claim against a third party for infringement of our intellectual property could be costly, and there can be no guarantee that any such efforts would be successful.

Our and our subsidiaries' intellectual property rights, including rights to our trademarks and domain names, are important to our operations. As of the date of this presentation, we have obtained registration of our trademarks with the National Institute of Intellectual Property in Brazil and Mexico. There can be no assurance that our intellectual property rights will not be violated or that the future registration of any of our intellectual property will not be opposed by third parties, either judicially or administratively. Similarly, there can be no assurance that future registration applications to be submitted to the National Institute of Intellectual Property, regarding future intellectual property rights, shall be granted to us. In addition, in the event our intellectual property rights are successfully challenged, we may be prohibited from continuing to use such intellectual property. Accordingly, any failure to protect our intellectual property rights may materially adversely affect us.

In addition, our platform may infringe upon claims of third-party intellectual property, and we may face intellectual property challenges from such other parties. We may not be successful in defending against any such challenges or in obtaining licenses to avoid or resolve any intellectual property disputes. The costs of defending any such claims or litigation could be significant and, if we are unsuccessful, could result in a requirement that we pay significant damages or licensing fees, which would negatively impact our financial performance. Furthermore, our technology may become obsolete, and there is no guarantee that we will be able to successfully develop, obtain or use new technologies to adapt our platform to stay competitive in the future. If we cannot protect our proprietary technology from intellectual property challenges, or if our platform becomes obsolete, our ability to maintain our platform could be adversely affected.

Risks Relating to Brazil

The Brazilian federal government has exercised, and continues to exercise, significant influence over the Brazilian economy.

Our operations are primarily conducted in Brazil. Accordingly, our financial condition and results of operations are substantially dependent on economic conditions in Brazil, and we cannot assure you that Brazilian gross domestic product, or GDP, will remain stable or grow in the future. According to the *Instituto Brasileiro de Geografia e Estatística*, Brazilian GDP, in real terms, decreased 3.28 per cent. in 2020, increased 4.76 per cent. in 2021, 3.02 per cent. in 2022, and 2.91 per cent. in 2023 respectively. As of 30 June 2024, the Brazilian GDP recorded a growth of 2.50 per cent. in the previous 12 months. Future developments in the Brazilian economy, including unexpected events, such as with COVID-19 pandemic, may affect Brazil's growth rates and, consequently, the consumption of our products. As a result, these developments could impair our business strategies, results of operations and financial condition.

The Brazilian federal government frequently exercises significant influence over the Brazilian economy and occasionally makes substantial changes in policy and regulations, including to its monetary, fiscal, credit and tariff policies and rules. The Brazilian government's actions to control inflation and other policies and regulations have often involved, among other measures, increases or decreases in interest rates, changes in fiscal policies, wage and price controls, foreign exchange rate controls, blocking access to bank accounts, currency devaluations, capital controls and import and export restrictions. We have no control over and cannot predict the measures or policies that may be adopted by the governments in the markets in which we currently or may in the future operate or their impact on us and our business. We and the market price of our securities may be adversely affected by changes in government policies, as well as general economic factors, including, without limitation:

- expansion or contraction of the relevant economy, as measured by gross domestic product, or GDP, rates;
- interest rates and monetary policies;
- exchange rates and currency fluctuations;
- inflation;
- liquidity of the domestic capital and lending markets;

- import and export controls;
- exchange controls and restrictions on remittances abroad;
- modifications to laws and regulations according to political, social and economic interests;
- fiscal policy and changes in tax laws;
- economic, political and social instability;
- labour and social security regulations;
- energy and water shortages and rationing; and
- other political, diplomatic, social and economic developments in or affecting Brazil or Latin America.

Uncertainty over whether the Brazilian and other Latin American governments will implement reforms or changes in policy or regulation affecting these or other factors in the future may affect economic performance and contribute to economic uncertainty in Latin America, which may have an adverse effect on us. We cannot predict the measures that governments will take when faced with mounting macroeconomic pressures or otherwise. In addition, the Brazilian economy has been affected by recent political events that have also affected the confidence of investors and the public in general, thus adversely affecting Brazilian economic performance.

Economic uncertainty and political instability in Brazil.

Brazil's political environment has historically influenced, and continues to influence, the performance of the country's economy. Political crises have affected and continue to affect the confidence of investors and the general public, and specific events or moments of instability have historically resulted in factors that could negatively affect us such as sharp rises in inflation levels or economic deceleration. Also in such events, securities offered by companies with significant operations in Brazil may experience heightened volatility, both in local and offshore markets.

In the long term, a failure by the Brazilian government to implement necessary economic and structural reforms may result in diminished confidence in the Brazilian government's budgetary condition and fiscal stance, and negatively impact Brazil's economy, which could adversely affect our business and financial condition.

Brazilian foreign exchange controls and regulations could restrict the distributions from Brazil to the Company required to meet its payment obligations under the Bonds.

The Company is a holding company incorporated in the Cayman Islands and has no significant operations of its own. Accordingly, the Company is reliant on distributions from its subsidiaries to provide the liquidity required to meet its payment obligations under the Bonds. Furthermore, such payment obligations are denominated in U.S. dollars and are therefore reliant on the ability to convert the local currency of operating subsidiaries into U.S. dollars. Most of the operations of the Group are based in Brazil.

Brazilian law provides that whenever there is a serious imbalance in Brazil's balance of payments or reasons to foresee such a serious imbalance, the Brazilian government may impose temporary restrictions on the remittance to foreign investors of the proceeds of their investments in Brazil. Such restrictions may hinder or prevent holders of shares of our Brazilian subsidiaries from converting distributions into U.S. dollars and remitting such U.S. dollars abroad. Any reais held will be subject to devaluation risk against the U.S. dollar.

In addition, the likelihood that the Brazilian government would impose such restrictions may be affected by the extent of Brazil's foreign currency reserves, the availability of foreign currency in the foreign exchange markets on the date a payment is due and the size of Brazil's debt service burden relative to the economy. Under such restrictions, the Company could be exposed to a lack of liquidity required to comply with financial commitments, aside from suffering devaluation impacts on the cash balance, in the event of an economic downturn in Brazil.

We face exposure to foreign currency exchange rate fluctuations.

As our international operations expand, our exposure to the effects of fluctuations in currency exchange rates grows. For example, global political events, including elections, trade tariff developments and other geopolitical events have caused global economic uncertainty and variability in foreign currency exchange rates. While we have primarily transacted with customers and business partners in Brazilian reais, considering our international expansion

we also transact with customers in Mexican pesos. We expect to significantly expand the number of active accounts with customers that are denominated in foreign currencies in the future as we continue to expand our business internationally. We also incur expenses for some of our network service provider costs outside of Brazil in local currencies and for employee compensation and other operating expenses at our future non-Brazil locations in the local currency for such locations. Fluctuations in the exchange rates between the Brazilian real and other currencies could result in an increase to the Brazilian equivalent of such expenses.

In addition, our international subsidiaries may maintain net assets that are denominated in currencies other than the functional operating currencies of these entities, such as U.S. dollars and Euros. As we continue to expand our international operations, we become more exposed to the effects of fluctuations in currency exchange rates. The results of operations in the countries where we operate are exposed to foreign exchange rate fluctuations as the financial results of the applicable subsidiaries are translated from the local currency into U.S. dollars upon consolidation. If the U.S. dollar weakens against foreign currencies, which occurred between 2004 and 2006 the translation of these foreign-currency-denominated transactions will result in increased revenues, operating expenses and net income. Similarly, our revenues, operating expenses and net income will decrease if the U.S. dollar strengthens against foreign currencies.

Accordingly, changes in the value of foreign currencies relative to the U.S. dollar can affect our results of operations due to transactional and translational remeasurements. As a result of such foreign currency exchange rate fluctuations, it could be more difficult to detect underlying trends in our business and results of operations.

Developments and changes in the investors' perception of risk in other countries, particularly in the United States, Europe and other emerging markets.

The market for securities issued by companies with substantial operations in Brazil is influenced by, to varying degrees, economic and market conditions in other countries, including the United States, Europe and other emerging markets. Although the economic conditions in these countries are significantly different from the economic condition in Brazil, the reaction of investors to developments in these countries may adversely affect the market value of securities issued by Brazilian companies. Crises in other emerging markets may reduce investor interest in securities from Brazilian issuers and issuers in other jurisdictions with substantial operations in Brazil, including the Bonds.

In addition, the financial crisis and political instability in the United States, Europe and other countries have affected the global economy, producing several effects that, directly or indirectly, impact the Brazilian capital market and economy, such as fluctuations in the price of securities issued by listed companies, reductions in credit supply, deterioration of the global economy, fluctuation in currency exchange rates and inflation, among others, which may directly or indirectly adversely affect us.

Changes in the credit rating of Brazil or of other countries in which we operate.

Downgrades in the sovereign ratings of the geographies where we are, especially in Brazil given the majority of our products and revenues are currently based there, may adversely affect investors' perceptions of risks or impose restrictions as per their investment policies related to the sovereign debt credit rating. Rating agencies regularly evaluate the credit rating of the countries in which we operate and their respective sovereign ratings, based on a number of factors, including macroeconomic trends, fiscal and budgetary conditions, indebtedness metrics and the perspective of changes in any of these factors. Fitch Ratings has maintained Brazil's sovereign LT IDRs as 'BB'/Stable, after having raised it from 'BB-'/Stable on 26 July 2023. Standard & Poor's upgraded Brazil's long-term debt to BB/Stable on 19 December 2023, from BB-/Stable (on June 2023), while Moody's Investors Service rates Brazil as Ba2 (Positive), upgrading the outlook from Stable (on 1 May 2024). As of the date of this Prospectus, the sovereign credit ratings for Mexico were BBB (Stable), Baa2 (Stable) and BBB- (Stable), as set by Standard & Poor's, Moody's Investors Service and Fitch Ratings, respectively. Sovereign credit ratings of Brazil and Mexico are currently rated as Speculative Rating and Investment grade, respectively. Any downgrade of Brazil and Mexico's sovereign credit ratings, or of any other country in which we operate, could heighten investors' perception of risk and, as a result, cause volatility in the trading price of our Bonds.

Risks related to the nature of the Bonds

Dependency on subsidiaries

The Company is the parent company in the Group and does not carry out any significant income generating business operations of its own. This means that the Company's ability to make required payments on the Bonds and its other debts and funding (as well as financing its costs in general) is directly affected by the ability of its subsidiaries to transfer available cash resources to it. Such transfers of funds to the Company from its direct and indirect subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the subsidiaries from time to time, which may increase as a result of the Group's expansion into new jurisdictions with differing legal requirements. There is also a risk that limitations or restrictions on the transfer of funds between companies within the Group, becomes more restrictive in the event that the Group experiences difficulties with respect to liquidity and its financial position.

Ability to service debt and credit risk

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

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

The risk that the Group cannot service its debt obligations under the Bonds also implies a credit risk for investors in the Bonds. An increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds, as it may cause the Issuer's credit profile to decrease, and consequently affect the Company's ability to repay the Bonds at maturity, as set out below under "Refinancing risk".

Risks related to the Redemption Evidence

If the Bonds are redeemed in full prior to the final redemption date of the Bonds and if at such time a Valuation Event (as defined in the Terms and Conditions) has not occurred, the bondholders have the right to exercise a so-called early redemption premium option which gives each bondholder a right to receive a redemption premium on the Bonds (based on any applicable increase in the enterprise value of the Group between the date of such Valuation Event and the equity raise conducted in January 2022) if a Valuation Event (as defined in the Terms and Conditions) occurs after the redemption of the Bonds in full but prior to the earlier of (i) the final redemption date and (ii) the date falling twelve months after the relevant early redemption date. In order to exercise the so-called early redemption premium option, each bondholder must within 30 days from the notice provide proof of holdings in the Bonds as at the record date for the early redemption, and such other information, including but not limited to bank account details, as the Company may reasonably request (together, the "Redemption Evidence") to the Company and the agent under the Bonds.

The Company shall not be liable to make the payment of the redemption premium if the Redemption Evidence is incomplete or inaccurate or is invalid at the time of the payment of the redemption premium, provided that in the case of receipt of flawed Redemption Evidence, the Company shall use reasonable endeavours to make the payment of the redemption premium to such bondholder if it is still able to do so despite the flawed Redemption Evidence. In the event that the Redemption Evidence provided by a bondholder is received after the end of the 30-day early redemption premium option exercise period referred to above, the Company shall not at all be liable to either make the payment of the redemption premium to such bondholder or to seek any further information from such bondholder, and the relevant bondholder will not be entitled to any redemption premium. Should the bondholder

for any reason fail to submit the Redemption Evidence in a timely manner or if the Redemption Evidence is flawed it could potentially greatly reduce such bondholder's yield from the Bonds.

Currency risk

The Bonds are denominated and payable in USD. If investors in the Bonds measure their investment return by reference to a currency other than USD, an investment in the Bonds will entail foreign exchange-related risks. For example, possible significant changes in the value of the USD relative to the currency by reference to which investors measure the return on their investments could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Company to make payments in respect of the Bonds. As a result, there is a risk that investors may receive less interest or principal than expected, or no interest or principal.

The issuance of the Bonds was authorised by resolutions taken by the Board of Directors of the Company on 30 October 2023. This Prospectus has been prepared in connection with the Company's application to list the Bonds on the corporate bond list at Nasdaq Stockholm in accordance with the Prospectus Regulation.

The Company is responsible for the information given in this Prospectus. The Company is the source of all company specific data contained in this Prospectus and neither the Manager nor any of its representatives have conducted any efforts to confirm or verify the information supplied by the Company. The Company confirms that, the information contained in this Prospectus, including the registration document and the securities note, is, to the best of the Company's knowledge, in accordance with the facts and contains no omissions likely to affect its import. There is no information in this Prospectus that has been provided by a third party.

The Board of Directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus, including the registration document and the securities note, is, to the best of the Board of Directors' knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) as competent authority under Regulation (EU) 2017/1129. The Swedish Financial Supervisory Authority only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are subject of this Prospectus or the credit of the Issuer and investors should make their own assessment as to the suitability of investing in the securities.

Potential investors are strongly recommended to contact their own tax adviser to clarify the individual consequences of their investment, holding and disposal of the Bonds. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Bonds.

An investor's country of residence may not be the same as the Issuer's country of incorporation and may therefore potentially have an impact on the income received from the Bonds.

on 24 October 2024

Creditas Financial Solutions, Ltd.

The Board of Directors

STATUTORY AUDITORS

The Company's auditor is presently the accounting firm KPMG Auditores Independentes Ltda. with auditor Fernando Antonio Rodrigues Alfredo as auditor in charge (the "**Auditor**"). The Auditor has performed the audit for the period covered by the historical financial information in the Prospectus (2022 to and including 2023). KPMG Auditores Independentes Ltda. can be contacted at Rua Arquiteto Olavo Redig de Campos, 105, 12º andar – Torre A, CEP 01411-904 - São Paulo/SP, Brasil. The Auditor is a member of the IBRACON, the professional institute for accountants in Brazil, since 27 December 2006.

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

Overview

Creditas Financial Solutions, Ltd (the “**Company**” and the “**Issuer**”), with registration number 298193 was incorporated as an exempted company with limited liability under the Companies Law of the Cayman Islands on 30 March 2015. The Company, along with its subsidiaries (together the “**Group**”), is a fintech platform and operates as a business corporation domiciled in Brazil, Mexico and Spain with the majority of the Company’s business transactions occurring in Brazil.

The Group engages in the intermediation of business and services in general, offering both financial and non-financial products primarily focusing on the Brazilian and Mexican markets. The primary business model is centered on offering online financial solutions, with a main emphasis on securitized asset-backed loans in the sectors of cars, housing and benefits. The Group has also placed a significant emphasis within the insurance sector with a brokerage service helping their customers to find an insurance policy individually adapted for their needs with flexible payment terms.

The Group holds a stable market position, with an influential presence in the industry. This is attributed, among other factors, to significantly less credit adoption in markets such as Brazil and Mexico compared to other regions, including the United States and Europe. High interest rates and limited innovation in financial products and services has provided a market opportunity offering different asset-based financial solutions that are more affordable and accessible compared to products offered by traditional banks.

The Company’s registered address is Campbells Corporate SVC Limited, Floor 4, Willow House, Cricket Square, Grand Cayman – Cayman Islands. The Group is headquartered in Sao Paulo, Brazil which serves as the primary base for its operations.

- The Company’s commercial name is Creditas;
- the Company’s LEI code is 549300BWYUOF28MWTB90; and
- the Company’s webpage is: <http://www.creditas.com>.

The information on the Company’s webpage does not form part of this Prospectus except to the extent that information is expressly incorporated by reference herein.

History and development

The Issuer was founded in 2012 by Sergio Furio in Sao Paulo, Brazil.

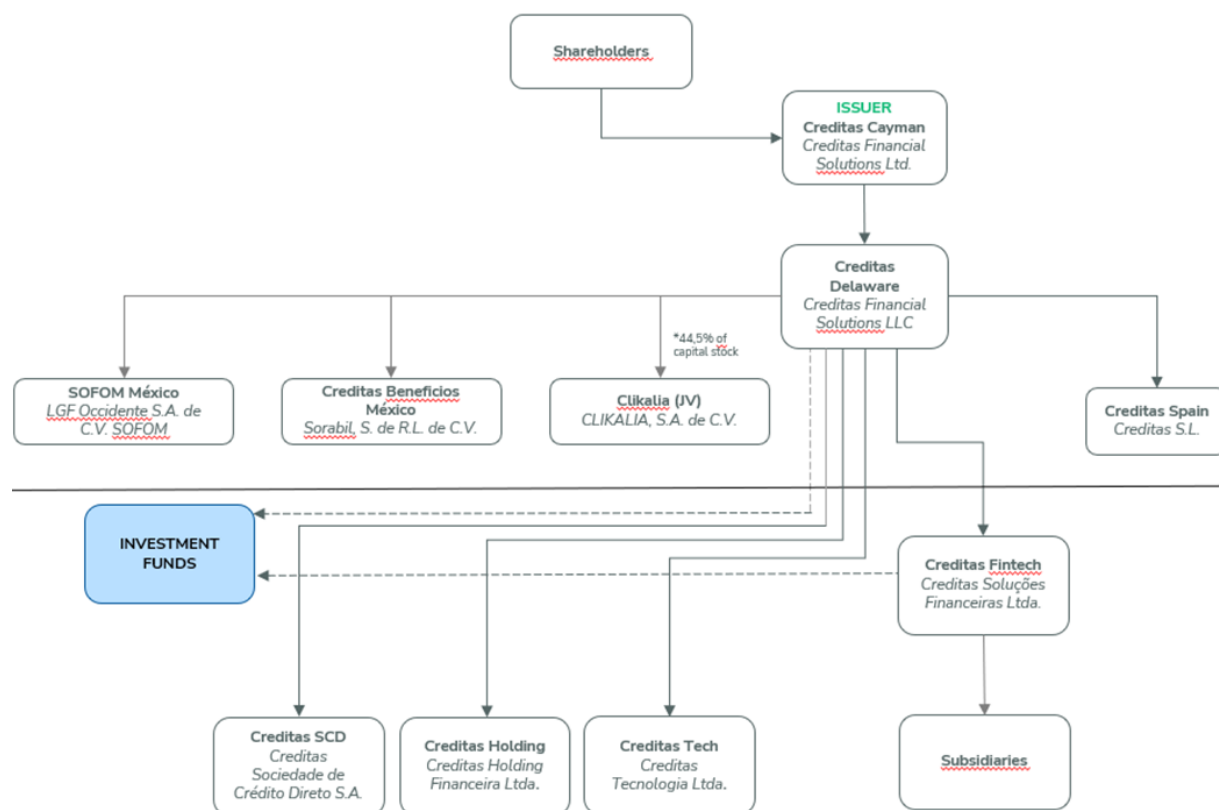
In 2015, the Issuer was established as a holding company for the Group, incorporated in the Cayman Islands. It is currently operating jointly with its subsidiaries with respect to business operations.

In 2022, the Company reached an agreement to acquire Andbank’s banking licence in Brazil. The process is pending approval by the Brazilian Central Bank. In the interim, the Company and Andbank started operating under a commercial agreement through which the Company sells its loans to Andbank, which in turn issues bank deposits to fund the loans.

As at the date of this Prospectus, the Company employs approximately 2,000 people on a global basis and has offices in Brazil, Mexico and Spain.

Legal Structure

A simplified Group structure, as of 30 August 2024, is presented in the chart below:



*100 per cent. ownership unless stated otherwise.

Business Overview

The core business of the Group is to provide customer services through fintech solutions, asset-backed credit, and insurance to protect the assets, as well as various consumer solutions. These solutions leverage technology to adapt to the individual needs of the customers. These solutions are offered across multiple channels, including iOS and Android compliant mobile app, a web app, and physical cards for in-person transactions.

Products

The Group offers three main types of products; Asset-Backed Loans, Insurance and Consumer Solutions.

Asset-Backed Lending

The objective of the Asset-Backed Lending is to provide more affordable and structured transactions for the Latin American population, allowing customers not only to improve debt-to-service ratios, but also significantly extend maturity, which increases the availability of debt to that population. The range of credit solutions offered is extensive, and simplifies the process of using vehicles, homes, and salaries to access cheaper financing lines. The loan application process is fully digital with a brief appraisal period. This product offering includes four types of different financial solutions:

- Auto Equity Loans, meaning first-lien secured consumer loans with a vehicle as collateral. The proceeds are used mostly for debt consolidation, personal projects and small renovations. These loans have an average loan-to-value ratio of 60 per cent., a 4-year term and R\$20k average ticket.
- Home Equity Loans, meaning first-lien secured consumer loans with a real-estate property as a collateral. The proceeds are used mostly for home renovations, investment in personal business and debt consolidation.

These loans have an average loan-to-value ratio of 40 per cent., a 15-year maturity and R\$200k average ticket;

- Payroll Loans, meaning consumer loans with instalments deducted directly from the private employees' payroll, based on agreements with SME and large corporations. The proceeds are used mostly for the acquisition of high-ticket goods and services and debt consolidation. These loans have a 30 per cent. maximum debt-to-service limit, 3 years average maturity and R\$5k average ticket; and
- Auto Financing, meaning deferred payment loans utilised for vehicle acquisition, secured by the vehicle as collateral, with an average loan-to-value ratio of 75 per cent., 4-year term and R\$37k average ticket.

Insurance Products

The Group offers brokerage services that assist customers in finding insurance policies that best fit their needs. They provide tailored solutions to optimize the customers' costs with flexible payment terms. Through one of Brazil's leading digital broker, Minuto Seguros, the Group offers car, health, life and real estate insurance, among other insurance products.

Consumer Solutions

Consumer solutions are designed to enhance customer engagement and protect customer's assets, including:

- Mortgage Marketplace – in partnership with traditional lenders, the Group offers a high-quality digital experience to customers seeking financial solutions to acquire a home.
- Rental guarantee – in partnership with real estate brokers, the Group guarantees rental payments to landlords.
- Benefits card – the Group offers flexible, multi-benefit prepaid card offered to employees in collaboration with payroll loan partner companies.

Business Model

The Company's business model involves developing the technology and digital channels allowing it to originate asset-backed loans through fintech operational companies in Brazil and Mexico and book the loans through its regulated financial institutions or regulated partner institutions. Thereafter the Group sells the loans to securitisation vehicles without recourse (true-sale). After the sale, the Company gets access to the excess spread of the securitisation vehicles through the ownership of the equity tranche of these vehicles.

The Company's proprietary technology focuses on automation, analytics, and integration. These include a simplified loan application process through integration with hundreds of external data points, enabling same-day disbursement of funds. The Company also utilises a proprietary system to manage payments and collections efficiently. The Company's data analytics engine, managed by a team of around 10 data scientists, uses data science and machine learning algorithms as well as leveraging data to improve underwriting, customer acquisition and the customer experience. The use of micro-services and integration layers connects all front-end applications to the platform and data across the organisation. Additionally, an internal platform model is used to create efficiencies between the different business units which also serves as a basis for developing and rolling out new products.

For the twelve month period ending 30 June 2024, the Company had revenues of almost USD 388 million, about 424 thousand active customers and a credit and insurance portfolio of USD 1.1 billion. During the latest funding round closed in January 2022, the Group raised additional cash equity of USD 260 million to fund business growth, at a total valuation of the Group of USD 4.5 billion.

Sources of revenues

When contracting a loan, clients will be subject to a monthly interest rate, charged on the outstanding amount. Auto refinancing, auto financing and payroll products have a pre-fixed pricing (65 per cent., 43 per cent. and 74 per cent., respectively), while home equity loans carry a floating rate, (currently priced at 17 per cent. plus inflation). The

Group also charges three types of upfront fees: (i) origination fee which is charged to offset part of the underwriting costs, (ii) insurance commission which is charged from the insurance companies as brokerage fee over the total premium issued and, (iii) other consumer solutions fees since solutions products are remunerated through sales or transaction fees. The Company further operates as servicing agent for regular billing, overdue collection and repossession of assets in all funds that hold its credits, and this service is partially charged from the clients by the funds, who transfer the ultimate gains to the Company.

Funding Sources

Creditas funding sources for its loan origination includes a variety of arrangements, among them asset-backed securities, securitization structures, credit lines with lenders, and the partnership with Andbank which provides access to deposits. Additionally, the financial strategy of the Company includes financing itself with equity and proceeds of the Bond Issue for general purposes and supporting growth.

Recent Developments

Since December 2023, the Company has been operating around breakeven, in line with the Company's commitment to becoming profitable and maintaining sustainable business growth.

Disputes and Litigation

During the past 12 months, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened and of which the Issuer is aware) which may have, or have had in the past 12 months, a significant effect on the financial position or profitability of the Issuer.

Ownership structure and governance

The major shareholders of the Company as of 30 June 2024 are provided in the table below:

Name of shareholder	Ordinary shares ownership (% issued shares)	Preference ownership (% issued shares)
Softbank Vision Fund	0%	14.7%
Softbank Latam	0%	14.2%
Sergio Furio	84.2%	11.4%
VEF AB (publ)	0%	10.2%
Others:	15.8%	49.5%
Total:	100%	100%

The shareholders' influence is exercised through participation in the decisions made at general meetings of the Company. To ensure that the control over the Company is not abused, the Company complies with the Companies Act of the Cayman Islands. In addition, the Company acts in accordance with the rules of procedure of the Board of Directors and the instructions for the Chief Executive Officer as adopted by the Company.

No natural persons own or control more than 25 per cent. of the total issued shares of the Company, however, Mr. Furio is the controlling person of Creditas and has the authority to personally appoint and remove the majority of the board.

Dependency on subsidiaries

A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. The Issuer and its subsidiaries are therefore dependent upon receipt of sufficient income and cash flow related to the operations of the other companies within the Group to service its debt under the Bonds.

Shareholders' Agreements

There are no shareholders' agreements or other agreements, which could result in a change of control of the Issuer.

Significant changes and recent events

There has been no material adverse change in the prospects of the Company since the date of publication of its last audited financial report. There has been no significant change in the financial or market position of the Group since the end of the last financial period for which financial information has been published (*i.e.* 30 June 2024) and no significant change in the financial performance of the Group since the end of the last financial period for which financial information has been published. Other than as described in the aforementioned, there have been no material changes in the Company's borrowing and funding structure since the last financial year and no recent events specific to the Company has occurred that are material for an evaluation of the Company's solvency.

Tendencies

As per the date of this Prospectus, the Company is not aware of any tendencies that, directly or indirectly, has materially affected or materially would affect the Company's operations during the current financial year.

The business address for all members of the Board of Directors and the Senior Management of the Issuer is Campbells Corporate Services Limited, Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands. The board of directors of the Company currently consists of eight (8) members. Information on the members of the board of directors and the senior management, including significant assignments outside the Company which are relevant for the Company, is set forth below.

Board of directors

Sergio Furio Esquer

Sergio Furio Esquer, is the founder and Chief Executive Office of the Group. He has been a member of the Board since 30 March 2015. Prior to founding the Company in 2012, he worked as an Investment Banker at Deutsche Bank in Madrid for 5 years, before joining The Boston Consulting Group in New York, for another 7 years. He holds a bachelor's degree in business administration from ESADE.

Manoel Lemos da Silva

Manoel Lemos da Silva has been a member of the Board since 6 May 2015. He is also a partner and managing director at Redpoint e-Ventures, the first Brazilian Venture Capital fund sponsored by Silicon Valley firms. Previously, he was the Chief Digital Officer of Abril Media, a media conglomerate in Brazil. Before Abril Media, he was the CEO and co-founder of WebCo, a Brazilian startup focused on the development of Web 2.0 products. Before WebCo, he founded and developed BlogBlogs, an indexer of Portuguese written blogs. BlogBlogs was acquired by Abril / Naspers and originated WebCo.

Jonathan Whittle

Jonathan Whittle has been a member of the Board since 30 June 2015. He is also co-founder and Managing Partner at Quona, where he leads Quona's Latin America investment strategy. He is an investor and entrepreneur with over 25 years of experience in Latin America. Before co-founding Quona, he was co-founder and CEO of Acesso, a prepaid financial service provider for the unbanked population in Brazil. Prior to launching Acesso, he managed Darby Technology Ventures, a technology venture capital fund for Latin America. He joined Darby after a decade of experience as part of the founding team of venture capital-backed telecommunications and data services companies in Latin America, including Diveo (acquired by UOL), and Optiglobe (now Tivit).

Nicolas Carlos Szekasy

Nicolas Carlos Szekasy has been a member of the Board since 27 May 2016. He is also managing partner of Kaszek, a venture firm in Latin America. Prior to Kaszek, he served as chief financial officer for Mercado Libre, a Latin American online commerce and payments company. He received an MBA from Stanford University and graduated from the University of Buenos Aires with a degree in Economics.

Rodrigo Torrerao Costa

Rodrigo Torrerao Costa has been a member of the Board since 14 September 2022. He is also a partner and investment lead for SoftBank Latin America Funds. Previously, he worked as an investor at TPG Growth and L Catterton. He began his career as an Investment Banking Analyst for Goldman Sachs in New York.

David Nangle

David Nangle has been a member of the Board since 10 December 2017. He has a degree in B. Comm International (French) from University College Dublin, Ireland. He has spent his career focusing on emerging markets and within that the financial services sector. He was part of ING Baring's emerging markets research team between 2000 and 2006, after which he spent nearly 10 years with Renaissance Capital in both Moscow and London. Since 2015 he acts as Chief Executive Officer and appointed Member of the Board of VEF.

Javier Villamizar

Javier Villamizar has been a member of the Board since 28 November 2022. He is also an operating partner at Softbank Vision Fund. Prior to joining SoftBank, he helped Greensill grow its technology and telecom practice globally.

Marcos Wilson Pereira

Marcos Wilson Pereira has been a member of the Board since 24 December 2020. He is also a Partner and Head of Latin America at Lightrock. Prior to joining Lightrock in 2016, he was a Founding Partner of Bratus Capital, an independent asset manager of alternative investment funds. He has over 20 years of experience investing in Latin America, has participated in more than 25 investments, and serves on the Board of over 15 companies, including CargoX, the Company, and Konfio. He holds a degree in Industrial Engineering from Universidade Federal do Rio de Janeiro and holds an MBA from Columbia Business School.

Senior management

Sergio Furio Esquer

Sergio Furio Esquer is the founder and Chief Executive Office of the Group. Prior to founding the Company, he worked as an Investment Banker at Deutsche Bank in Madrid for 5 years, before joining The Boston Consulting Group in New York, for another 7 years. He holds a bachelor's degree in business administration from ESADE.

Sergio has no significant assignment outside of the Group.

Ann Williams

Ann Williams has served as the Chief Operating Officer of the Company since 2016. She has also been involved with startups for most of her career, beginning as the program manager of a social impact program in the United States. Later, she was co-founder and Chief Executive Officer of Okto in Brazil, leading the company for 10 years from launch to acquisition. Before joining the Company, she evaluated opportunities and supported portfolio companies as a Venture Partner with Redpoint e-Ventures. She also consulted for Diamond Cluster, Deloitte and USAID.

Ann has no significant assignment outside of the Group.

Conflicts of interests within administrative, management and control bodies

There are no conflicts of interest or potential conflicts of interests between the duties of the members of the board of directors and the members of management towards the Issuer and their private interests and/or other duties.

FINANCIAL INFORMATION

The Company's financial information for the financial years ending 2022 and 2023 have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board (IASB) and comprise the accounting balances of the holding and its subsidiaries, over which the Company holds direct or indirect control.

The Company's consolidated annual reports for the financial years ending 2022 and 2023 have been incorporated in this Prospectus by reference. The consolidated annual reports have been audited by the Company's auditor and the related auditor's reports have been incorporated by reference in this Prospectus through the consolidated annual report for the financial years ended 2022 and 2023. The interim reports of the Company in respect of the period ending 30 June 2024 have not been audited.

Share capital

According to its current articles of association, the Company's authorised share capital is USD 25,818.374 divided into:

- 14,904,070 ordinary shares of a nominal or par value of USD 0.001 each,
- 1,111,180 series F preference shares of a nominal or par value of USD 0.001 each;
- 13,648 series F-1 preference shares of a nominal or par value of USD 0.001 each;
- 1,796,297 series E preference shares of nominal or par value of USD 0.001 each;
- 235,527 series E-1 preference shares of a nominal or par value of USD 0.001 each;
- 3,151,863 series D preference shares of a nominal value of USD 0.001 each;
- 1,235,336 series C preference shares of a nominal or par value of USD 0.001 each;
- 1,143,091 series B preference shares of a nominal or par value of USD 0.001 each;
- 54,979 series B-1 preference shares of a nominal or par value of USD 0.001 each;
- 840,751 series A-2 preference shares of a nominal or par value of USD 0.001 each;
- 154,750 series A-1 preference shares of a nominal or par value of USD 0.001 each; and
- 1,176,882 series A preference shares of a nominal or par value of USD 0.001 each.

Memorandum and Articles of Association

The Company

The objects for which the Company is established are, pursuant to section 2 of the Memorandum of Association of the Company, unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by section 7(4) of the Companies Act of the Cayman Islands.

Interest of natural and legal persons involved in the Bond Issue

Pareto Securities AB (the “**Manager**”) and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or other services for the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Manager and/or its affiliates having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Documents incorporated by reference

In this Prospectus, the following documents are incorporated by reference. The documents have been made public and have been provided to the Swedish Financial Supervisory Authority.

- The following sections of the audited annual report of the Company for the financial year 2022:
 - The independent auditor's report the audited financial statement on page 3–5;
 - The statement of financial position on page 6;
 - The income statement on page 7;
 - Statement of cash flow on page 9;
 - The statements of change in equity on page 8; and
 - The notes on pages 10–51, including the summary of significant accounting policies applied on pages 14–25.

- The following sections of the audited annual report of the Company for the financial year of 2023:
 - The independent auditor’s report the audited financial statement on pages 8–10;
 - The statement of financial position on page 12;
 - The income statement on page 11;
 - Statement of cash flow on page 14;
 - The statements of change in equity on page 13; and
 - The notes on pages 15–48, including the summary of significant accounting policies applied on pages 19–27.
- The following sections of the unaudited interim report of the Company for the period ending 30 June 2024:
 - The statement of financial position on page 13;
 - The income statement on page 12;
 - Statement of cash flow on page 15;
 - The statements of change in equity on page 14; and
 - The notes on pages 16–37, including the summary of significant accounting policies applied on page 20.

The documents incorporated by reference are to be read as part of this Prospectus. All such reports are available on the Issuer’s website <https://ir.creditas.com/ir/>. Those sections of the reports referred to above which have not specifically been incorporated by reference are deemed to be either not relevant for an investor’s assessment of the Group or the Bonds, or are covered elsewhere in the Prospectus.

Agent

The rights and obligations of the Agent are set forth in the Terms and Conditions available on the Company’s webpage <https://ir.creditas.com/ir/> and also included in this Prospectus.

Third Party Information

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

Expected timing

The admission to trading of the Bonds is expected to take place at the earliest on 28 October 2024.

MATERIAL CONTRACTS

There are no material agreements to which the Issuer is a party and considered as outside of the ordinary course of business, and which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to bondholders in respect of the Bonds.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents can be obtained from the Company in paper format upon request during the validity period of this Prospectus at the Company's head office and, in electronic form, on the Company's website www.creditas.com.

- the up-to-date Memorandum and Articles of Association of the Company; and
- all documents which by reference are a part of this Prospectus, including historical financial information for the Company.

TERMS AND CONDITIONS OF THE BONDS

TERMS AND CONDITIONS

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator (No. *Kontofører*) with Verdipapirsentralen ASA, 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 Equity**” means the sum of Equity and (i) deferred tax assets, and (ii) convertible instruments.

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

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

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

“**Agent**” 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.

“**Bonds**” means (i) the debt instrument issued by the Issuer pursuant to these Terms and Conditions, including any Subsequent Bonds and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

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

“**Bondholder**” means a person who is registered in the CSD as direct registered owner or nominee holder of a Bond, subject however to Clause 8 (*Right to act on behalf of a Bondholder*).

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 17.2 (*Bondholders’ Meeting*).

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

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

“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) 106.50 per cent. of the Nominal Amount *plus* the Redemption Premium (if applicable), and (ii) the remaining interest payments to, but not including, the First Call Date;
- (b) 106.50 per cent. of the Nominal Amount *plus* the Redemption Premium (if applicable) if the call option is exercised on or after the First Call Date to, but not including, the date falling twenty-four (24) months after the First Issue Date;
- (c) 102.60 per cent. of the Nominal Amount *plus* the Redemption Premium (if applicable) if the call option is exercised on or after the date falling twenty-four (24) months after the First Issue Date to, but not including, the date falling thirty (30) months after the First Issue Date;
- (d) 101.30 per cent. of the Nominal Amount *plus* the Redemption Premium (if applicable) 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-three (33) months after the First Issue Date; and
- (e) 100.65 per cent. of the Nominal Amount *plus* the Redemption Premium (if applicable) if the call option is exercised on or after the date falling thirty-three (33) months after the First Issue Date to, but not including, the Final Redemption Date.

“Cash and Cash Equivalents” means cash and cash equivalents in accordance with the Accounting Principles as set forth in the latest Financial Statements.

“Change of Control Event” means the occurrence of an event or series of events whereby one or more Persons not being the Main Shareholders, acting in concert, acquire control over the Issuer and where **“control”** means (a) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“Compliance Certificate” means a certificate substantially in the form set out in Schedule 1 (*Form of Compliance Certificate*), unless otherwise agreed between the Agent and the Issuer.

“CSD” means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time, initially Verdipapirsentralen ASA, Norwegian reg. no. 985 140 421, Postboks 1174 Sentrum, 0107, Oslo, Norway.

“CSD Business Day” means a day on which the relevant CSD settlement system is open and the relevant Bond currency settlement system is open.

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

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

“De-listing Event” means the occurrence of an event or series of events, following an Equity Listing Event having occurred, whereby (i) the shares of the Issuer or any other relevant Group Company are no longer listed on the relevant market place or (ii) trading of the Issuer’s shares on the relevant market place is suspended for a period of fifteen (15) consecutive Business Days.

“Early Redemption Premium Option” has the meaning set forth in Clause 11.4.2.

“Early Redemption Premium Option Exercise Period” has the meaning set forth in Clause 11.4.2.

“**Event of Default**” means an event or circumstance specified as such in Clause 15 (*Termination of the Bonds*) except for Clause 15.10 (*Termination*).

“**Equity**” means in accordance with the Accounting Principles, the consolidated sum of (i) restricted equity, (ii) non-restricted equity and (iii) any Subordinated Loan.

“**Equity Claw Back**” has the meaning set forth in Clause 11.5 (*Equity Claw Back*).

“**Equity Listing Event**” means an initial public offering of shares in (i) the Issuer or (ii) another Group Company or entity established for the purpose of conducting an initial public offering of the Group which on a consolidated basis represents all or substantially all of the assets of the Group after which such shares shall be quoted, listed, traded or otherwise admitted to trading on a market place in Europe, Brazil or the United States of America.

“**Equity Ratio**” means the ratio of Adjusted Equity to Total Assets (as per the most recent consolidated financials of the Group).

“**Final Redemption Date**” means 3 November 2026 (three (3) years after the First Issue Date), on which date each Bond shall be redeemed at a price equal to 100.00 per cent. of the Nominal Amount *plus* the Redemption Premium (if applicable).

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

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

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any Finance Lease;
- (c) receivables sold or discounted (other than receivables to the extent sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including forward sale or purchase arrangements) having the commercial effect of a borrowing (however, any earn-out liability shall only constitute Financial Indebtedness if it has been finally determined);
- (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) (without double counting) 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, or relating to any securitization instrument or any Warehouse Facility.

“**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 Clause 12.1 (*Financial Statements*).

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

“**First Issue Date**” means 3 November 2023.

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

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

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

“**Incurrence Test**” has the meaning set forth in Clause 13.1 (*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 Nominal Amount**” has the meaning set forth in Clause 3.3.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 10.1 to 10.4.

“**Interest Payment Date**” means 3 May and 3 November each year (with the first Interest Payment Date being 3 May 2024 and the last Interest Payment Date being the Final Redemption Date or any applicable final redemption date prior thereto), or to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**Interest Period**” means (i) in respect of the first Interest Period, the period from, and including, the First Issue Date to, but excluding, the first Interest Payment Date (or a shorter period if relevant), and (ii) in respect of subsequent Interest Periods, the period from, and including, an Interest Payment Date to, but excluding, the next succeeding Interest Payment Date (or a shorter period if relevant). An Interest Period shall not be adjusted due to an application of the Business Day Convention. Any Subsequent Bonds will carry interest at the Interest Rate from, and including, the Interest Payment Date falling immediately prior to their issuance (or the First Issue Date, if none) to, but excluding, the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means a fixed interest rate of 13.00 per cent. *per annum*.

“**Issue Date**” means the First Issue Date and each other date on which Bonds are to be issued pursuant to these Terms and Conditions.

“**Issuer**” means Creditas Financial Solutions, Ltd. (reg. no. 298193), an exempted company with limited liability incorporated in the Cayman Islands.

“**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.

“**Main Shareholder**” means Furio Ventures, Ltd.

“**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, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trading on Nasdaq Stockholm or any other regulated or unregulated recognised market place.

“**Material Adverse Effect**” means a material adverse effect on (a) the business, financial condition or operations of the Group taken as a whole, (b) the Issuer’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 the Issuer or a Subsidiary representing more than ten (10.00) per cent. of the total assets of the Group on a consolidated basis according to the latest Financial Statements.

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

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

“**Nominal Amount**” means the Initial Nominal Amount less any repayments and amortisations made in accordance with the Terms and Conditions or as amended to reflect any split by the Agent pursuant to Clause 19.1.6.

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD from time to time, initially NT Services AS, with business registration number 916 482 574, and registered address Kronprinsesse Märthas plass 1, N-0160 Oslo, Norway.

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

- (a) incurred under the Finance Documents (excluding any Subsequent Bonds);
- (b) incurred by the Issuer if such Financial Indebtedness:
 - (i) is incurred as a result of a Subsequent Bond Issue; or
 - (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or final redemption date and, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date,in each case provided that the Incurrence Test is met including such Financial Indebtedness *pro forma*;
- (c) incurred in connection with a Warehouse Facility;
- (d) taken up from a Group Company;
- (e) arising under any guarantee for the purposes of securing obligations to the CSD in relation to the Bond Issue;
- (f) 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 (such escrow arrangement being permitted notwithstanding any other provision in these Terms and Conditions) 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;
- (g) arising or incurred under any convertible note which has a final maturity date or final redemption date and, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date;
- (h) arising or incurred under any convertible note existing on the First Issue Date in an aggregate amount of up to BRL 30,000,000;
- (i) arising or incurred under any guarantee or other assurance against financial loss provided by the Issuer in respect of any Warehouse Facility;
- (j) arising or incurred under any guarantee provided for the obligations or liabilities of any member of the Group in the ordinary course of business (including for the avoidance of doubt guarantees provided for debt incurred under any Warehouse Facility);
- (k) incurred under any Subordinated Loan; or

- (l) incurred under a local bank financing arrangement in an aggregate amount not at any time exceeding USD 1,000,000 (or its equivalent in any other currencies).

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

- (a) incurred under the Finance Documents;
- (b) taken up from a Group Company;
- (c) deposits from the general public in the ordinary course of the Group’s banking business;
- (d) incurred (including earn out obligations that have been finally determined and amounts relating to deferred purchase price) provided that the Incurrence Test is met on a *pro forma* basis including such Financial Indebtedness;
- (e) incurred under any Warehouse Facility;
- (f) arising under any securitization or debentures issued in connection with any securitization structure or pooling of customer debt or other debt instruments in the ordinary course of business including regulatory capital included in the capital base of the relevant Group Company;
- (g) incurred as a result of any Group Company (other than the Issuer) acquiring another entity which holds Financial Indebtedness, provided that such Financial Indebtedness constitutes Permitted Group Debt or is repaid or refinanced with Permitted Group Debt within ninety (90) calendar days;
- (h) arising under a foreign exchange or interest rate hedging transaction or any other derivative transaction entered into by a Group Company (other than the Issuer) in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes);
- (i) incurred under an Advance Purchase Agreement in the ordinary course of business;
- (j) under any tax or pension liabilities incurred in the ordinary course of business;
- (k) related to any agreement under which a Group Company leases office space (*Sw. kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company’s business;
- (l) incurred under any Finance Lease in the ordinary course of the Group’s business;
- (m) arising under any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (n) arising or incurred under any guarantee or other assurance against financial loss provided by any Group Company to any Warehouse Facility;
- (o) arising under any guarantee provided for the obligations or liabilities of any Group Company or Warehouse Facility in the ordinary course of business;
- (p) arising or incurred under any promissory note in an aggregate amount of up to BRL 30,000,000; or
- (q) any other Financial Indebtedness not otherwise permitted by paragraphs (a) to (p) above, in an aggregate amount not at any time exceeding USD 5,000,000 (or its equivalent in any other currency or currencies).

“Permitted Security” means any security:

- (a) provided in relation to any agreement under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided such lease constitutes Permitted Group Debt;
- (b) provided in respect of any Warehouse Facility or of any securitization instruments issued for funding by any Group Company in its ordinary course of business;
- (c) provided in relation to any Finance Lease permitted pursuant to paragraphs (k) and (l) of the definition of Permitted Group Debt;
- (d) arising by operation of law or in the ordinary course of business of the Group (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (e) provided pursuant to paragraphs (g), (i), (j), (m), and (o) of the definition of Permitted Group Debt consisting of security customary for such debt; or
- (f) any other security not otherwise permitted by paragraphs (a) to (e) above, in an aggregate amount not at any time exceeding USD 5,000,000 (or its equivalent in any other currency or currencies).

“Person” means any individual, corporation, company (including without limitation an exempted company) 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.

“Record Date” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 17 (*Decisions by Bondholders*), the date falling on the immediate preceding CSD Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Agent.

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

“Redemption Evidence” has the meaning set forth in Clause 11.4.1.

“Redemption Premium” means an amount equal to the higher of:

- (a)
 - (i) the difference, expressed as a percentage increase or decrease, between the enterprise value of the Group at (i) the most recent Valuation Event compared with (ii) the date of the Reference Transaction (being USD 4,500,000,000),
multiplied by
 - (ii) the Nominal Amount of the Bonds being redeemed,
provided that if such amount is below zero or if a Valuation Event has not occurred, the Redemption Premium pursuant to this paragraph (a) shall be deemed to be zero; and
- (b) provided that an Equity Listing Event with a transaction value of at least USD 25,000,000 has occurred, 10.00 per cent. of the Nominal Amount of the Bonds being redeemed.

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

“Reference Transaction” means the equity raise in the Issuer conducted in January 2022 at which time the enterprise value of the Group was determined to USD 4,500,000,000.

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

“Securities Account” means the account for dematerialised securities maintained by the CSD in which (i) an owner of such securities is directly registered or (ii) an owner’s holding of securities is registered in the name of a nominee.

“Subordinated Loans” means all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Issuer as debtor, if such loan:

- (a) is subordinated to the obligations of the Issuer under the Finance Documents pursuant to any subordination agreement entered into on terms and conditions satisfactory to the Agent;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date.

“Subsequent Bond” has the meaning set forth in Clause 3.6.

“Subsequent Bond Issue” has the meaning set forth in Clause 3.6.

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

- (a) owns shares or ownership rights representing more than 50.00 per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than 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 the consolidated book value of all assets of the Group calculated in accordance with the Accounting Principles.

“Transaction Costs” means all fees, costs, stamp, registration and other taxes and expenses incurred by the Issuer or any other Group Company directly or indirectly in connection with (i) the Initial Bond Issue and any Subsequent Bond Issue and (ii) the admission to trading of the Bonds.

“Valuation Event” means the occurrence of (i) an Equity Listing Event or (ii) an issue of new shares in (A) the Issuer or (B) another Group Company or entity established for the purpose of raising equity for the Group in each case which on a consolidated basis represents all or substantially all of the assets of the Group and in each case provided that such event occurs after the First Issue Date and provided further that the transaction value amounts to at least USD 25,000,000.

“Warehouse Facility” means a warehouse facility established in the ordinary course of business, either in the form of a securitization instrument, or of a debt instrument issued by the Issuer or any Group Company with a securitization instrument or loans originated by the Issuer or any Group Company as collateral.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 17.3 (*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;
- (e) a time of day is a reference to Stockholm time; and
- (f) an Event of Default is continuing if it has not been remedied or waived.

1.2.2 When ascertaining whether a limit or threshold specified in USD or BRL have been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against USD or BRL for the previous Business Day as reported by Bloomberg on its website. If no such rate is available, the most recently published rate shall be used instead.

1.2.3 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.

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

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

2. STATUS OF THE BONDS

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

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

3.1 The Bonds are denominated in United States dollars (“**USD**”) being the legal currency of the United States of America and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.

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

3.3 The maximum aggregate nominal amount of the Bonds will be an amount of up to USD 150,000,000 which will be represented by Bonds, each of a nominal amount of USD 2,000 or full multiples thereof (the “**Initial Nominal Amount**”). The total aggregate nominal amount of the Initial Bonds is USD 40,000,000 (the “**Initial Bond Issue**”). All Initial Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Initial Nominal Amount. The price of any Subsequent Bonds may be issued below, above or at par.

- 3.4 The minimum permissible investment in connection with the Initial Bond Issue is USD 126,000.
- 3.5 The ISIN for the Bonds is NO0013024950.
- 3.6 The Issuer may on one or more occasions after the First Issue Date issue additional Bonds (each a “**Subsequent Bond**”) under these Terms and Conditions (each such issue, a “**Subsequent Bond Issue**”), provided that the aggregate amount of Bonds issued (*i.e.*, the Initial Bond Issue aggregated with any Subsequent Bonds) does not exceed USD 150,000,000 and that (a) no Event of Default is continuing or would result from the Subsequent Bond Issue, and (b) the Issuer meets the Incurrence Test (tested on a *pro forma* basis).

4. USE OF PROCEEDS

The Net Proceeds from any Bond Issue shall be used to finance general corporate purposes of the Group (including capital expenditures, acquisitions and Transaction Costs).

5. CONDITIONS PRECEDENT

5.1 Conditions Precedent to First Issue Date

5.1.1 The Issuing Agent shall pay the Net Proceeds from the Initial Bond Issue to the Issuer on the latter of (i) the First Issue Date and (ii) the date on which the Agent notifies the Issuing Agent that it has received, in form and substance satisfactory to the Agent (acting reasonably), the following documentation and evidence:

- (a) copies of the Memorandum and Article of Association of the Issuer;
- (b) a copy of a resolution of the board of directors of the Issuer:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party; and
 - (ii) authorising a specified person or persons to, on its behalf, execute the Finance Documents and to sign and/or despatch all other documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party;
- (c) a copy of the duly executed Terms and Conditions (including an agreed form Compliance Certificate);
- (d) a copy of the duly executed Agency Agreement; and
- (e) a legal opinion on the capacity and authority of the Issuer to execute the Finance Documents referred to above, issued to the Agent (for itself and the Bondholders) by a reputable law firm and in form and substance satisfactory to the Agent (acting reasonably).

5.1.2 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)). The First Issue Date shall not occur unless (i) the Agent 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) the Issuing Agent and the Issuer agree to postpone the First Issue Date.

5.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clause 5.2.1, the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds of the Initial Bond Issue.

5.2 No responsibility for documentation

The Agent may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does

not have to verify or assess the contents of any such documentation. The conditions precedent are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.

6. THE BONDS AND TRANSFERABILITY

- 6.1 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.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each 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.
- 6.5 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.

7. BONDS IN BOOK-ENTRY FORM

- 7.1 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 relevant securities legislation and the CSD Regulations. 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.
- 7.2 Subject to the CSD Regulations, the Issuer and the Agent shall at all times be entitled to obtain information from the Debt Register.
- 7.3 Subject to the CSD Regulations, for the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Paying Agent shall be entitled to obtain information from the Debt Register.
- 7.4 The Issuer (and the Agent when permitted under the CSD Regulations) may use the information referred to in Clause 7.2 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.
- 7.5 The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall promptly upon any amendment or variation of these Terms and Conditions give notice to the CSD of any such amendment or variation.

8. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 8.1 If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Agent.

- 8.2 A Bondholder (whether registered as such or proven to the Agent's satisfaction to be the beneficial owner of the Bond as set out in Clause 8.1 above) 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 or beneficially owned by such Bondholder. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- 8.3 The Agent shall only have to examine the face of a power of attorney, proof of ownership or other authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.
- 8.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee 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.

9. PAYMENTS IN RESPECT OF THE BONDS

- 9.1 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.
- 9.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account, such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 9.3 Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its Account Operator in the CSD) within five (5) CSD Business Days prior to a payment date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.
- 9.4 Notwithstanding anything to the contrary in these Terms and Conditions, the Bonds shall be subject to, and any payments made in relation thereto shall be made in accordance with, the CSD Regulations.
- 9.5 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, 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.
- 9.6 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

10. INTEREST

- 10.1 Interest on the Bonds will accrue from, and including, the First Issue Date to, but excluding, the first Interest Payment Date. In respect of subsequent interest periods, the period from, and including, an Interest Payment Date to, but excluding, the next succeeding Interest Payment Date (or a shorter period if relevant).

- 10.2 Any Subsequent Bonds will carry interest at the Interest Rate from, and including, the Interest Payment Date falling immediately prior to their issuance (or in relation to any Subsequent Bonds issued prior to the first Interest Payment Date, the First Issue Date) to, but excluding, the next succeeding Interest Payment Date and in respect of subsequent interest periods, the period from, and including, an Interest Payment Date to, but excluding, the next succeeding Interest Payment Date (or a shorter period if relevant).
- 10.3 An Interest Period shall not be adjusted due to an application of the Business Day Convention.
- 10.4 Interest shall be payable semi-annually in arrears on the Interest Payment Dates each year. Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- 10.5 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 Agent or the CSD, in which case the Interest Rate shall apply instead.

11. REDEMPTION AND REPURCHASE OF THE BONDS

11.1 Redemption at maturity

The Issuer shall redeem all, but not 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 *plus* the Redemption Premium (if applicable). If the Final Redemption Date is not a CSD Business Day, the redemption shall to the extent permitted under the CSD Regulations occur on the CSD Business Day following from an application of the Business Day Convention or, if not permitted under the CSD Regulations, on the first following CSD Business Day.

11.2 Repurchase of Bonds

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

11.3 Early voluntary total redemption (call option (American))

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

11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than ten (10) Business Days' notice to the Bondholders and the Agent. Upon receipt of such notice, the Agent shall inform the Paying Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled or waived at least three (3) CSD Business Days 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.

11.4 Early redemption (premium option)

11.4.1 In the event that (a) the Bonds are redeemed in full early in accordance with Clause 11.3, and (b) at the date of the notification to Bondholders thereof a Valuation Event has not occurred, then the Issuer shall in the notice of early redemption (or separately but in connection with the issuance of the notice of early redemption), request that the beneficial owner of the Bond as referred to in Clause 8.1 (each a "**Beneficial Owner**") provide proof of holdings in the Bonds as at the record date for the early redemption, and such

other information, including but not limited to bank account details, as the Issuer may reasonably request (together, the “**Redemption Evidence**”) to the Issuer and the Agent.

- 11.4.2 Each Beneficial Owner shall during a period of thirty (30) calendar days following the notice of the early redemption under this Clause 11.4 (the “**Early Redemption Premium Option Exercise Period**”) have the right to exercise an early redemption premium option by providing the Redemption Evidence to the Issuer (the “**Early Redemption Premium Option**”).
- 11.4.3 If the Bonds have been redeemed in accordance with the notice of early redemption referred to in Clause 11.4.1, and a Valuation Event occurs after the redemption of the Bonds in full but prior to the earlier of (i) the Final Redemption Date and (ii) the date falling twelve (12) months after the relevant early redemption date, the Issuer shall pay any Redemption Premium that would have been payable had the Bonds not been redeemed, *pro rata*, to each Beneficial Owner that has exercised the Early Redemption Premium Option and was a Beneficial Owner at the relevant record date for the early redemption as evidenced by the Redemption Evidence. Such payment shall be made within thirty (30) Business Days of the occurrence of the Valuation Event. The Redemption Premium is only payable in respect of the first Valuation Event to occur following the relevant redemption date.
- 11.4.4 In the event that the Redemption Evidence provided by a Beneficial Owner is (i) received after the end of the Early Redemption Premium Option Exercise Period, (ii) incomplete or inaccurate, or (iii) invalid at the time of the payment of the Redemption Premium, the Issuer shall not be liable to either make the payment of the Redemption Premium to such Beneficial Owner or to seek any further information from such Beneficial Owner, and the relevant Bondholder will not be entitled to any Redemption Premium, provided that in the case of receipt of flawed Redemption Evidence under (ii) and (iii) above, the Issuer shall use reasonable endeavours to make the payment of the Redemption Premium to such Beneficial Owner if it is still able to do so despite the flawed Redemption Evidence, acting in good faith.
- 11.4.5 The obligations of the Issuer pursuant to the Early Redemption Premium Option shall only apply in relation to the Beneficial Owner as of the record date for the early redemption and shall not in any way be affected by any subsequent transfer of or trade in the relevant Bonds or assignment by such Beneficial Owner of the right to receive any Redemption Premium following the relevant record date.
- 11.4.6 The Issuer and the Agent shall, subject to applicable laws and regulation, keep the Redemption Evidence in a filing system which ensures appropriate security and confidentiality.
- 11.4.7 The obligations of the Issuer under the Early Redemption Premium Option shall survive the redemption of the Bonds in full and the termination of these Terms and Conditions.

11.5 **Equity Claw Back**

- 11.5.1 The Issuer may on one occasion, in connection with an Equity Listing Event, repay up to 30.00 per cent. of the aggregate Nominal Amount, in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond *pro rata*. The repayment must occur on an Interest Payment Date within 180 days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event).
- 11.5.2 The repayment per Bond shall equal the repaid percentage of the Nominal Amount (rounded down to the nearest USD 1.00) plus (i) a premium on the repaid amount as set forth in the Call Option Amount (including for the avoidance of doubt the Redemption Premium triggered from the relevant Equity Listing Event) for the relevant period and (ii) accrued but unpaid interest on the repaid amount to the date of redemption.

11.6 **Mandatory repurchase due to a Change of Control Event or De-listing Event (put option)**

- 11.6.1 Upon the occurrence of a Change of Control Event or a De-listing Event, each Bondholder shall have the right to request that all or only some of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount (plus accrued and unpaid interest) during a period of fifteen (15) calendar days following the notice of a Change of Control Event and De-listing Event pursuant to Clause 12.4(b) (the “**Exercise Period**”).
- 11.6.2 The notice from the Issuer pursuant to Clause 12.4(b) 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 Clause 12.4(b). The repurchase date must fall no later than twenty (20) Business Days after the ending of the Exercise Period.
- 11.6.3 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 11.6, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 11.6 by virtue of the conflict.
- 11.6.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.6 in connection with the occurrence of a Change of Control Event or De-listing Event if the call option has been exercised pursuant to Clause 11.3 (*Early voluntary total redemption (call option (American))*) by way of a call notice which has become unconditional on or before the end of the exercise period.
- 11.6.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.6 may at the Issuer’s discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.

12. **INFORMATION UNDERTAKINGS**

12.1 **Financial Statements**

The Issuer shall prepare and make available:

- (a) the annual audited consolidated financial statements of the Group including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer’s board of directors, to the Agent and on Stamdata not later than five (5) months after the expiry of each financial year. After the listing of the Bonds, the Issuer shall make such documents public on its website and not Stamdata; and
- (b) the quarterly interim unaudited consolidated reports of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer’s board of directors, to the Agent and on Stamdata not later than two (2) months after the expiry of each relevant interim period. The first relevant interim period shall be the three month period ending 31 December 2023. After the listing of the Bonds, the Issuer shall make such documents public on its website and not Stamdata.

12.2 **Requirements as to Financial Statements**

When the Bonds have been listed on a Regulated Market, the reports referred to under Clause 12.1 shall, in addition, be prepared in accordance with IFRS and made available in accordance with the rules and regulations of the relevant Regulated Market (as amended from time to time) and the Swedish Securities Market Act (if applicable).

12.3 **Compliance Certificate**

- (a) The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:
 - (i) in connection with the delivery of Financial Statements in accordance with Clause 12.1;
 - (ii) in connection with the testing of the Incurrence Test; and
 - (iii) at the Agent's reasonable request, within twenty (20) Business Days from such request.
- (b) In each Compliance Certificate, the Issuer shall certify:
 - (i) that, so far as it is aware, no Event of Default is continuing or, if it is aware that an Event of Default is continuing, specifying the event and steps, if any, being taken to remedy it;
 - (ii) if provided in connection with the testing of the Incurrence Test, that the Incurrence Test is met; and
 - (iii) if provided in connection with the quarterly consolidated interim Financial Statements, that the Maintenance Test is met as per the last day of the quarter to which the Compliance Certificate refers.

12.4 **Miscellaneous**

The Issuer shall:

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

13. **FINANCIAL COVENANTS**

13.1 **Incurrence Test**

The Incurrence Test is met if:

- (a) the Equity Ratio exceeds fifteen (15) per cent.; and
- (b) no Event of Default is continuing or would occur upon the relevant incurrence (as applicable).

13.2 **Testing of the Incurrence Test**

The calculation of the Incurrence Test shall be made on a test date falling no more than three (3) months prior to the incurrence of the new Financial Indebtedness.

13.3 **Maintenance Test**

- (a) The Issuer shall ensure that Cash and Cash Equivalents of the Issuer at all times are equal to or exceed USD 10,000,000 (or its equivalent in any other currency or currencies).
- (b) Compliance with the financial covenant referred to in Clause 13.3(a) above shall be tested (the "**Maintenance Test**") quarterly on the basis of the interim Financial Statements for the period ending on the relevant Reference Date on the basis of the Compliance Certificate delivered in connection therewith. The first Reference Date for the Maintenance Test shall be 31 December 2023.

13.4 Equity Cure

- (a) If the Maintenance Test is not met on a testing date, no Event of Default will occur if, within thirty (30) Business Days of the earlier of (i) delivery of the relevant Compliance Certificate evidencing that breach and (ii) the date when such Compliance Certificate should have been delivered in accordance with these Terms and Conditions, the Issuer has received an equity injection in cash in the form of a share issue, an unconditional shareholder contribution, a Subordinated Loan or a convertible bond (which has a final maturity date or final redemption date and, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date) in an amount sufficient to ensure compliance with the Maintenance Test as at the relevant Reference Date (the “Cure Amount”) (an “Equity Cure”).
- (b) Following an Equity Cure, the calculation of Cash and Cash Equivalents shall be adjusted so that Cash and Cash Equivalents are increased by an amount equal to the Cure Amount for the relevant Reference Date.
- (c) Any Equity Cure must be made in cash and no more than two (2) Equity Cures may be made over the tenor of the Bonds. The Equity Cure cannot be used during any three (3) consecutive financial quarters. There will be no obligation to use any Equity Cure amount towards prepayment of any Bonds. There will be no limit on the amount of any Cure Amount.
- (d) If the requirements of the Maintenance Test are not met at a test date but are complied with on the next two successive test dates (as evidenced by the Compliance Certificates provided on such test dates), the breach caused by the failure to meet the requirements of the Maintenance Test on the original test date (and any resulting default and/or Event of Default) shall be deemed remedied for all purposes under the Finance Documents. No enforcement action may be exercised with respect to the non-compliance with the Maintenance Test prior to such subsequent test dates.

14. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 14.

14.1 Distributions

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries will:
 - (i) pay any dividend on its shares;
 - (ii) repurchase or redeem any of its own shares;
 - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
 - (iv) repay any Subordinated Loan or pay capitalised or accrued interest thereunder; or
 - (v) make any other similar distribution or transfers of value to the direct or indirect shareholders of the Issuer, or any Affiliates of the Issuer (paragraphs (i)–(v) each being a “Restricted Payment”).
- (b) Notwithstanding Clause 14.1(a), a Restricted Payment may be made:
 - (i) if made to the Issuer or another Group Company but if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis;
 - (ii) if made by the Issuer in an aggregate amount not exceeding USD 3,000,000 over the tenor of the Bonds (or its equivalent in any other currency or currencies); or

- (iii) otherwise if made by the Issuer but only to the extent replaced through an injection of equity or subordinated capital (without cash interest and maturity and instalments after the maturity of this bond) in an amount equal to the Restricted Payment.

14.2 **Admission to trading**

The Issuer shall ensure that:

- (a) the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within twelve (12) months of the First Issue Date or, if such admission to trading is unduly onerous to obtain or maintain, that such Bonds are admitted to trading on any other Regulated Market within twelve (12) months of the First Issue Date;
- (b) any Subsequent Bonds are admitted to trading on the same Regulated Market as the Initial Bonds within sixty (60) days of the later to occur of (A) the issue date of the relevant Subsequent Bond Issue and (B) the date of admission to trading of the Initial Bonds on the Regulated Market (or, in each case, within any shorter period of time required by law, regulation or applicable stock exchange regulations); and
- (c) the Bonds, if admitted to trading on a Regulated Market, continue being admitted to trading thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

14.3 **Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business as carried on by the Group as of the First Issue Date if such substantial change would have a Material Adverse Effect (for the avoidance of doubt, neither (i) any changes in the relative sizes of various business units or lines of business, (ii) any forms of lending- or insurance-related business, nor (iii) any extension of the business of the Group into businesses similar or complementary to the business previously conducted, shall constitute a substantial change for the purposes of this undertaking).

14.4 **Financial Indebtedness (the Issuer)**

The Issuer shall not incur, prolong, maintain, renew or extend any Financial Indebtedness, save for Permitted Issuer Debt.

14.5 **Financial Indebtedness (the Group)**

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

14.6 **Loans out**

The Issuer shall not, and shall procure that no other Group Company will, extend any loans in any form to any other party, save for (i) to other Group Companies, or (ii) in the ordinary course of business of the relevant Group Company. For avoidance of doubt, loans that have the nature of, or enable the company to fund a Warehouse Facility, are permitted, as they characterise ordinary course of business given the funding model of the Group.

14.7 **Negative Pledge**

The Issuer shall:

- (a) not create or allow to subsist, retain, provide, prolong or renew any security over any of its assets (present or future) to secure any Financial Indebtedness, save for Permitted Security; and

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

14.8 Mergers and demergers

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

14.9 Disposals of assets

The Issuer shall procure that no other Group Company will, sell or otherwise dispose of any shares (including issuing new shares) in any Group Company (other than the Issuer) or any assets which in either case represent more than ten (10) per cent. of the total assets or revenues of the Group on a consolidated basis according to the latest Financial Statements, other than loans in the ordinary course of business. The Issuer shall otherwise not, and shall procure that no other Group Company will, sell or otherwise dispose of any shares (including issuing new shares) or assets in any Group Company, other than loans in the ordinary course of business, unless the transaction is carried out at fair market value and on terms and conditions customary for such transaction, and in each case provided it does not have a Material Adverse Effect.

14.10 Dealings with related parties

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

14.11 Compliance with laws and authorisations

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

14.12 Certain Transactions

Unless otherwise required by law, the Issuer shall procure that any issue of new shares or any initial public offering of shares in any Group Company to any Person not being another Group Company is conducted in the Issuer or another Group Company which on a consolidated basis represents all or substantially all of the assets of the Group provided for the avoidance of doubt that any Group Company which is a joint venture shall be permitted to issue new shares or conduct an initial public offering.

15. TERMINATION OF THE BONDS

Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.10 (*Termination*)).

15.1 Non-payment

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

15.2 **Maintenance Test**

The Issuer has failed to comply with the Maintenance Test, except to the extent remedied in accordance with Clause 13.4 (*Equity Cure*).

15.3 **Other obligations**

The Issuer does not comply with its obligations under the Finance Documents in any way other than as set out under Clause 15.1 (*Non-payment*) or Clause 15.2 (*Maintenance Test*) above, unless the non-compliance is:

- (i) capable of being remedied; and
- (ii) is remedied within twenty (20) Business Days of the earlier of:
 - (A) the Agent giving notice; and
 - (B) the Issuer becoming aware of the non-compliance.

15.4 **Cross-payment default / cross-acceleration**

Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 15.4 unless the amount of Financial Indebtedness individually or in the aggregate exceeds an amount corresponding to USD 5,000,000 (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.

15.5 **Insolvency**

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

15.6 **Insolvency proceedings**

- (a) Any corporate action, legal proceedings or other procedures that are taken in relation to:
 - (i) the suspension of payments, winding-up or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) by reason of actual or anticipated financial difficulties 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) shall not apply to:
 - (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within ninety (90) calendar days of commencement or, if earlier, the date on which it is advertised;

- (ii) proceedings or petitions concerning a claim which is less than an amount corresponding to USD 5,000,000 (or its equivalent in any other currency or currencies); or
- (iii) in relation to Subsidiaries of the Issuer, solvent liquidations.

15.7 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding USD 5,000,000 (or its equivalent in any other currency or currencies) and is not discharged within ninety (90) calendar days.

15.8 **Impossibility or illegality**

It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Documents which has a detrimental effect on the interests of the Bondholders or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable, in each case provided that it has a Material Adverse Effect.

15.9 **Cessation of business**

A Material Group Company ceases to carry on its business (except of due to (i) a solvent liquidation of a Group Company other than the Issuer, or (ii) a disposal, merger or demerger not prohibited by the Finance Documents) and such discontinuation is likely to have a Material Adverse Effect.

15.10 **Termination**

- 15.10.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) 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 15.10.3 or 15.10.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 15.10.2 The Agent may not terminate the Bonds in accordance with Clause 15.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 15.10.1.
- 15.10.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 15.1 (*Non-payment*)) up until the time stipulated in Clause 15.10.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 15.10.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 17 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's

appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 15.10.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 17 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitrational 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.
- 15.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 17 (*Decisions by Bondholders*).
- 15.10.9 If the Bonds are declared due and payable in accordance with this Clause 15, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable price set out in the Call Option Amount for the relevant period provided that for the period until the First Call Date such amount shall be equal to the price set out in paragraph (b) of the Call Option Amount (plus accrued and unpaid Interest).

16. DISTRIBUTION OF PROCEEDS

- 16.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 15 shall be applied in the following order of priority, in accordance with the instructions of the Agent:
- (i) *firstly*, in or towards payment *pro rata* of:
 - (A) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
 - (B) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights as may have been incurred by the Agent;
 - (C) any non-reimbursed costs incurred by the Agent for external experts; and
 - (D) any non-reimbursed costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure;
 - (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
 - (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
 - (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including any default interest.

Any excess funds after the application of proceeds in accordance with paragraphs (i)–(iv) above shall be paid to the Issuer. The application of proceeds in accordance with paragraphs (i)–(iv) 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.

- 16.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1 above, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1.
- 16.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.
- 16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

17. DECISIONS BY BONDHOLDERS

17.1 Request for a decision

- 17.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders’ Meeting or by way of a Written Procedure.
- 17.1.2 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 Agent and dealt with at a Bondholders’ Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent’s opinion more appropriate that a matter is dealt with at a Bondholders’ Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders’ Meeting.
- 17.1.3 The Agent may refrain from convening a Bondholders’ Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 17.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders’ Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 17.1.5 Should the Agent not convene a Bondholders’ Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders’ Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders’ Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders’ Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 17.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders’ Meeting in accordance with Clause 17.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 17.3.1. After a request from the Bondholders pursuant to Clause 19.4.3, 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 17.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

17.2 **Bondholders' Meeting**

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

17.2.2 The notice pursuant to Clause 17.2.1 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.

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

17.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors and advisors may attend the Bondholders' Meeting at the Issuer's discretion. 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.

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

17.3 **Written Procedure**

17.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each Bondholder through the CSD. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.

17.3.2 A communication pursuant to Clause 17.3.1 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 a Bondholder (whether registered or a beneficial owner with proof of ownership in accordance with Clause 8 (*Right to act on behalf of 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 17.3.1); and
- (f) if the voting shall be made electronically, instructions for such voting.

17.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 17.4.2 and 17.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.4.2 or 17.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

17.4 **Majority, quorum and other provisions**

17.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*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 17.3.2, 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.

17.4.2 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 17.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 14 (*Special undertakings*);
- (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 17.4.2 or in Clause 17.4.3.

17.4.3 Any matter not covered by Clause 17.4.2 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 17.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (e) of Clause 18.1) or a termination of the Bonds.

17.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 17.4.3.

- 17.4.5 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:
- (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.
- 17.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17.2.1) or initiate a second Written Procedure (in accordance with Clause 17.3.1), 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 17.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 17.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.4.8 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.
- 17.4.9 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.
- 17.4.10 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.
- 17.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 17.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

18. AMENDMENTS AND WAIVERS

- 18.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders;

- (b) is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
- (d) is necessary for the purpose of having the Bonds admitted to trading on Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders; or
- (e) has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.

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

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

19. THE AGENT

19.1 Appointment of the Agent

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

19.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.

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

19.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

19.1.5 The Agent may act as agent or Agent for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

19.1.6 The Agent may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

19.2 Duties of the Agent

19.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents.

- 19.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 19.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 19.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 19.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.
- 19.2.6 The Issuer shall on demand by the Agent pay all reasonably incurred costs for external experts engaged by it:
- (a) after the occurrence of an Event of Default;
 - (b) for the purpose of investigating or considering:
 - (i) an event which the Agent reasonably believes is or may lead to an Event of Default; or
 - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
 - (c) in connection with any Bondholders' Meeting or Written Procedure;
 - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 16 (*Distribution of proceeds*).

- 19.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 19.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:
- (a) whether an Event of Default has occurred;
 - (b) the financial condition of the Issuer and the Group;
 - (c) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
 - (d) whether any other event specified in any Finance Document has occurred or is expected to occur.

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

19.2.9 The Agent 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 Agent; 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 Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.9.

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

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

19.2.12 The Agent shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or if it refrains from acting for any reason described in Clause 19.2.11.

19.3 **Limited liability for the Agent**

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

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

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

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

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

19.4 **Replacement of the Agent**

19.4.1 Subject to Clause 19.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

19.4.2 Subject to Clause 19.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 19.4.3 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 Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 19.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
 - (b) the Agent was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 19.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 19.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
 - (b) the period pursuant to paragraph (b) of Clause 19.4.4.
- 19.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 19.4.8 In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

20. THE PAYING AGENT

- 20.1 The Issuer appoints the Paying Agent to manage certain specified tasks relating to the Bonds, under these Terms and Conditions, in accordance with the legislation, rules and regulations applicable to the Issuer, the Bonds and/or under the CSD Regulations.
- 20.2 The Paying Agent may retire from its appointment 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 Paying Agent at the same time as the old Paying Agent retires or is dismissed. If the Paying Agent is insolvent, the Issuer shall immediately appoint a new Paying Agent, which shall replace the old Paying Agent as paying agent in accordance with these Terms and Conditions.
- 20.3 The Paying 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 these Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Paying Agent shall never be responsible for indirect or consequential loss.

21. THE CSD

- 21.1 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.
- 21.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorised to professionally conduct clearing operations and be authorised as a central securities depository in accordance with applicable law.

22. NO DIRECT ACTIONS BY BONDHOLDERS

- 22.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the obligations or liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 19.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 19.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.12 before a Bondholder may take any action referred to in Clause 22.1.
- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 11.6 (*Mandatory repurchase due to a Change of Control Event or De-listing Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

23. TIME-BAR

- 23.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void.
- 23.2 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.

24. NOTICES AND PRESS RELEASES

24.1 Notices

- 24.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by

the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Agent to the Issuer from time to time;

- (b) if to the Issuer, shall be given to such address as notified by the Issuer from time to time or, if sent by e-mail, to such e-mail address notified by the Issuer from time to time; and
- (c) if to the Bondholders, shall: (A) if made by the Agent, be sent to the Bondholders via the CSD with a copy to the Issuer or (B) if made by the Issuer, be sent to the Bondholders via the Agent or through the CSD with a copy to the Agent. Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

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

- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1;
- (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1; or
- (c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 24.1.1.

24.1.3 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.

24.2 **Press releases**

24.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 11.3 (*Early voluntary total redemption (call option)*), Clause 11.4 (*Early redemption (premium option)*), Clause 12.4(b) (*Information Undertakings: Miscellaneous*), Clauses 15.10.3, 17.4.13, 17.2.1, 17.3.1, 18.2, 19.2.12 or 19.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

24.2.2 In addition to Clause 24.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled, but not obligated to issue such press release.

25. **FORCE MAJEURE**

25.1 Neither the Agent nor the Paying Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Paying Agent itself takes such measures, or is subject to such measures.

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

25.3 The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

26. GOVERNING LAW AND JURISDICTION

- 26.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 26.2 Any dispute or claim arising in relation to these Terms and Conditions shall be determined by Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

SCHEDULE 1

FORM OF COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

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

From: Creditas Financial Solutions, Ltd. as Issuer

Date: [date]

Dear Sir or Madam,

Creditas Financial Solutions, Ltd.
Maximum USD 150,000,000 Senior Unsecured Callable Fixed Rate Bonds 2023/2026
with ISIN: NO0013024950
(the “Bonds”)

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

(2) **[Incurrence Test**

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

26.2.1 the Equity Ratio exceeds fifteen (15) per cent.; and

26.2.2 no Event of Default is continuing or would occur upon the relevant incurrence (as applicable).

Computations as to compliance with the Incurrence Test are attached hereto.^{2]3}

(3) **[Maintenance Test**

We confirm that the Cash and Cash Equivalents of the Issuer were equal to or exceeded USD 10,000,000 (or its equivalent in any other currency or currencies) on [date] (the last day of the quarter to which the Compliance Certificate refers). Accordingly, the Maintenance Test [is/is not] met.⁴

(4) [We confirm that, so far as we are aware, no Event of Default is continuing.]⁵

² To include calculations of the Incurrence Test and any adjustments.

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

⁴ This section to be used if the Compliance Certificate is delivered in connection with the quarterly interim Financial Statements. The Maintenance Test shall be tested quarterly on the basis of the interim Financial Statement for the period ending on the relevant Reference Date on the basis of the Compliance Certificate delivered in connection therewith. The first Reference Date for the Maintenance Test shall be 31 December 2023.

⁵ Should be included in each Compliance Certificate delivered in connection with the quarterly interim Financial Statements. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

ADDRESSES

Company (Issuer)

Creditas Financial Solutions, Ltd.
Campbells Corporate Services Limited, Floor 4, Willow House,
Cricket Square
Grand Cayman KY1-9010, Cayman Islands
Tel: +551 196 494 20 42
Web page: www.creditas.com

Central Securities Depository

Verdipapirssentralen ASA
Tollbugata 2
0152 Oslo
Norway
Tel: +47 226 353 00
Web Page: www.euronext.com

Company's auditor

KPMG Auditores Independentes Ltda.
Rua Arquiteto Olavo Redig de Campos
105, 12 andar – Torre A
04711-904 – São Paulo/SP
Brasil
Tel: + 55 (11) 3940-1500
Web page: www.kpmg.com.br

Bondholders Agent

Nordic Trustee & Agency AB (publ)
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SE-103 90, Stockholm
Sweden
Tel: +46 8 783 7900 Web page: www.nordictrustee.com

Sole Bookrunner

Pareto Securities AB
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Box 7415
103 91 Stockholm
Sweden
Tel: +46 840 250 00
Web page: www.paretosec.com

Payment Agent

NT Services AS
Kronprinsesse Märthas plass 1
N-0160 OSLO
Norway
Tel: +47 22 87 94 00
Web Page: www.nordictrustee.com

Legal advisor to the Company

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Biblioteksgatan 12
Box 5573
SE-114 85 Stockholm
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Tel: +46 8 506 32 300
Web page: www.whitecase.com