



SIBS AB (publ)

Prospectus regarding the admission to trading of  
SEK 1,000,000,000  
SENIOR UNSECURED FLOATING RATE  
BONDS  
2024/2027

ISIN: SE0023112487

*This Prospectus was approved by the Swedish Financial Supervisory Authority on 26 November 2024. The validity of this Prospectus will expire 12 months after the date of approval. The Issuer's obligation to supplement this 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the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.*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 SIBS AB (publ) (reg. no. 559050-3073) (the "**Issuer**", "**SIBS**" or the "**Company**") in relation to the application for admission to trading of bonds issued under the Company's up to SEK 2,000,000,000 senior unsecured floating rate bonds 2024/2027 with ISIN SE0023112487 (the "**Bonds**") of which SEK 1,000,000,000 was issued on 7 October 2024 (the "**Initial Bonds**"), on the corporate bond list on Nasdaq Stockholm AB ("**Nasdaq Stockholm**"). SIBS is together with its direct and indirect subsidiaries and, depending on the context, its associated companies, referred to in this Prospectus as the "**Group**" or the "**SIBS Group**". The Company may at one or more occasions after the issuance of the Initial Bonds issue subsequent bonds ("**Subsequent Bonds**") under the terms and conditions of the Bonds (the "**Terms and Conditions**"), until the total amount of Subsequent Bonds and the Initial Bonds equals SEK 2,000,000,000. For the avoidance of doubt, this Prospectus has not been prepared for the purpose of any Subsequent Bonds. Carnegie Investment Bank AB (publ) (reg. no. 516406-0138) has acted as issuing agent (the "**Issuing Agent**") and as joint bookrunner together with Danske Bank A/S, Danmark, Sverige Filial (reg. no. 516401-9811) (together the "**Joint Bookrunners**").

Terms and definitions used in this Prospectus have the same meaning as in Section 11 "Terms and Conditions for the Bonds" unless otherwise expressly stated in this Prospectus.

This Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017. The SFSA 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 issuer that is the subject of this Prospectus.

The Prospectus has been prepared for admission of the loan constituted by the Bonds for trading at Nasdaq Stockholm and does not constitute at any part an offer by SIBS for subscription or purchase of the Bonds. The Prospectus is governed by Swedish law. Disputes regarding this Prospectus shall be exclusively governed by Swedish law and settled by the Swedish courts exclusively. The Prospectus may not be distributed in any jurisdiction where such distribution or sale would require any additional prospectus, registration or other measures than those required by Swedish law or otherwise would conflict with regulations in such jurisdiction. Holders of the Prospectus or Bondholders must therefore inform themselves about, and observe any such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 as applicable at any time (the "**U.S. Securities Act**"), or under any U.S. state securities legislation. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons, except for "Qualified Institutional Buyers" within the meaning of Rule 144A under the U.S. Securities Act. Furthermore, SIBS has not registered the Bonds under the securities legislation of any other country. The Bondholder may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject.

The Prospectus, including the documents incorporated by reference (see Section 10 "Documents incorporated by reference" below) as well as any supplements to the Prospectus, may contain statements regarding the prospects of SIBS made by the board of directors. Such statements are based on the board of directors' knowledge of current circumstances regarding SIBS' business, the market conditions, the current global environment in which SIBS operates and other prevailing external factors. The reader should observe that forward-looking statements always are associated with uncertainty. An investment in the Bonds is associated with risks and risk taking. Anyone considering investing in the Bonds is therefore encouraged to carefully study the Prospectus, in particular Section 1 "Risk factors". Each potential investor in the Bonds must decide upon the suitability of an investment in the light of their own circumstances.

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

The Prospectus will be available via the websites of the SFSA (<https://www.fi.se/sv/vara-register/prospektregistret/>) and SIBS (<https://sibs.se/investor-relations/>). Paper copies may be obtained from SIBS. The information on the websites does not form part of the prospectus unless that information is incorporated by reference into the prospectus.

The figures in this Prospectus do not always sum up correctly due to being rounded off in order to facilitate the reading of the Prospectus.

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## 1 RISK FACTORS

*In this section, material risk factors are described, including risks relating to the Group's business and operations, legal risks, financial risks as well as risks relating to the Bonds.*

*The risk factors are presented in categories and where a risk factor may be categorised in more than one category, such risk factor appears only once in the most relevant category for such risk. The assessment of the materiality of each risk factor has been determined on the basis of a qualitative ordinal scale (low/medium/high) based on the probability of their occurrence and the expected magnitude of their negative impact on the Group's activities, financial position and results. The risk factors which are deemed most material by SIBS, based on the probability of their occurrence and the expected magnitude of their negative impact, are presented first under the respective category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Irrespective of the probability or magnitude of negative impact is stated in relation to each risk factor, all risk factors included below have been assessed by the Company to be material and specific to the Company and the Bonds in the meaning of Regulation (EU) 2017/1129.*

*The financial information and in particular the financial figures in this Section 1 ("Risk Factors") derives from the balance sheet, income statement and cash flow statement of SIBS Group for the period 1 January – 30 June 2024, which has not been audited.<sup>1</sup>*

### 1.1 Risk factors specific and material to SIBS and the Group

#### 1.1.1 Market risks

##### *Inflation and interest risk*

The Group operates in the Swedish residential real estate market, which to a large extent is affected by macroeconomic factors such as the general state of the economy, national and regional economic developments, the developments in employment rate, level of production of new housing, changes in infrastructure and population growth, inflation and interest rates. There is a risk that one or more of these factors will develop in a negative direction for the Group, which may affect the vacancy rates in the Group's properties, the tenants' ability to pay their rents and the possibility of charging expected rents, which in the long run could have an adverse effect on the Group's financial position.

The Group's business is mainly financed, in excess of equity, by borrowings from credit institutions. Interest expenses are therefore one of the Group's main cost items and the Group's adjusted equity ratio as of Q2 2024 amounted to 39 per cent. Interest expenses are primarily influenced by factors such as the volume of interest-bearing debt, prevailing market interest rates, credit institutions' margins, and the Group's strategies regarding interest rate fixation periods and debt maturity terms. Any further increase in interest rates would negatively impact the Group's financial costs and earnings, as well as the Issuer's performance on loans with floating interest rates. Additionally, inflation expectations affect interest rates, which in turn influence the Group's property management results, as interest expenses

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<sup>1</sup> [https://sibs.se/wp-content/uploads/SIBS\\_Q2\\_2024\\_240830\\_webb.pdf](https://sibs.se/wp-content/uploads/SIBS_Q2_2024_240830_webb.pdf)

constitute a significant cost for the Group. Changes, and expectations of changes, in inflation rates may also affect yield requirements on properties and, consequently, the value of the Group's property portfolio, potentially leading to various adverse effects.

The Issuer deems that the probability of unexpected further increases in interest rate costs occurring is medium. If the risks would materialize, the Issuer considers the potential impact to be high.

### 1.1.2 **Business risks**

#### *Dependence on subsidiaries*

The majority of the Group's assets and revenues relate to entities other than the Issuer and the Group's operations are run through the Issuer's direct and indirect subsidiaries. Accordingly, the Issuer is dependent on receipt of sufficient income related to the operation of and the ownership in its subsidiaries to enable it to make payments under the Bonds. The Issuer's subsidiaries and other members of the Group are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the Issuer's subsidiaries or other members of the Group to make such payments to the Issuer is subject to, among other things, the availability of funds. Should the Issuer not receive sufficient income from its subsidiaries, associated companies, joint ventures or other members of the Group, the investor's ability to receive payment under the Terms and Conditions may be adversely affected.

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy or insolvency law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group. In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such subsidiary would be entitled to payment in full of their claims out of the assets of such company before the Issuer would be entitled to any payments. Further, the Group operates in various jurisdictions and in the event of bankruptcy, insolvency, liquidation, dissolution, reorganisation or similar proceedings involving the Issuer or any of its subsidiaries, bankruptcy and insolvency laws could apply.

If the subsidiaries, associated companies and/or joint ventures do not provide liquidity, or due to any other circumstances, conditions, laws, or regulations are prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Bonds.

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

#### *Holding company risks*

The Issuer holds, directly or indirectly, interests in some associated entities, i.e. companies of which the Issuer owns 50 per cent. or less of the shares in. Since the Issuer does not have full control over these entities, there is a risk that decisions taken in the associated entities will not be in the Issuers' interest. Since such associated entities are important parts of the Issuers' housing development process, there

is a risk that any disagreements between the owners of the associated entities or any decisions taken that is not favourable for the Issuer, may result in delays in projects and increased costs for such projects. If the subsidiaries, associated entities or other investments do not provide dividend income, or due to other circumstances, conditions, laws or other regulations, are prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Bonds.

The Issuer deems the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be medium.

#### *Structural subordination*

As mentioned above, the Group's operations are run through the Issuer's direct and indirect subsidiaries. The subsidiaries are legally separated from the Issuer and the subsidiaries' ability to make payments to the Issuer may be restricted by, among other things, the availability of funds, corporate and tax restrictions, value transfer restrictions, restrictions in shareholders' agreements and the terms of each entity's finance agreements (if any). Further, the Group have, as part of its financing, incurred debts to credit institutions and other lenders and intend to continue seeking financing. Security by way of, amongst other things, business mortgages, charges in relation to bank accounts, machinery, vehicles, office equipment, computers and other equipment together with intellectual property and real property pledges and guarantees has been provided for the Group's interest-bearing debt.

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

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

#### *Rental income and rental development*

The Issuer is a real estate company that mainly focuses on developing and building turnkey and production-ready factories and development and construction of rental housing and property management. The Group's financial position and results are dependent on, amongst other things, rental income, which in turn are affected by, inter alia, the supply and demand on the market and the level of the market rental rates, from tenants on its properties. The Group's financial position and results will, thus, be negatively affected by vacancies in the properties and contracted rental levels. Decreased occupancy rates and rental rates will, regardless of reason, adversely affect the Group's revenues. Accordingly, if the Group's tenants do not renew or extend their lease agreements upon expiry, if they default, or if the contracted rental levels are reduced, the Group's revenues and cash flow and the

Issuer's ability to make payments under the Bonds could be adversely affected. If the Group fails to achieve and maintain planned occupancy rates on their properties it could have a material negative impact on the Group's earnings and could have an adverse effect of the Issuer's ability to make payments under the Bonds.

The Issuer deems that the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be medium.

The Group is also dependent on its tenants paying their rent on time and in case the tenants would pay their rents as they fall due (or do not pay at all), or otherwise fail to fulfil their obligations, this could have a material negative impact on the Group's earnings and the value of its receivables and the Issuer's ability to make payments under the Bonds could be adversely affected. The Group owns and plans to own housing properties, which also includes commercial premises located within such properties, as well as community services properties and commercial properties. Furthermore, as the Group's tenant base is limited to certain sectors and geographical areas, the Group is particularly susceptible to the supply and demand in such sectors and areas. For instance, there is a negative trend in relation to commercial property leases in the retail trade sector, as the vacancy rates have increased due to the closing of shops in main cities and urban areas.

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

#### *Risks relating to the cooperation with Slättö and Nordsten*

The Group collaborates with Slättö Value Add II ("**Slättö**") in a joint venture partnership for ownership and management of properties, developing the properties and carrying out property development projects. The partnership consists of the Issuer holding, through its subsidiary Sveaviken Holding 7 AB, 50 per cent of Slättö Sveaviken Bostad AB (the "**Slättö JV**") which owns, manages, and develops properties in greater Stockholm and surrounding cities, Helsingborg and Malmö, on which the general intention is to have a running income and to develop building rights for housing and other premises. Some of the risks of the business of the Slättö JV consist of market related risks and failing in its zoning plan operations and not obtaining building rights for housing and other premises. The Slättö JV is itself also exposed to all risks mentioned or implied in these risk factors. The Group also collaborates with, amongst others, Nordsten Fastigheter AB ("**Nordsten**") in respect of the Group's holding of 50 per cent. of the ownership of the Sveaviken Nordsten Holding AB (the "**Nordsten JV**" and together with the Slättö JV, the "**Joint Venture Partnerships**"). Similar to the Slättö JV, the Nordsten JV is partnership for ownership and management of properties, developing the properties and carrying out property development projects.

The Joint Venture Partnerships are considered material for the Group. If the Joint Venture Partnerships would not be successful in obtaining building rights on its properties pursuant to its zoning plan operations, or in any other way have a negative development in its business, financial performance or financial position (including but not limited to if the Joint Venture Partnerships would make losses, have a deterioration in its equity ratio or cash position), it could have a material adverse effect on the Joint Venture Partnerships's business and financial position, which in turn adversely affects the Group's financial position and the Issuer's ability to fulfil its payment obligations under the Bonds.

If any disagreement would arise with a joint venture partner regarding the business or operations of the relevant joint venture, there is a risk that the Issuer will not be able to resolve it in a manner that will be in its best interests. In addition, certain major decisions, such as divesting interests in a joint venture or entering into certain material transactions, may require the consent of the partner. Any such limitations could adversely affect the Issuer's ability to obtain the economic and other benefits it seeks from participating in these joint ventures. Furthermore, the joint venture partner may be unable or unwilling to fulfil its obligations, have financial difficulties, require the Issuer to make additional investments or have disputes with the Issuer regarding their rights, responsibilities and obligations, which could adversely affect the Group's earnings and financial position.

If one or several of these risks would materialise, it could have a material adverse effect on the Group's earnings and financial condition and the Company's ability to fulfil its payment obligations under the Bonds.

The Issuer deems that the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be medium.

#### *Changes in value of the Group's properties*

The Group's real estate investments are recorded in the balance sheet at actual value (Sw. verkligt värde) and the value changes are recorded in the income statement. According to the interim financial report for Q2 of 2024, the total value of the Group's investment properties, shares in associated companies (real estate owning companies) and owner-occupied property amounted to SEK 1,558,100,000 and the value changes of the Group's investment properties was an increase of SEK 257,600,000. According to the Terms and Conditions each property must be valued externally once every calendar year. The Group's loan to value ratio for investment properties under management was 57.0 per cent according to the interim financial report for Q2 of 2024. There is a risk that the valuation coverage may change in the future which could result in the value becomes more difficult to estimate for an investor, a financing counterparty or any third party interested in the valuation of the Group's properties.

Property specific factors, such as lower rental levels, higher vacancy rates and higher property expenditures, as well as market specific factors, such as interest rates and higher yield demands (even if these changes are small), reduced prices per square meter, may lead to a decrease in value of the Group's properties. Decreases in the value of the Group's properties could thus have a material adverse effect on the Group's financial condition and results of operations and the Issuer's ability to make payments under the Bonds could be adversely affected.

The valuations are based, among other things, on a number of assumptions and are therefore subjective. There is, therefore, a risk that the valuations have been based on assumptions, subjective or not, that are inaccurate, which may result in an incorrect reflection of the value of the Group's property portfolio and thus the Group's financial position. Further, various factors may cause the Group to write down the fair value of its properties, which may negatively affect the Group's operations and financial position. Furthermore, the valuation frequency and coverage may alter from time to time which could lead to the value becoming more difficult to assess for investors, a financing counterparty or any third party interested in the valuation of the Group's properties.



Given that a substantial part of the Group's accounted assets consist of properties, a decrease in value, causing the Group to write down their value, could lead to a number of negative consequential effects for the Group which could affect the Group's business, results and financial position, such as a breach of covenants under the relevant loan agreements of the Group from time to time could occur, which in turn could result in the loans under such loan agreements being accelerated prior to maturity and consequently affecting the liquidity of the Group. A material decrease of the market value of the Group's properties would also have a negative impact on the Group's possibilities to dispose of its properties without incurring losses, which in turn may negatively affect the Group's financial position and results and the Issuer's ability to make payments under the Bonds.

The Issuer considers the probability of any of the risks occurring to be medium. As valuation decreases could have a significant effect on the Group's financial position, the Issuer considers the potential negative impact of any of the risks to be high.

#### *Projects and developments*

The operations of the Group comprise property development projects. When developing property, certain risks arise. Larger projects may entail major investments which may lead to an increased credit risk if the Group would be unable to find tenants for the apartments in question. The Group operates in all parts of the property development process, from acquisitions and development to production, transport, construction and property management. The Group is dependent on that each step in the process is working. When planning and budgeting for a construction project it is essential that the basis for calculation is complete and correct. Assumptions are made in relation to costs and revenues, as well as the ability of partners to perform in accordance with contracts. Projects may be delayed or may entail higher costs than foreseen, for example as a result of required permits not being obtained or of unexpected environmental circumstances or technical problems arising, which may lead to increased costs or decreased earnings. Since much time can elapse between when a property development project is initiated to the completion of the project, especially in the housing sector, there is also a risk that the conditions on which the project was once based may have been affected or changed in the meanwhile. In several projects the Group has applied for and received investment aid from the Swedish state, which is a state aid that can be received, inter alia, for building rental housing in areas with housing shortage.

When entering into construction agreements, the Issuer's wholly-owned subsidiary MOBY Modulärt byggande AB regularly issues construction guarantees as customary when carrying out construction work. Should a material defect entail that MOBY Modulärt byggande AB needs to make use of an issued guarantee, this will lead to increased costs or decreased earnings in relation to the project at hand. In connection with some agreements regarding disposal of the Group's properties, MOBY Modulärt byggande AB has entered into construction agreements regarding construction on the properties prior to divestment. In connection therewith, the Issuer has guaranteed MOBY Modulärt byggande AB's obligations under the construction agreements. Accordingly, if MOBY Modulärt byggande AB would not fulfil its material obligations under the construction agreements, there is a risk that claims will be made against the Issuer which would affect the Issuers' financial position.

In the event of the abovementioned risks are materialized, it could have a negative impact on the valuation of the Group's assets as well as the Group's earnings and profitability. The Issuer deems the

probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be medium.

#### *Transaction risk*

The Group's ordinary business includes acquisitions and disposals of properties and especially acquisitions involve certain risks. All investments are associated with uncertainties, such as unexpected vacancies, environmental circumstances, technical problems and problems with required permits, which may have a negative impact on the property value or result in unexpected and increased costs and delays in projects. Further, there is a risk that a seller, in connection with an acquisition, may not fulfil its obligations due to financial difficulties, which may affect the Group's possibility to bring forward claims on compensation according to contracted indemnities or warranties (which may also be subject to limitations in amount and time). There is also a risk that the Group in the future will not be able to find suitable properties and projects to acquire or that such properties and project can not be acquired on favorable terms.

The disposal of assets, such as a property, a property-owning entity or holdings in such entities involves uncertainties regarding, inter alia, price and the ability to get provision for the properties including the willingness and ability of potential buyers to pay for the properties. Further, the acquisition of a real estate asset requires, among other things, an analysis that is subject to wide variety of factors, including subjective assessments and assumptions as to current and future prospect. There is a risk that the Group may overestimate the potential of a real estate asset when making acquisition decisions or may base its decision on inaccurate information or assumptions that turn out to be incorrect. The Group may also underestimate the likelihood that a newly acquired real estate asset will require substantial renovation or capital repairs. Such errors may only become apparent at a later stage and force the Group to recognise fair value losses on its statement of financial position and income statement. Furthermore, the due diligence performed by the Group when acquiring a real estate asset may not be adequate and may not uncover all the potential liabilities and risks related to the property (for instance construction defects, liabilities, encumbrances, pollution) and there is a risk that the Group will not have recourse to the seller of the property for the non-disclosure of such risks. Official information in the land register of some of the countries in which the Group has its operations or assets may not be accurate and complete. Thus, although the Group may have to rely upon the information contained in land registers, it may not have effective recourse against the government if the information upon which the Group relied in deciding whether or not to make an investment was inaccurate, misleading or incomplete. Further, should vendor financing be provided to a buyer of assets from the Group or financing be provided to a borrower outside of the Group, the Group would be exposed to a credit risk which could be material.

Also, companies within the Group have issued guarantees regarding performances under acquisition agreements, which, if asserted, could lead to, among other things, increased costs for the Group.

Some acquisitions have been paid partly through issuance of vendor notes, which are secured by a pledge over the acquired shares as well as guarantees from the Issuer. If the payment obligations under the vendor notes are not fulfilled, the pledge over the shares in the relevant property companies may be enforced or claims may be made against the Issuer according to the guarantees, which would adversely affect the Issuers' financial position. Furthermore, there is a risk that future acquisitions will result in

dilutive issuances of the Group's equity securities, the incurrence of debt, contingent liabilities, amortisation costs, impairment of goodwill or restructuring charges, any of which will have an adverse effect on the Group's business, earnings or financial position.

The Group has entered into several agreements regarding disposals of all or part of the shares in certain property-owning companies where the relevant buyer has paid a deposit to the seller on the signing date. If closing of the transactions will not occur as a result of that conditions for the transaction are not fulfilled, the seller will have to repay the deposit to the buyer. As security for the repayment of the deposits, the sellers have pledged shares in property owning companies and the Issuer has guaranteed the seller's obligations of repayment. There is a risk that the relevant subsidiary may not be able to repay the deposits, which may result in the pledge over the shares in the relevant property-owning companies being enforced or that claims are made against the Issuer according to the guarantees. The aforementioned risk may in turn adversely affect the Issuers' financial position.

The Issuer deems the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact on the Group's result and the value of the relevant properties to be medium.

#### *Employees and subcontractors*

The Group's operations include the whole process of housing development and management, from acquisitions and development to production, transport, construction and property management. While the Group benefits from a large and capable organization, relying on the performance and dedication of all its employees, and to some extent consultants, for future growth, it is especially reliant on certain key individuals whose leadership, expertise, and experience are critical to its continued success. It is therefore material that the Issuer maintains and, if needed, recruits key individuals. If a key individual resigns, or if the Issuer is unable to recruit key individuals in the future, it may have a material adverse effect on the Issuer's operations, results and financial position, which may affect the Issuer's ability to repay the Bonds.

MOBY Modulärt byggande AB carries out construction work by having their own management on site as project leaders and support as well as construction workers. Occasionally, some of the actual construction work is carried out by subcontractors. Both when using subcontractors as well as own construction workers, efficient project management is essential to the success of the construction projects of MOBY Modulärt byggande AB. Should the project management of MOBY Modulärt byggande AB fail, or should MOBY Modulärt byggande AB not be able to find competent subcontractors when needed, construction projects of MOBY Modulärt byggande AB could be delayed. There is a risk that extensive project delays may entail customer's enforcing claims of liquidated damages or price reductions on certain projects, which could have a negative impact on the Group's profitability.

The Issuer deems the probability of such risks materializing to be medium. If the risks would materialize, the Issuer considers the potential impact to be medium.

#### *Incentive programs and dilution*

The Issuer has introduced, and may in the future introduce, share-based incentive programs in the form of options and warrants in the Issuer's direct and indirect subsidiaries with the aim of motivating and

rewarding key employees through partial ownership, thereby promoting the Issuer's and/or such Subsidiary's long-term interests. There are however no guarantees that any share-based incentive program will achieve its objectives, and the options and/or warrants issued by the Issuer would have a dilutive effect on the Issuer's direct and indirect shareholdings should they materialise. Furthermore, the Issuer's shareholdings may in the future be further diluted in connection with any third-party investment and other share issues or options in its direct and indirect subsidiaries. The Issuer's interests may conflict with the interests of other shareholders and lead to difficulties in the management of such Subsidiaries, which in turn may have a material adverse effect on the Issuer's investment. The Issuer is dependent on value gains, dividends, cash flow or other income from its subsidiaries and a decrease of the value of, or dividends, cash flow or other income from the Subsidiaries may have a material adverse effect on the Issuer's operations and financial position.

The Issuer deems the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be low.

#### *Negative publicity*

The Group's reputation is important for its business. Should the reputation be damaged, the Group's customers, potential buyers of projects and other stakeholders could lose trust in SIBS. For instance, should SIBS or any of the members of its senior management team take an action that conflicts with the Group's values, or should any of the projects not meet the market's expectation, the reputation could be at risk. Also unjustified negative publicity could damage the reputation. Reputation damage could have a significant negative impact on the Group's financial position and earnings.

SIBS deems the probability of such risks materializing to be *low*. If the risks would materialize, SIBS considers the potential impact to be *medium*.

#### *Competition for land allocation for housing purposes*

The Group acts in an industry that is exposed to competition. The Group's future competitive opportunities are dependent on, *inter alia*, the Group's ability to be at the forefront and respond quickly to existing and future market needs. On the various markets where the Group is present there is a high demand for buildable land. The Group regularly competes for land allocation for housing purposes. Increased competition could lead to the Group not being able to receive land allocations at a reasonable price which could have a negative impact on the profitability of the Group.

SIBS deems the probability of such risks materializing to be *medium*. If the risks would materialize, SIBS considers the potential impact to be *medium*.

#### *Geopolitical Risks and business and operations in Saudi Arabia and Malaysia*

The Group has parts of its production situated in Malaysia and material building contracts in respect of properties to be delivered to Saudi Arabia. These markets are subject to greater political, economic and social uncertainties than countries with more developed institutional structures, and the risk of loss resulting from changes in laws or economic or social upheaval and other factors exists. Among the more significant risks of operating and investing in emerging markets are those arising from the introduction of trade restrictions, expropriation, enforcement of foreign exchange restrictions and changes in laws

and enforcement mechanisms. Furthermore the Group's business is therefore sensitive to geopolitical factors in both Malaysia and Saudi Arabia and their immediate surroundings. An alteration in the geopolitical situation could result in a decline in production (as regards Malaysia) and/or a material financial loss (as regards Saudi Arabia).

The Issuer deems the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be medium.

Furthermore, there is a risk that an alteration in the geopolitical situation will cause a disruption in the Group's logistical and supply chain operations. Any such disruption may have an adverse effect on the Group's business operations and result in a material financial loss.

The Issuer deems the probability of risks relating to disruptions in the supply chain materializing to be medium. If the risks would materialize, the Issuer considers the potential impact to be high.

### 1.1.3 Financial risks

#### *Refinancing*

Refinancing risk is the risk that necessary financing may not be obtained, or could only be obtained at significantly increased costs concerning refinancing of existing debts or new borrowing. The Group may eventually be required to refinance certain or all of its outstanding debt, including the Bonds. According to the interim financial report for Q2 of 2024, the Group's short-term interest-bearing liabilities amounted to approximately SEK 649,200,000. The Group's ability to successfully refinance its outstanding debt obligations, including the Bonds, at maturity depend on the conditions of the capital markets and its financial condition at such time. The Group's ability to refinance the Bonds and other debt is also restricted in the way the Terms and Conditions only permit certain financial indebtedness (including, amongst other things, performance bonds and capital market loans) and that such indebtedness is subject to certain financial undertakings of the Group. Such restrictions together with developments in the credit market, such as deterioration of the overall financial markets or a worsening of general economic conditions, for example as a result of an unexpected increase of the interest rate, could adversely affect the Group's access to financing sources and financing on favorable terms, or at all. The Group's inability to refinance its debt obligations on favorable terms, or at all, could have a negative impact on the Group's ability to refinance its outstanding debt, including the Bonds, at maturity.

The Issuer deems the probability of above mentioned risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be high.

#### *Financial obligations and guarantees*

The Group has obtained financing through construction loans, bond loans, overdraft facilities and bank loans secured by the Group's properties. According to the interim financial report for Q2 of 2024, the long-term interest-bearing liabilities amounted to SEK 1,113,900,000, including construction loans and bank loans. Furthermore, the Group has short-term interest-bearing liabilities of SEK 649,200,000. The Group has issued guarantees and provided security for some loans. Credit agreements may include financial obligations regarding financial covenants or other provisions, which if they are breached by the Group could lead to the loans being accelerated, leading to immediate repayment or result in the

creditor's enforcement of the pledged assets or issued guarantees. Should the Group be in breach of certain provisions set out in certain credit agreements, the credit institutions may be entitled to accelerate the underlying loans and this could result in other loan agreements (through cross default provisions) being cancelled for immediate repayment or in the collateral being taken over by the credit institution/credit institutions concerned. If such events were to materialize there is a risk that the Group will not be able to obtain necessary financing, or that such financing could only be obtained at significantly increased costs. The realization of any of the above would have a negative impact on the valuation of the Group's assets and the Group's profitability.

The Issuer deems the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be high.

#### *Change in exchange rates*

The Group owns real estate in Malaysia where their two factories are located and has also entered into an agreement regarding purchase of additional real estate in Malaysia for future factory expansion, which entails an exposure towards Malaysian Ringgit ("MYR"). The income and expenses of the Malaysian property and factories are denominated in MYR and the property is financed mainly through credit facilities in MYR. In addition, the Group makes purchases in both US Dollar ("USD") and MYR and has other costs in MYR in Malaysia. Shipping of the housing modules from the factories in Malaysia to Sweden is paid in USD. Thus, the Issuer is exposed towards both MYR and USD and the Group does not hedge costs related to production save for hedges between USD and MYR for all costs in Malaysia related to the Neom orders. Exchange rate fluctuations could particularly affect the production costs and shipping costs, and thus, the cash flow and the result of the Group's operations.

The Issuer deems the probability of such risks materializing to be medium. If the risks would materialize, the Issuer considers the potential impact to be medium.

### **1.1.4 Legal and environmental risks**

#### *Environmental risks*

Property management and property development have an environmental impact. According to the Swedish Environmental Code (Sw. Miljöbalken), everyone who has conducted a business operation that has contributed to pollution, also has a responsibility for after-treatment of the property. If the responsible person is unable to carry out or pay for the after-treatment of a polluted property, the person who has acquired the property is liable for after-treatment provided that the buyer at the time of the acquisition knew of or should have discovered the pollution. This means that claims, under certain conditions, may be raised against the Group for soil remediation or for remediation concerning presence or suspicion of pollution in soil, water areas or ground water, in order to put the property in a condition pursuant to the Swedish Environmental Code. Such claims may have a negative impact on the Group's financial position and earnings and may delay projects, which in turn would also entail increased costs for the Group. Furthermore, changed laws, regulations and requirements from authorities in the environmental area could result in increased costs for the Group with respect to cleaning-up or after-treatment regarding currently held or in the future acquired properties (see further the risk factor "Legal and regulatory risks" below).

SIBS deems the probability of such risks materializing to be *low*. If the risks would materialize, SIBS considers the potential impact to be *medium*.

#### *Legal and regulatory risks*

The Group must comply with a wide variety of laws, regulations and provisions, including health, safety and environmental laws, laws relating to rent levels and the rights of tenants as well as corporate, accounting and tax laws under various jurisdictions. Changes in laws and regulations may be introduced which affect ownership of land, environmental planning, land use and/or development regulations. Such changes could have an adverse effect on the financial conditions of the Group. Unexpected land use and zoning and planning restrictions and harder requirements regarding environmental protection, safety and other matters could have the effect of increasing the expenses of SIBS projects and lowering the income or rate of return from the Group, as well as adversely affecting the value of the properties. Such events could also delay SIBS' projects, which would entail higher costs than foreseen. The Group's operations are also affected by the tax rules in force, from time to time, in Sweden. Since these rules have historically been subject to frequent changes, further changes are expected in the future (potentially with retroactive effect). Such changes could have a significant negative impact on the Group's financial position and earnings.

SIBS deems the probability of such risks materializing to be *low*. If the risks would materialize, SIBS considers the potential impact to be *high* regarding taxes and *medium* regarding other changes in laws or regulations.

#### *Working environment*

Construction work as well as production of the housing modules in the two factories in Penang, Malaysia may entail a work environment with a high risk for accidents and personal injuries for individuals working on site. Should the Group fail in following relevant laws and regulations relating to work environment as well as implementing and follow efficient work environment policies, this could lead to accidents that entails increased costs and decreased profitability of the Group as well as have a material negative impact on the reputation of the Group.

SIBS deems the probability of such risks materializing to be *medium*. If the risks would materialize, SIBS considers the potential impact to be *low*.

## **1.2 Risks related to the Bonds**

### **1.2.1 Financial risks**

#### *Structural subordination and dependency on subsidiaries*

Since the Issuer is the parent company to the Group's property-owning companies, the Issuer is dependent upon receiving dividends and group contributions from its subsidiaries, joint venture partnerships and other investments to be able to fulfil its obligations under the Terms and Conditions. The Bonds are not guaranteed by any of these subsidiaries or any other company or person. This means that the Bonds are structurally subordinated to any indebtedness raised in any of the property-owning and project developing subsidiaries, and so the creditors of such indebtedness have priority over the

holders of the Bonds to the assets and revenue generated in the subsidiaries. The Terms and Conditions do not include any restrictions on the ability of the Group to incur additional indebtedness (other than the restrictions that the Issuer may only issue market loans if (i) the net proceeds is applied in full towards refinancing of any market loan of the Issuer or certain financial undertakings relating to the equity ratio is met, (ii) the market loan ranks pari passu with or is subordinated to the obligations under the Bonds, (iii) the market loan has a longer maturity than the Bonds). In the event a subsidiary becomes subject to liquidation, company reconstruction or bankruptcy there is a risk that the Issuer will not receive dividends or contributions from the subsidiary.

In particular, the Terms and Conditions allows for SIBS SDN. BHD, with reg. no. 201601022969 (1192308H) ("**SIBS Malaysia**") and/or a subsidiary of SIBS Malaysia to incur financial indebtedness under any unsecured (i) market loans, (ii) debt capital markets financings and/or (iii) financings from bank or financial institutions, in each case provided that the incurrence test is met and (other in respect of commercial papers in an aggregate amount not exceeding MYR 103,310,500), has a final maturity date or, when applicable, early redemption dates or instalment dates which occur on or after the final redemption date of the Bonds. The payment obligations of the Issuer under the Bonds would be structurally subordinated to payment obligations owed to creditors under any such financing incurred by the direct and indirect subsidiaries of the Group and there is a risk that this would have a significant negative effect on the Bondholders possibility to recover the amounts owed to them under the Bonds in the event that the Issuer were unable to make repayment under the Bonds.

The Issuer deems the probability of such risks materializing to be medium. If the risks would materialize, the Issuer considers the potential impact to be high.

The Group has within the framework of its financing raised loans from credit institutions and has thereby pledged, inter alia, mortgage deeds in certain properties. The Issuer also intends to continue seeking appropriate and attractive financing and may in connection thereto grant security for such financing. There is a risk that the pledge over such assets will be enforced.

The Issuer deems the probability of such risks materializing to be low. If the risks would materialize, the Issuer considers the potential impact to be high.

#### *Credit risk*

Investments in bonds in general entail a certain degree of risk for investors, including the risk of losing the value of the entire investment. Investors who invest in the Bonds become exposed to a credit risk in relation to SIBS and the Bonds carry a, relatively, high interest, which is to be regarded as a compensation for the, relatively, higher risk an investor carries compared to an investment in Swedish government bonds. The investor's ability to receive payment under the Terms and Conditions is dependent on the Group's ability to fulfil its payment obligations, which in its turn is dependent on the development of the Group's business activities and its financial position. The Group's financial position is affected by several risk factors, of which a number have been discussed above. An increased credit risk may cause that the Bonds will be attached with a higher risk premium by the market, which would affect the Bonds' value and price in the secondary market negatively. Another aspect of the credit risk is that a deteriorating financial position may cause the Group's credit rating to decrease, which could negatively affect the possibility for SIBS to refinance the Bonds at maturity.



SIBS deems the probability of such risks materializing to be *low*. If the risks would materialize, SIBS considers the potential impact to be *high*.

#### *Risks related to admission to trading*

The Issuer has undertaken to ensure that the Bonds are listed on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within certain stipulated time periods, as defined in the Terms and Conditions. Failure to obtain listing in time, or failure to maintain such listing, would provide each Bondholder with a right of prepayment (put option) of its Bonds.

The Issuer deems the probability of failure to obtain and maintain listing of the Bonds on a Regulated Market, as low. If the risks would materialize, the Issuer considers the potential impact to be high.

Even if the Bonds are admitted to trading on a Regulated Market, the liquidity and trading price of the Bonds may vary as a result of numerous factors, including general market movements and irrespective of Issuers' performance. This may entail that a Bondholder cannot sell his or her Bonds at the desired time or at a yield which is comparable to similar investments that have an existing and functioning secondary market. A lack of liquidity in the market may have a negative impact on the market value of the Bonds. There is a risk that a demand for and trading with the Bonds does not occur or is not maintained.

The Issuer deems the probability of the secondary trading in the Bonds being impacted as described above as low. If the risks would materialize, the Issuer considers the potential impact to be medium.

### **1.2.2 Risks related to the Bondholders' rights and representation**

#### *Priority rights*

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of SIBS and shall rank at least *pari passu* with other direct, general, unconditional, unsubordinated and unsecured obligations of SIBS. This means that a Bondholder, in the event of SIBS' liquidation, company reconstruction or bankruptcy, normally would receive payment after any prioritized creditors (e.g. lenders or investors that have the benefit of security) have received payment. Each investor should be aware of the risk that a Bondholder may lose the whole, or parts of, his or her investment in the event of SIBS' liquidation, bankruptcy or company reconstruction.

SIBS deems the probability of such risk materializing to be *low*. If the risks would materialize, SIBS considers the potential impact to be *high*.

#### *Risks related to acceleration of the Bonds and put options*

SIBS is required to comply with the Terms and Conditions, *inter alia*, to pay interest under the Bonds. Upon the occurrence of an Event of Default (as specified in the Terms and Conditions), the Bonds may be accelerated at the terms and price set out in the Terms and Conditions. Furthermore, upon the occurrence of a Change of Control Event or a Listing Failure Event (as defined in the Terms and Conditions), each Bondholder will have a right to request (put option) that all, or only some, of its Bonds

be repurchased at the terms and price set out in the Terms and Conditions. Following any of the above mentioned events, there is a risk that SIBS will not have sufficient funds at the time of such acceleration or repurchase to make the required redemption of, or payment in respect of, the Bonds. This could in turn adversely affect SIBS' ability to meet its financial obligations and consequently affect all Bondholders, including those who did not exercise the option.

SIBS deems the probability of such risk materializing to be *low*. If the risks would materialize, SIBS considers the potential impact to be *high*.

#### *Voluntary early redemption*

SIBS has a right under the Terms and Conditions to redeem all outstanding Bonds in full prior to the final redemption date. The early redemption right exists during the whole time period prior to the final redemption date, although the redemption price changes after certain periods.

Such a right could affect the market value of the Bonds and there is a risk that the market value of the Bonds is higher than the price at which SIBS may be entitled to redeem the Bonds. If SIBS exercises its right to early redemption of the Bonds when the market value of the Bonds is higher than the relevant redemption price, it could affect the investor's possibilities to re-invest the repaid amount on the same terms as the terms of the redeemed Bonds. It is further possible that SIBS will not have sufficient funds at the time of the prepayment to carry out the redemption.

SIBS deems the probability of such risk materializing to be *low*. If the risks would materialize, SIBS considers the potential impact to be *low*.

## 2 RESPONSIBILITY FOR THE PROSPECTUS

SIBS has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Bonds Issue and the performance of its obligations relating hereto. The issuance of the Initial Bonds on 7 October 2024 was authorised by resolutions taken by the board of directors of SIBS on 23 September 2024.

The board of directors is responsible for the information contained in this Prospectus. The board of directors confirms that, to the best of their knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

The information in this Prospectus and in the documents incorporated by reference which derive from third parties has been accurately reproduced and, as far as SIBS 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.

Information on websites that are referenced in the Prospectus have not been scrutinised or approved by the Swedish Financial Supervisory Authority (“**SFSA**”) and does not form part of the prospectus unless that information is incorporated by reference.

The Prospectus has been prepared in relation to the Company’s admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm, in accordance with Regulation (EU) 2017/1129.

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

Stockholm on 26 November 2024

**SIBS AB (publ)**

*The board of directors*

### 3 SUMMARY OF THE BOND LOAN

*This section provides a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference (see below section 10) and the full Terms and Conditions for the Bonds, which can be found in the section 11 “Terms and Conditions for the Bonds”, before a decision is made to invest in the Bonds.*

#### 3.1 The Bonds

The Bonds are senior unsecured floating rate bonds. The aggregate nominal amount of the Bonds is maximum SEK 2,000,000,000 represented by a maximum number of 1,600 Bonds denominated in SEK, each Bond with a Nominal Amount of SEK 1,250,000. As of the date of the Prospectus 800 Bonds totalling SEK 1,000,000,000 have been issued. The Company may at one or more occasions issue Subsequent Bonds in accordance with Clause 2.5 of the Terms and Conditions, until the total amount of Subsequent Bonds and the Initial Bonds equals SEK 2,000,000,000. For the avoidance of doubt, this Prospectus has been prepared solely for the purpose of the Initial Bonds and has not been prepared for the purpose of any Subsequent Bonds. The Bonds ISIN is SE0023112487, the Bonds FISN-code is SIBS/FRN DEBT 20271007 and the Bonds CFI-code is DBVUDR.

The Bonds have been issued in accordance with Swedish law and are affiliated to the account-based system of Euroclear AB (P.O. Box 191, SE-101 23 Stockholm, Sweden). Holding of the Bonds is recorded at each Bondholder's Securities Account. No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding of preliminary tax will be made through Euroclear's book-entry system.

#### 3.2 Use of proceeds

SIBS shall use an amount corresponding to the Net Proceeds (gross proceeds from the issue of the Bonds, less the costs and expenses incurred by the Issuer in connection with the issue of the Bonds) to (i) refinance the Existing Bonds, (ii) finance general corporate purposes and (iii) finance Transaction Costs.

#### 3.3 Admission to trading

SIBS shall ensure that the Bonds issued on the First Issue Date are admitted to trading on the corporate bond list of Nasdaq Stockholm or on another Regulated Market within sixty (60) days after issuance, and that it remains admitted and that, upon any issuance of Subsequent Bonds, when the Bonds issued on the First Issue Date have been listed, such Subsequent Bonds are listed no later than sixty (60) calendar days after the relevant Issue Date, and the volume of listed Bonds is increased accordingly. The estimated total expenses related to the admission to trading of the Bonds are expected not to be in excess of SEK 150,000.

Application will be made to list the Bonds on Nasdaq Stockholm. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is as soon as possible after this prospectus has been approved.

### 3.4 Status of the Bonds

The Bonds are in the form of debt instruments intended for public sale. A Bond confirms that the Bondholder has a claim against SIBS. The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of SIBS and shall at all times rank *pari passu* and without any preference among them, and at least *pari passu* with all other direct, general, unconditional, unsubordinated and unsecured obligations of the Company except obligations which are preferred by mandatory regulation. The Bonds are freely transferable and trading with the Bonds between investors may occur from the date the Bonds were issued. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which a Bondholder may be subject. The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any other jurisdiction.

### 3.5 Issuance and maturity

The Bonds were first issued on 7 October 2024. SIBS shall redeem all, but not some only, of the outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest, unless and to the extent not previously redeemed or repurchased in accordance with the Terms and Conditions. The Final Redemption Date shall take place on the first business day occurring four (4) years after the First Issue Date, *i.e.* 7 October 2027. Payment of the Nominal Amount and accrued but unpaid Interest shall be made to the Person who is registered as Bondholder, or to the person who is otherwise entitled to receive payment under a Bond on the Record Date prior to the Redemption Date. The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the Redemption Date.

### 3.6 Purchase of the Bonds by SIBS, any Group Company and any Associated Entity

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

### 3.7 Issuer's Call Option

SIBS has the right to redeem the Bonds in whole, but not in part, (i) at any time prior the First Call Date at an amount per Bond equal to the amount per Bond payable pursuant to paragraph (ii) below together with accrued but unpaid Interest plus the Applicable Premium, (ii) at any time from and including the First Call Date to, but excluding the Business Day falling eighteen (18) months after the First Issue Date at a price per Bond equal to 103,375 per cent. of the Nominal Amount, together with accrued but unpaid Interest, (iii) any time from and including the first Business Day falling eighteen (18) months after the First Issue Date to, but excluding, the Final Redemption Date at a price per Bond equal to 101.6875 per cent. of the Nominal Amount, together with accrued but unpaid Interest, (iv) any time from and including the first Business Day falling twenty-four (24) months after the First Issue Date to, but excluding, the first Business Day falling to thirty (30) months after the First Issue Date at a price per Bond equal to

100.675 per cent. of the Nominal Amount, together with accrued but unpaid Interest, (v) any time from, but excluding, the first Business Day falling thirty (30) months after the First Issue Date, but excluding, the Final Redemption Date at a price per Bond equal to 100.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest, and (vi) provided that the redemption is financed, in whole or in part, by way of an issue of new Market Loans, any time from and including the first Business Day falling three (3) months prior to the Final Redemption Date to, but excluding, the Final Redemption Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest.

Further, SIBS may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by SIBS if it is or becomes unlawful for SIBS to perform its obligations under the Finance Documents, in accordance with Section 10.5 (*Early redemption due to illegality (call option)*) of the Terms and Conditions.

### 3.8 Put Option

Each Bondholder shall have the right to request that all, or only some, of its Bonds be repurchased at a price per Bond equal to 101 per cent of the Nominal Amount together with accrued but unpaid Interest if a Change of Control Event occurs or a Listing Failure Event occurs, in accordance with Section 10.6 (*Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)*) of the Terms and Conditions.

### 3.9 Acceleration of the Bonds

Under certain conditions specified under Section 14 (*Acceleration of the Bonds*) of the Terms and Conditions, the Bondholders are entitled to request that SIBS redeems the Bonds at an amount per Bond together with a premium on the due and payable amount as set forth in Clause 10.3.1 of the Terms and Conditions for the relevant period, but shall up until the First Call Date be the price set out in paragraph (a) of Clause 10.3.1 (for the avoidance of doubt, together with accrued and unpaid Interest).

### 3.10 Interest

Each Initial Bond carries an interest at three months STIBOR plus 6.75 per cent *per annum* from the First Issue Date up to the relevant Redemption Date. Interest is paid quarterly in arrears on each Interest Payment Date and is calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 days (day-count fraction is actual/360-days basis). Interest Payment Date means 7 October, 7 January, 7 April and 7 July of each year. The right to payment of Interest shall be time-barred and become void three (3) years after each Interest Payment Date. The first Interest Payment Date for the Bonds is 7 January 2025.

### 3.11 Representation of the holders

Nordic Trustee & Agency AB (publ) is acting as agent for the holders in relation to the Bonds, and if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions. By acquiring Bonds, each Bondholder confirms such appointment and authorisation for the agent to act on its behalf in any legal or arbitration proceedings relating to the Bonds held by such Bondholder. An

agency agreement was entered into between the Agent and the Company on or about the First Issue Date regarding, among others, the remuneration payable to the Agent and indemnification. The agency agreement is available at the Agent's office address (Norrländsgatan 23, SE-111 43 Stockholm, Sweden) during normal business hours and at SIBS' website [www.sibs.se](http://www.sibs.se). The Agent may, at any time, convene a Bondholders' meeting or instigate a Written Procedure among Bondholders, which may lead to a majority decision in order to bind all Bondholders, see Section 16 (*Decisions by Bondholders*) of the Terms and Conditions. The rights and obligations of the Agent are further set forth in the Terms and Conditions.

### 3.12 **Benchmark Regulation**

The interest payable under the Bonds is calculated by reference to the benchmark STIBOR, as defined in the Terms and Conditions.

### 3.13 **Advisers**

Carnegie Investment Bank AB (publ) has acted as Issuing Agent, and as joint bookrunner together with Danske Bank A/S, Danmark, Sverige Filial in connection with the Bonds Issue. Roschier Advokatbyrå AB has acted as the legal advisor in connection with the Bonds Issue.

## 4 **DESCRIPTION OF THE COMPANY AND THE GROUP**

### 4.1 **Company description**

SIBS AB (publ), company registration no 559050-3073, is a Swedish public limited liability company having its registered address in Stockholm. The Company was founded on 26 January 2016 in accordance with Swedish law and was registered by the Swedish Companies Registration Office on 5 February 2016.

The Company's operations are mainly regulated by Swedish law, including but not limited to, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).

The operational objective of the Company is to conduct industrial construction business as well as to own and manage real estate and conduct thereto related business.

### 4.2 **SIBS in short**

<i>Legal form</i>	Public limited liability company.
<i>Corporate registration number</i>	559050-3073.
<i>Regulative legislation</i>	Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i> ).
<i>LEI-code</i>	549300VGYK38LKTOLN25.

<i>Incorporated</i>	On 26 January 2016.
<i>Head office</i>	Municipality of Stockholm.
<i>Address</i>	Birger Jarlsgatan 4, 114 34 Stockholm.
<i>Website</i>	<a href="https://sibs.se/">https://sibs.se/</a> (the information on the website does not form part of the prospectus unless that information is incorporated by reference into the Prospectus).
<i>Legal/commercial company name</i>	SIBS AB (publ).
<i>Operational objective</i>	SIBS' operational objective of the Company is to conduct industrial construction business as well as to own and manage real estate and conduct thereto related business.
<i>Organisational structure</i>	SIBS AB (publ) is the parent company of the SIBS Group. Please refer to " <i>Organisational structure</i> " below for information regarding the main subsidiaries of SIBS.

#### 4.3 **Business overview**

##### General

SIBS is a global industrial producer of residential buildings and construction of turnkey, production-ready factories, founded in 2016 with the goal of revolutionizing the construction industry by making it more industrialized and efficient in nature. Today SIBS consist of a group of eight operational companies with more than 3,457 employees.

##### Business idea

SIBS' operations span across the entire real estate development value chain; from procuring the land, designing the building, producing the modules in its own factories, transportation to the production site, on-site assembly and long-term ownership of the complete properties. The focus in the last couple of years have been on industrial sales, SIBS sells and delivers projects as either project sales or modular sales to a global market.

SIBS has developed its own proprietary building system called parametric modularization, whereby most of the design work is automatized and produces buildings tailored to fit almost any type of zoning restriction. Ninety per cent of the building is completed off-site. This allows SIBS to shorten the project lead time and reduce the overall cost as well as focus on environmental sustainability across every aspect of its business. During the current fiscal year and in order to meet the growing market demand, the Group has placed significant emphasis and resources on this area of operations, the development and construction of turnkey, production-ready factories.

SIBS is headquartered in Stockholm. Two production facilities in Malaysia (Penang) undertakes most of the building of the housing modules.



### Vision

SIBS strive to be the most effective developer, producer and owner of residential housing globally. SIBS' vision is to change the industry by optimizing every aspect of building design, production, construction and management whilst maintaining focus on environmental sustainability and design flexibility.

#### 4.4 **SIBS building system**

SIBS' main subsidiaries and associated companies form integral parts in the different stages of the Group's industrial sales and real estate development operations.

SIBS Modular AB (reg. no. 559446-2482) ("**SIBS Modular**") is the subsidiary that will be responsible for the full scope of operations exclusively related to the design, production, and delivery of the industrially produced residential buildings, and also the construction of turnkey, production-ready factories. The design work and building system development is carried out by MOKO AB, performing the design and development phase by utilising a proprietary configuration tool, which enables for automated project design based on the input of certain key parameters. MOKO AB is comprised of a multi-disciplinary team of professionals within design, industrial construction and energy.

The industrial production is carried out by the SIBS subsidiary, SIBS Malaysia, at the factories in Penang, Malaysia (which is also owned by SIBS Malaysia). The first production has been fully operational since 2019, and the second production facility since 2022, and employing over 3374 local workers.

Frontlog AB performs the procurement and logistics planning for all SIBS' transports and taking responsibility for the delivery of modules from the factories in Malaysia to construction sites in Sweden, Saudi Arabia and Great Britain. SIBS invested in the company in 2018, to secure in-house logistics and freight management resources. The majority of the turn-key apartments are delivered to and assembled in Saudi Arabia relating to the agreements with NEOM.

#### *Other Subsidiaries*

MOBY Modulärt byggande AB is the Group's wholly owned construction management subsidiary and is responsible for procuring and managing all on-site construction works and assembly. In some cases, on-site construction is carried out by subcontractors, which are managed directly by MOBY Modulärt byggande AB.

Sveaviken Bostad AB, SIBS' residential development subsidiary in Sweden, Responsible for property development and ownership in the Swedish market.

Sveaviken PM AB is the property management company that manages the Group's residential portfolio.

#### 4.5 **Partnership with Slättö and Nordsten**

SIBS, through its indirect wholly owned subsidiary subsidiary Sveaviken Holding 7 AB, owns 50 per cent. of the shares in Slättö Sveaviken Bostad AB (the "**JV-company**"), a joint venture with Slättö VII Holding 1 AB and 50 per cent. Further, SIBS collaborates with Nordsten Fastigheter AB through its indirect wholly owned subsidiary Sveaviken Holding 4 AB in respect of the Group's holding of 50 per

cent. of the ownership of the Sveaviken Nordsten Holding AB (the “**JV2-company**”, and together with the JV-company the “**JV Partnerships**”). The objective of the JV Partnerships is to own, manage, and develop properties, on which the general intention is to have a running income and to develop building rights for housing and other premises. The internal obligations of each joint venture party are further subject to the certain terms set out in shareholders' agreements.

According to the shareholders' agreement for JV-company, the JV-company shall, through special vehicle companies, acquire properties with building rights for residential buildings, which shall be assigned by SIBS. As of Q2 2024, SIBS divested two properties in greater Stockholm and surrounding areas to the JV-company. Furthermore, the JV-company will enter into a construction agreement with SIBS' subsidiary MOBY Modulärt byggande AB regarding the construction of turnkey buildings in accordance with the project plan adopted at any given time.

According to the shareholders' agreement for the JV2-company, the JV2-company shall acquire properties with building rights for residential buildings and enter into a construction agreement with SIBS' subsidiary MOBY Modulärt byggande AB for each such project.

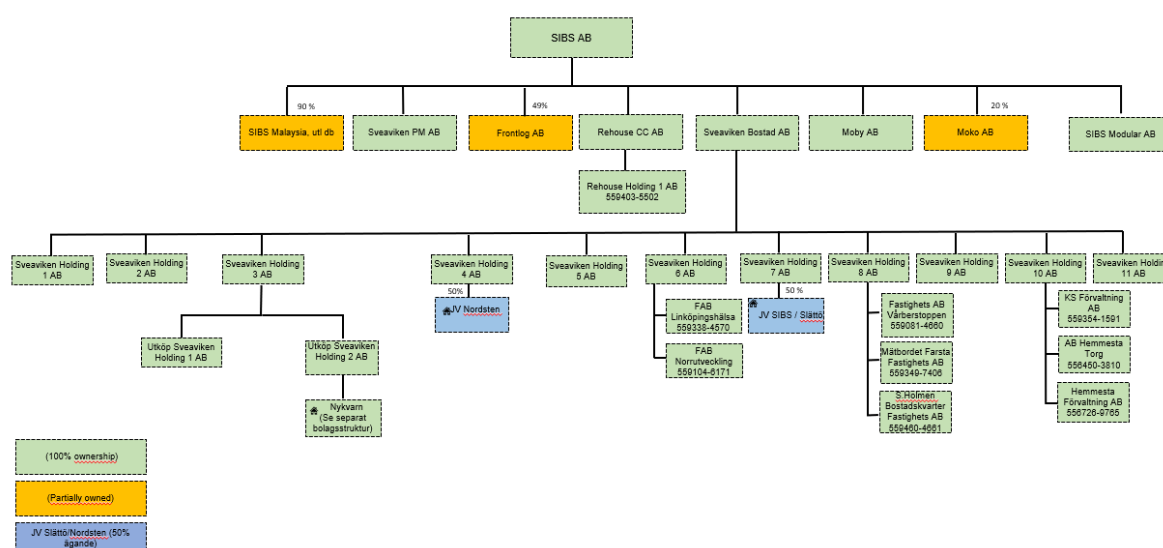
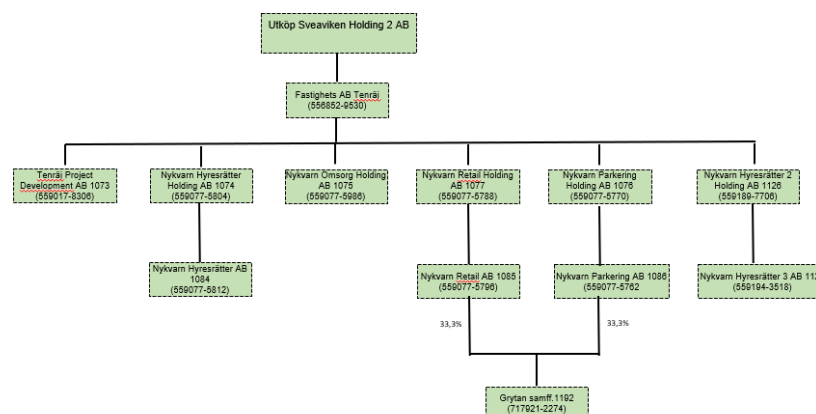
#### 4.6 Organisational structure

As of the date of the Prospectus, SIBS has 41 wholly owned subsidiaries, 3 partially owned subsidiaries and 2 joint venture partnerships. Out of these, five companies are directly owned by SIBS AB (publ), which is the parent company of the Group. The Group consists of real estate developing and/or owning companies and holding companies of the real estate owning companies. However, the main subsidiaries and associated companies of the SIBS Group are:

Subsidiaries/Reg. No/Domicile	Share in % <sup>1)</sup>
Scandinavian Sdn Bhd, Reg No 1193908-H	90.00%
SIBS Modular AB, Reg. No 559446-2482	100.00%
Sveaviken Bostad AB, Reg. No 559050-3065	100.00%
Sveaviken PM AB, Reg. No 559387-1030	100.00%
Moby Modulärt Byggande AB, Reg. No 559151-7544	100.00%
Moko AB, Reg. No 559143-4427	20.00%
Frontlog AB, Reg. No 559171-7938	49.00%

<sup>1)</sup> The ownership of capital, which also corresponds to the percentage of votes of the total number of shares.

Below is the structure of the SIBS Group set out as of the date of the Prospectus:

SIBS is dependent on its subsidiaries investments, in order to receive dividend income. SIBS' ability to make required payments of interest on its debts and funding is affected by the ability of its subsidiaries and other investments to transfer available funds to it, and hence SIBS is dependent on its subsidiaries to fulfil its ongoing operations.

## 5 OWNERSHIP STRUCTURE

The shares of the Company are denominated in SEK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Company had an issued share capital of SEK 638,993 divided into 638,993 shares.

The shareholders' control over the Company is exercised by active participation in the decisions made at the general meetings of the Company. The Company is not directly or indirectly controlled, as no shareholder holds more than 18.40% of the Company, as set out in the table below. The Company is

not aware of any arrangement between its shareholders which would result in such shareholders' having a direct or indirect controlling interest over the Issuer.

To ensure that the control over the Company is not abused, the Company complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen* (2005:551)). In addition, the Company will act in compliance with the rules of Nasdaq Stockholm following the admission to trading of the Bonds.

The table below lists the major shareholders in the Company as of the date of the Prospectus.

Shareholder	Number of shares	Share in %
Neptunia Invest AB, Reg. No 556986-5453	117,543	18,40%
Industrium AB, Reg. No 556920-0941	114,243	17,88%
J&G Invest AB, Reg. No 556785-5944	105,600	16,53%
Ramstedt Gruppen AB, Reg. No 556769-5563	70,892	11,09%
Exoro Capital AB, Reg. No 556495-6174	52,156	8,16%
Other shareholders	178,559	27,94%
<b>Total</b>	<b>638,993</b>	<b>100,00%</b>

## 6 THE BOARD OF DIRECTORS, MANAGEMENT AND AUDITOR

The board of directors of the Company consists of five (5) members and no deputy. The board of directors and management can be reached via SIBS' registered address Birger Jarlsgatan 4, 114 34 Stockholm.

### 6.1 Board of directors

#### Michael Wolf

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*Chairman of the board (since 2022)*

**Experience:** CEO of Swedbank and Intrum, and partner in the communications agency Bellbird.

**Other significant assignments:** Chairman and board member of Trema AB, Reg. No 559359-2016 and Trema Group Holding AB, Reg. No 559364-1672. Board member of VAJM AB, Reg. No 559009-7522, DBT CAPITAL AB, Reg. No 559074-9361, Hedvig AB, Reg. No 559093-0334, VAJM Consulting AB, Reg. No 559100-7835, Cetti AB, Reg. No 559298-0014 and Sky Topco AB, Reg. No 559360-1957.

**Education:** Degree in Economics from Stockholm University.

#### Jonas Ramstedt

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*Board member and Co-founder (since 2016)*

**Experience:** Principal owner and CEO of Landia AB and Ramstedt Gruppen AB. Co-owner of Landera AB.

**Other significant assignments:** CEO and board member of Ramstedt Gruppen AB, Reg. No 556769-5563, and Landia AB, Reg. No 559066-7563. Board member of Landera AB, Reg. No 556785-5944, Collage Intressenter Stockholm AB, Reg. No 559016-3225, and Landexo AB, Reg. No 559101-2777.

**Education:** Master of Business Administration (MBA) and Financial Accounting degree from the Stockholm School of Economics (SSE).

### **Erik Thomaeus**

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*Board member, Founder and CEO (since 2016)*

**Experience:** Owner of Exoro Capital AB, Industrium AB and Landexo AB.

**Other significant assignments:** Board member of Exoro Capital AB, Reg. No 556495-6174, Kelon AB, Reg. No 556706-2707, Industrium AB, Reg. No 556920-0941, Exoro Wine Import AB, Reg. No 556999-7983, and Volterra Holding AB, Reg. No 559258-8593. Deputy board member of Landexo AB, Reg. No 559101-2777.

**Education:** Bachelor Degree in International Economics and Management from Bocconi University.

### **Pär Thomaeus**

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*Board member and Founder (since 2016)*

**Experience:** Owner of Exoro Capital AB, Industrium AB and Landexo AB.

**Other significant assignments:** CEO and board member of Volterra Holding AB, org.nr 559258-8593. Board member of Exoro Capital AB, Reg. No 556495-6174, Kelon AB, Reg. No 556706-2707, Industrium AB, Reg. No 556920-0941, Exoro Wine Import AB, Reg. No 556999-7983, and Landexo AB, Reg. No 559101-2777.

**Education:** Bachelor Degree in Finance from St. Louis University.

### **Johan Karlsson**

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*Board member and Co-founder (since 2018)*

**Experience:** Co-owner of Neptunia Invest AB (publ). Founder and managing partner of Slättö Förvaltning.

**Other significant assignments:** CFO and board member of Slättö Förvaltning AB, Reg. No 556920-6724, and Neptunia Invest AB (publ), Reg. No 556986-5453. Board member of Brofund Group AB, Reg. No 556932-0541, Eklund Stockholm New York AB, Reg. No 556787-1941, and Collage Intressenter Stockholm AB, Reg. No 559016-3225.

**Education:** Studies in Business Law at Linköping University.

## 6.2 Senior management

Erik Thomaeus, CEO. Please see above.

Ulf Thomaeus, CFO.

Erik Söderholm, Chief Technology Officer (CTO).

## 6.3 Conflicts of interests

Erik Thomaeus and Pär Thomaeus are brothers. Ulf Thomaeus is their cousin. All board members are shareholders in the Company, indirectly through one or several companies, which could entail potential conflicts of interest. Save for this, there are no other conflicts of interest between the private interests of the board members or the senior management and SIBS' interests.

## 6.4 Auditor

The auditor of SIBS is Öhrlings PricewaterhouseCoopers AB. Magnus Thorling, born 1970, is SIBS' responsible auditor at Öhrlings PricewaterhouseCoopers AB. Magnus Thorling is a Certified Public Accountant, member of FAR and partner at Öhrlings PricewaterhouseCoopers AB. Magnus Thorling has been the auditor of SIBS since 2021. The auditor can be contacted at Öhrlings PricewaterhouseCoopers AB, Torsgatan 21 in Stockholm.

# 7 FINANCIAL INFORMATION

## 7.1 Historical financial information

The Company's consolidated annual reports for the financial years 2022 and 2023, and the unaudited interim report for Q2 2024 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of the Prospectus. The annual reports for the financial years 2022 and 2023 have been audited by the Company's auditor.

The annual reports for the financial years 2022 and 2023 have been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*), the Complementary Accounting Standards for Groups issued by the Swedish Council for the Financial Reporting (Sw. *RFR 1*

*Kompletterande redovisningsregler för koncerner*), the International Financial Reporting Standards ("IFRS").

Other than the auditing of the Company's annual reports for the financial years 2022 and 2023, the Company's auditor has not audited or reviewed any other parts of this Prospectus.

## 7.2 Significant changes in SIBS' financial position

There have been no material adverse changes in the prospects of the Group or other significant change in the financial performance or the financial position of the Group since the end of the financial year 2023. There have been no recent events particular to the Company which to a material extent are relevant to the evaluation of the Company's solvency.

## 7.3 Age of financial information

The most recent audited financial information derives from the Company's annual report for the financial year 2023 with balance date 31 December 2023 and the Company's unaudited interim report for Q2 2024.

# 8 LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

## 8.1 Legal and arbitration proceedings

There has been no governmental, legal or arbitration proceedings (including such proceedings which are pending or threatened of which SIBS is aware), during the last 12 months which may have, or have had in the recent past, significant effects on SIBS or the SIBS Group's financial position or profitability.

## 8.2 Insurances

SIBS is covered by for the industry customary commercial, property and construction insurances. Given the nature and the scope of the business, the board of SIBS deems that the parent company and its subsidiaries are covered by satisfactory insurances.

## 8.3 Environmental activities

Property management, construction and property development have environmental impact. The Swedish Environmental Code (*Sw. miljöbalken*) states that everyone who has conducted a business operation that has contributed to pollution also has a responsibility for after-treatment of the property. If the responsible person cannot carry out or pay for the after-treatment of a polluted property, the person who has acquired the property is liable for after-treatment provided that the buyer at the time of the acquisition knew of or should have discovered the pollution. This means that claims, under certain conditions, may be raised against the SIBS Group for soil remediation or for remediation concerning actual or suspected pollution in soil, water areas or ground water, in order to put the property in a condition pursuant to the Swedish Environmental Code.

Legislation and environmental standards constitute the basis for SIBS' environmental work. The SIBS Group complies with the laws and regulatory requirements that exist for properties.

#### 8.4 Possible material interest

The Joint Bookrunners may in the future engage in investment banking and/or commercial banking or other services for the SIBS Group in the ordinary course of business. Therefore, conflicts of interest may arise as a result of the Joint Bookrunners engaging in the future in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

#### 8.5 Description of Material Contracts

##### *Property transactions*

The SIBS Group regularly carries out property transactions, acquiring and divesting properties, as part of its ongoing operations. The Group's property acquisitions are made partly through land allocation agreements with municipalities and partly through indirect property acquisitions where the Group acquires property holding companies from external parties. The Group's property divestments are primarily made to the JV-companies. The transaction agreements are material to the Group as the properties are essential to its real estate development operations.

##### *Joint venture partnerships*

The Group two JV Partnerships with each of the real estate private equity fund manager Slättö and Nordsten. Within the JV Partnerships, the counterparty to SIBS contributes all equity and arranges all bank financing, while SIBS contributes properties at cost and the building system. The objective of the partnership is to construct turnkey buildings and multi-family residential buildings. The parties assume equal ownership of the joint ventures. For further information regarding the partnership, see section 4.5 of this Prospectus.

##### *Rental agreements*

Rental agreements are of significant importance to the SIBS Group's business. As SIBS' portfolio includes different types of properties, the rental agreements vary as regards terms and conditions. The SIBS Group is not dependent on any particular rental agreement.

##### *Construction contracts*

Within the scope of the construction and property development operations, MOBY Modulärt byggande AB enters into construction contracts (Sw. entreprenadavtal). Generally, the terms and conditions of these contracts do not deviate from the standard-form contracts used within the construction industry and MOBY Modulärt byggande AB provides customary construction guarantees. In connection with construction projects, external sub-contractors are frequently engaged. MOBY Modulärt byggande AB is not dependent on any particular sub-contractor or supplier.

##### *Cooperation agreement with MOKO AB*



The Company has entered into a cooperation agreement with its subsidiary MOKO AB regarding the development of a design platform for prefabricated building systems. The collaboration is based on MOKO AB developing a new quality-assured design methodology for prefabricated building systems with advanced computer support for the Company. The Company finances all development and updating work. In addition, the parties have introduced an incentive program based on sharing the benefits of the efficiency improvements made possible by the building system and the computer support that has been developed.

#### *Purchasing agreements*

The SIBS Group enters into purchasing agreements with its subsidiary Scandinavian IBS Sdn Bhd in Malaysia for each of the Group's projects (i.e. one contract per project). The purchasing price equals the actual costs plus a 5 per cent surcharge.

#### *Financing agreements*

SIBS is financed by equity capital and debt. The main part of the debts is short term interest-bearing debts. The Group has obtained financing through construction loans, overdraft facilities and bank loans secured by the Group's properties. According to SIBS consolidated annual report for the financial year 2023, the interest-bearing liabilities amounted to SEK 1,973,400,000 of which SEK 662,900,000 refers to construction loans, overdraft facilities and bank loans. The Group has issued guarantees for some loans and credit agreements may include financial obligations and financial covenants or other provisions.

#### *Property divestment agreements in Saud Arabia*

Due to SIBS' increased focus on constructing production-ready premises in 2023 and beyond, the company entered into two significant sales agreements with NEOM in Saudi Arabia. These agreements cover the production, delivery, and installation of approximately 3,500 fully equipped turnkey apartments.

#### *Other material contracts*

Except as outlined in this Section 8, the SIBS Group is not dependent on any particular contract that is of major importance to the group's business or profitability.

## **9 DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available, during the validity period of this Prospectus, at SIBS' office, Birger Jarlsgatan 4, 114 34 Stockholm, during regular office hours:

- SIBS' Articles of Association;
- SIBS' Certificate of Registration;
- SIBS' unaudited interim report for Q2 2024;

- SIBS' audited annual report for the financial years 2023; and
- SIBS's audited annual report for the financial year 2022.

Articles of Association, Certificate of Registration and financial reports are also available at SIBS' website, <https://sibs.se/>

The Terms and Conditions are also available at SIBS' website, <https://sibs.se/bond-and-prospectus/>, and Nordic Trustee & Agency AB (publ) website, <https://nordictrustee.com/>.

## **10 DOCUMENTS INCORPORATED BY REFERENCE**

The Prospectus consists of, in addition to this document, the following documents, which are incorporated by reference. All of the below documents will, during the validity period of the Prospectus, be available in electronic form at SIBS' website, <https://sibs.se/financial-reports/>. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

### **10.1 Extract from SIBS's consolidated annual report for the financial year 2022, including:**

- the income statement report, page 82.
- the balance sheet, pages 84-85.
- the change in equity capital, page 87.
- the cash flow statement, pages 88-89
- accounting policies and notes, pages 95-118.
- the auditor's report, pages 120-123.

### **10.2 Extract from SIBS' consolidated annual report for the financial year 2023, including:**

- the income statement report, page 84.
- the balance sheet, pages 86-87.
- the change in equity capital, page 89.
- the cash flow statement, pages 90-91.
- accounting policies and notes, pages 97-120.
- the auditor's report, pages 122-125.

**10.3 Extract from SIBS' and the SIBS Group's interim report for Q2 2024, including:**

- the income statement report, page 11.
- the balance sheet, pages 13-14.
- the change in equity capital, page 17.
- the cash flow analysis, page 16.
- accounting policies and notes, pages 22-23.

Investors should read all information which is incorporated by reference as part of this Prospectus. It should be noted that the non-incorporated parts of the annual reports for 2022 and 2023 and interim report for Q2 2024 are either not relevant for the investor or are covered elsewhere in the Prospectus.



**TERMS AND CONDITIONS FOR**  
**SIBS AB (PUBL)**  
**UP TO SEK 2,000,000,000**  
**SENIOR UNSECURED FLOATING RATE**  
**BONDS 2024/2027**

**ISIN: SE0023112487**

First Issue Date: 7 October 2024

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

*The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons, except for "Qualified Institutional Buyers" ("QIB") within the meaning of Rule 144A under the U.S. Securities Act.*

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**PRIVACY NOTICE**

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

The personal data collected will be processed by the Issuer and the Agent for the following purposes:

- (a) to exercise their respective rights and fulfil their respective obligations under the Finance Documents;
- (b) to manage the administration of the Bonds and payments under the Bonds;
- (c) to enable the Bondholders' to exercise their rights under the Finance Documents; and
- (d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer and the Agent in relation to items (a) - (c) is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to item (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer and the Agent (as applicable). Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer or the Agent (as applicable). In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's and the Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites [www.sibs.se](http://www.sibs.se) and [www.nordictrustee.com](http://www.nordictrustee.com).

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## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

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

“**Accounting Principles**” means the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (as in force on the First Issue Date).

“**Adjusted Nominal Amount**” means the Total Nominal Amount less the Nominal Amount of all Bonds owned by a Group Company or its Affiliates or any Associated Entity, irrespective of whether such Person is directly registered as owner of such Bonds.

“**Affiliate**” means, in relation to 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 between the Agent and the Issuer on or prior to the First Issue Date regarding, inter alia, the remuneration payable to the Agent or any other agreement replacing such agreement after the First Issue Date.

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

“**Applicable Premium**” means an amount equal to all remaining scheduled interest payments on the Bond from (but excluding) the relevant redemption date until (and including) the First Call Date (but, for the avoidance of doubt, excluding accrued but unpaid Interest up to the relevant Redemption Date), assuming that the Interest Rate for the period from the relevant Redemption Date to the First Call Date will be equal to the Interest Rate in effect on the date on which the applicable notice of redemption is given. The Applicable Premium shall be calculated and determined by the Issuing Agent.

“**Associated Entity**” means each entity in respect of which a Group Company from time to time directly or indirectly owns, or has direct or indirect control over, more than 18 per cent. but not more than 50 per cent. of the share capital or other right of ownership (Sw: *intresseföretag*).

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

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 16.1 (*Request for a decision*), 16.2 (*Convening of a Bondholders’ Meeting*) and 16.4 (*Majority, quorum and other provisions*).

“**Bond Issue**” means the issuance of the Initial Bonds or any issuance of Subsequent Bonds.

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw: *midssommarafton*), 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 (a) from (but excluding) the First Issue Date to (and including) the Interest Payment Date falling on 19 January 2024, the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day and (b) from (but excluding) the Interest Payment Date falling on 19 January 2024 to (and including) the Final Redemption Date, the first following day that is a Business Day.

“**Call Option Amount**” means the amount set out in Clause 10.3 (*Voluntary redemption (call option)*), as applicable.

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

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

“**Change of Control Event**” occurs if:

- (a) one or more Persons acting together, acquire control over the Issuer and where “**control**” means (i) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting rights of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer; or
- (b) the Issuer ceases to control more than 50 per cent., directly or indirectly, of the voting shares of SIBS Modular and where “**control**” means (i) controlling, directly or indirectly, more than 50 per cent. of the voting rights of SIBS Modular, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of SIBS Modular.

A Change of Control Event will not occur if a Person who is a shareholder in the Issuer on the First Issue Date acquires control over the Issuer solely by participating in a cash settled issue of new shares in the Issuer.



**“Completion Date”** means the date of disbursements of the Refinancing Amount from the Proceeds Account.

**“Compliance Certificate”** means a certificate, in form and substance reasonably satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it, and

- (a) if provided in connection with a Financial Statement being made available, that the Maintenance Test is met as per the last day of the quarter to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test; or
- (b) if provided in connection with the issuance of Subsequent Bonds or Market Loans or a Restricted Payment being made, in each case which requires that the Incurrence Test is met, that the Incurrence Test is met as per the relevant testing date, including calculations and figures in respect of the Incurrence Test, calculated *pro forma* including the relevant Subsequent Bonds Issue, Market Loan or Restricted Payment (as applicable).

**“CSD”** means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

**“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 (*Sw: skuldbok*) kept by the CSD in respect of the Bonds in which (i) an owner of Bonds is directly registered or (ii) an owner’s holding of Bonds is registered in the name of a nominee.

**“EBITDA”** means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) before deducting any Net Finance Charges;
- (c) before taking into account any extraordinary items which are not in line with the ordinary course of business provided that such items are not in excess of an amount equal to ten (10) per cent. of EBITDA in the Reference Period;
- (d) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (e) not including any accrued interest owing to any Group Company;

- (f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any Property (directly or indirectly) (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any Property;
- (h) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (i) plus or minus the Group's share of the profits or losses of entities which are not part of the Group;
- (j) after adding back any losses to the extent covered by any insurance and in respect of which insurance proceeds have been received by the Group; and
- (k) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

"**Equity**" means, in accordance with the Accounting Principles, the consolidated sum of (i) restricted equity, (ii) non-restricted equity and (iii) any Shareholder Debt.

"**Equity Ratio**" means Equity to Total Assets.

"**Event of Default**" means an event or circumstance specified in Clause 14.1.

"**Existing Bonds**" means the senior unsecured green bonds with ISIN SE0014965729 issued by the Issuer.

"**Final Redemption Date**" means 7 October 2027.

"**Finance Charges**" means for any Reference Period, the aggregate of all financial expenses for the Group calculated in accordance with the Accounting Principles.

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

"**Financial Indebtedness**" means indebtedness for or in respect of:

- (a) monies borrowed or raised (including under any bank financing or Market Loans);
- (b) the amount of any liability in respect of any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);

- (d) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (e) the marked-to-market value of derivative transactions entered into in connection with protection against, or in order to benefit from, the fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (g) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

**“Financial Statements”** means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 11.1.1 (*Information from the Issuer*).

**“First Call Date”** means the date falling 18 months from the First Issue Date.

**“First Issue Date”** means 7 October 2024.

**“Floating Rate Margin”** means 6.75 per cent.

**“Force Majeure Event”** has the meaning set forth in Clause 24.1.

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

**“Incurrence Test”** means the test of the financial incurrence covenant as set out in Clause 13.3.

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

**“Initial Nominal Amount”** has the meaning set forth in Clause 2.3.

**“Insolvent”** means, in respect of a relevant Person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw: *konkurslagen (1987:672)*) (or its equivalent in any other relevant jurisdiction).

**“Intellectual Property”** means any patents, trademarks, service marks, designs and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered existing on the First Issue Date.

**“Interest”** means the interest on the Bonds calculated in accordance with Clauses 9.1 to 9.3.

**“Interest Payment Date”** means 7 October, 7 January, 7 April and 7 July of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 7 January 2025 and the last Interest Payment Date shall be the relevant Redemption Date.

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

**“Interest Rate”** means 3 months STIBOR plus the Floating Rate Margin *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 SIBS AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 559050-3073.

**“Issuing Agent”** means Carnegie Investment Bank AB (publ), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

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

**“Listing Failure Event”** is deemed to occur if (i) the Initial Bonds are not admitted to trading or listed on a Regulated Market within sixty (60) days following the First Issue Date, (ii) any Subsequent Bonds are not admitted to trading or listed on a Regulated Market within sixty (60) days following their Issue Date, and (iii) in the case of a successful admission, a period of sixty (60) days has elapsed since the Bonds ceased to be admitted to trading or listed on a Regulated Market.

**“Maintenance Test”** means the test of the financial maintenance covenants as set out in Clause 13.1.

**“Market Loans”** means bonds, notes or any other debt securities (however defined), which are or can be quoted, listed, traded or otherwise admitted to trading on a Regulated Market, an MTF or an organised trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

**“Material Adverse Effect”** means a material adverse effect in respect of (i) the Issuer’s business or financial position, (ii) the Issuer’s ability to meet its payment obligations under these Terms and Conditions, or (iii) the validity or enforceability of rights under the Terms and Conditions.

**“Material Group Company”** means

- (a) the Issuer; and
- (b) any other Group Company with assets representing 10 per cent. or more of Total Assets and/or has EBITDA representing 10 per cent. or more of EBITDA of the Group, in each case calculated on a consolidated basis according to the latest

annual audited consolidated Financial Statements (excluding goodwill and intra-group loans).

**“Minimum Cash”** means the aggregate amount of Cash and Cash Equivalents of the Issuer in accordance with the Accounting Principles as of the relevant Reference Date.

**“MTF”** means any multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

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

**“Net Finance Charges”** means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any member of the Group and any interest income relating to cash or cash equivalent investment (and excluding any interest capitalised on Shareholder Debt).

**“Net Interest Bearing Debt”** means the aggregate interest bearing Financial Indebtedness less Cash and Cash Equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding guarantees, bank guarantees, any claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing Financial Indebtedness borrowed from any Group Company).

**“Net Proceeds”** means the gross proceeds from the offering of the relevant Bonds, minus the costs incurred by the Issuer in conjunction with the issuance thereof.

**“New Equity Event”** means:

- (a) an equity injection and/or share issue where the aggregate net proceeds received in cash by the Issuer and/or a Group Company exceeds SEK 300,000,000; and/or
- (b) an initial public offering of shares in the Issuer after which such shares shall be quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

**“Nominal Amount”** means in respect of each Bond the Initial Nominal Amount less the aggregate amount by which that Bond has been redeemed in part.

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

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

- (d) incurred under the Existing Bonds until no later than one (1) Business Day following the Completion Date;
- (e) of the Group incurred pursuant to any Finance Leases incurred in the ordinary course of the Group's business;
- (f) of the Group under any guarantee issued by a Group Company in the ordinary course of business (including but not limited to any guarantees or indemnities in relation to any Financial Indebtedness incurred by a member of the Group, a company in which the Group holds a minority shareholding (Sw. *minoritetsbolag*), an associated company of the Group Subsidiary (Sw. *intressebolag*) or a tenant owner association (Sw. *bostadsrättsförening*) owned by a Group Company);
- (g) incurred by a Group Company (other than the Issuer, SIBS Malaysia and/or any direct or indirect Subsidiary of SIBS Malaysia) under a senior financing in relation to Properties in the ordinary course of business;
- (h) incurred by SIBS Malaysia and/or any Subsidiary of SIBS Malaysia under any unsecured (i) Markets Loans, (ii) debt capital markets financings and/or (iii) financings from banks or financial institutions, in each case provided that:
  - (i) such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence; and
  - (ii) other than in respect of commercial papers in an aggregate amount not exceeding MYR (Malaysian Ringgit) 103,310,500, has a final maturity date or, when applicable, early redemption dates or instalment dates which occur on or after the Final Redemption Date;
- (i) incurred by a Group Company from another Group Company (including any cash pool arrangements);
- (j) incurred under any Shareholder Debt;
- (k) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence, and
  - (i) is incurred as a result of a Subsequent Bond Issue; or
  - (ii) ranks *pari passu* with the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur on or after the Final Redemption Date; or
  - (iii) is subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date;
- (l) incurred under Advance Purchase Agreements;

- (m) incurred under any pension and tax liabilities in the ordinary course of business by any Group Company;
- (n) 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;
- (o) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, inter alia, the redemption of the Bonds; and
- (p) not covered under paragraphs (a)-(p) above in an aggregate maximum amount of SEK 20,000,000.

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

- (a) provided under the Finance Documents;
- (b) provided pursuant to items (b), (c), (e), (g), (m) and (o) of the definition of Permitted Debt;
- (c) provided in relation to any lease agreement entered into by a Group Company in the ordinary course of business and on normal commercial terms; or
- (d) arising under any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements, including cash pool arrangements, for the purpose of netting debit and credit balances of Group Companies.

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

**“Proceeds Account”** means the bank account held by the Issuer with a reputable bank in Sweden, into which the Net Proceeds will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Proceeds Account Pledge Agreement.

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

**“Properties”** means investment properties (including investment properties under construction) owned by a Group Company or an Associated Entity.

**“Quotation Day”** means, in relation to (i) an Interest Period for which an Interest rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period, two (2) Business Days before the First Issue Date), or (ii) any other period for which an Interest rate is to be determined, two (2) Business Days before the first day of that period.

**“Record Date”** means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 15 (*Distribution of proceeds*), (iv) the date of a Bondholders’ Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**“Redemption Date”** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and repurchase of the Bonds*).

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

**“Reference Period”** means each period of twelve months ending on a Reference Date.

**“Refinancing Amount”** means an amount equal to the outstanding nominal amount of the Existing Bonds on the First Issue Date:

- (a) plus the applicable call premium for a redemption on 18 October 2024 of the Existing Bonds and accrued but unpaid interest and unpaid interest that will accrue from (but excluding) 19 July 2024 until (and including) 18 October 2024 on the Existing Bonds; and
- (b) less an amount equivalent to the (i) total nominal amount of any Existing Bonds held or acquired by the Issuer in connection with release of the Net Proceeds to the Issuer plus the applicable call premium for a redemption on 18 October 2024 for such Existing Bonds and (ii) accrued but unpaid interest and unpaid interest that will accrue from (but excluding) 19 July 2024 until (and including) 18 October 2024 on any Existing Bonds held by the Issuer.

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

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

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

**“Shareholder Debt”** means any shareholder loan made to the Issuer as debtor, if such loan:

- (a) according to a subordination agreement is subordinated to the obligations of the Issuer under the Finance Documents;



- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date unless a Restricted Payment is permitted under the Finance Documents.

“**SIBS Malaysia**” means SIBS SDN. BHD, with reg. no. 201601022969 (1192308H).

“**SIBS Modular**” means SIBS Modular AB with reg. no. 559446-2482.

“**STIBOR**” means:

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

if any such rate is below zero, STIBOR will be deemed to be zero.

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

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

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

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Total Assets**” means the total assets of the Group in accordance with the latest Financial Statements and in accordance with the Accounting Principles.

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

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) a Bond Issue and (ii) the listing of the Bonds.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 16.1 (*Request for a decision*), 16.3 (*Instigation of Written Procedure*) and 16.4 (*Majority, quorum and other provisions*).

## 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, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (d) a provision of regulation is a reference to that provision as amended or re-enacted; and
- (e) a time of day is a reference to Stockholm time.

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

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

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

- 1.2.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- 1.2.6 The selling and distribution restrictions, the privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent.

## 2. STATUS OF THE BONDS

- 2.1 The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- 2.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- 2.3 The initial nominal amount of each Bond is SEK 1,250,000 (the “**Initial Nominal Amount**”). The total nominal amount of the Initial Bonds is up to SEK 1,000,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100) per cent. of the Nominal Amount.
- 2.4 The minimum permissible investment in a Bond Issue is SEK 1,250,000.
- 2.5 Provided that (i) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant issue of Subsequent Bonds, and (ii) provided that the Incurrence Test is met *pro forma* including the Subsequent Bonds, the Issuer may, on one or several occasions, issue Subsequent Bonds. Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at par, at a discount or at a premium compared to the Nominal Amount. The maximum Total Nominal Amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed SEK 2,000,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16. Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 9.1, and otherwise have the same rights as the Initial Bonds.
- 2.6 The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them, and at least *pari passu* with all other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory regulation.
- 2.7 The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulation to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

- 2.8 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### **3. USE OF PROCEEDS**

- 3.1 The Net Proceeds of the Initial Bond Issue shall be used to (i) refinance the Existing Bonds, (ii) finance general corporate purposes and (iii) finance Transaction Costs.
- 3.2 The Net Proceeds of any Subsequent Bond Issue shall be used to finance general corporate purposes of the Group and finance Transaction Costs.

### **4. CONDITIONS PRECEDENT**

- 4.1 The Issuer shall provide to the Agent, no later than 2:00 p.m. three (3) Business Days prior to the First Issue Date (or such later time as agreed by the Agent) the following:
- (a) copies of the constitutional documents (i.e. the articles of association and certificate of incorporation) 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 documents set out in paragraph (c) to (d) below and resolving that it execute, deliver and perform such documents;
    - (ii) authorising a specified person or persons to execute the documents set out in paragraph (c) to (d) below on its behalf; and
    - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the documents set out in paragraph (c) to (d) below;
  - (c) a duly executed copy of the Terms and Conditions;
  - (d) a duly executed copy of the Agency Agreement;
  - (e) evidence by way of a certificate duly signed by the Issuer (including calculations thereof), confirming the Refinancing Amount and how much of the Net Proceeds will be used to purchase Existing Bonds by the Issuer (if applicable); and
  - (f) a duly executed copy of the Proceeds Account Pledge Agreement and evidence that the Security under the Proceeds Account Pledge Agreement has been perfected.

- 4.2 The Issuer shall provide to the Agent, no later than 2:00 p.m. there (3) Business Days prior to the Issue Date of any Subsequent Bonds (or such later time as agreed by the Agent) the following:
- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into documents necessary in connection therewith;
  - (b) copies of the constitutional documents (the articles of association and certificate of incorporation) of the Issuer; and
  - (c) a certificate from the Issuer confirming that no Event of Default is continuing or would result from (i) the expiry of a grace period, the giving of notice, the making of any determination (or any combination of the foregoing); or (ii) the issue of the Subsequent Bonds and the Incurrence Test is met pro forma including the Subsequent Bonds.

Any issuance of Subsequent Bonds is further subject to that the Security created under the Proceeds Account Pledge Agreement has been released in accordance with Clause 5.1 (*Conditions Precedent for Disbursement*).

- 4.3 The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.1 or 4.2 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 documentation and evidence delivered to the Agent pursuant to Clause 4.1 or 4.2 are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.
- 4.4 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions precedent in Clause 4.1 or 4.2, as the case may be, have been received (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent prior to the relevant Issue Date, or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.
- 4.5 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.4 the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds to the Proceeds Account. Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.4 the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds to the Issuer on the relevant Issue Date (as applicable).

## **5. CONDITION PRECEDENT FOR DISBURSEMENT FROM THE PROCEEDS ACCOUNT**

- 5.1 The Agent's approval of disbursement of the Net Proceeds from the Proceeds Account (which, for the avoidance of doubt, includes the Refinancing Amount) is subject to the documents and evidence referred to in Clause 4.1(a) and the following evidence having been received by the Agent:
- (a) evidence by way of:
    - (i) a duly issued call notice in relation to the Existing Bonds;

- (ii) a signed funds flow; and
- (iii) a prepayment instruction to the CSD, that the Existing Bonds will be redeemed no later than one (1) Business Day following the Completion Date.

5.2 If the conditions precedent for disbursement set out in Clause 5.1 have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within forty five (45) Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with the Proceeds Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 5.2. Any shortfall shall be covered by the Issuer. The repurchase date shall fall no later than thirty (30) Business Days after the ending of the forty five (45) Business Days period referred to above.

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

6.1 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 Central Securities Depositories and Financial Instruments Accounts Act. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds. Registration requests relating to the Bonds shall be directed to an Account Operator.

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

6.3 The Issuer (and the Agent when permitted under the CSD Regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.

6.4 The Issuer and the Agent may use the information referred to in Clause 6.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

6.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

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

- 7.1 If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.
- 7.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 7.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 7.2 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.
- 7.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw: *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

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

- 8.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant 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.
- 8.2 If a Bondholder has registered, through an Account Operator, that principal, Interest or any other payment shall be deposited in a certain bank account, such deposits will be effected 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 effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 8.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 9.4 during such postponement.
- 8.4 If payment or repayment is made in accordance with this Clause 8, 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.
- 8.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the issue of Initial Bonds and Subsequent Bonds, 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 the Terms and Conditions by virtue of any withholding tax.

## **9. INTEREST**

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

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

9.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

9.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. The default interest shall not be capitalised but be payable to each Person who is a Bondholder on the Record Date for the date on which the relevant payment will be made. 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.

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

### **10.1 Redemption at maturity**

The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to 100.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest. If the Final Redemption Date is not a Business Day, then the redemption shall occur on the first following Business Day.

### **10.2 Purchase of Bonds by the Issuer, any Group Company and any Associated Entity**

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

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

10.3.1 The Issuer may redeem all, but not some only, of the outstanding Bonds in full:

- (a) any time prior to the First Call Date, at an amount per Bond equal to the amount per Bond payable pursuant to paragraph (b) below (for the avoidance of doubt, including accrued but unpaid Interest), plus the Applicable Premium;



- (b) any time from and including the First Call Date to, but excluding, the first Business Day falling eighteen (18) months after the First Issue Date at a price per Bond equal to 103.375 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) any time from and including the first Business Day falling eighteen (18) months after the First Issue Date to, but excluding, the first Business Day falling twenty-four (24) months after the First Issue Date at a price per Bond equal to 101.6875 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (d) any time from and including the first Business Day falling twenty-four (24) months after the First Issue Date to, but excluding, the first Business Day falling to thirty (30) months after the First Issue Date at a price per Bond equal to 100.675 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (e) any time from, but excluding, the first Business Day falling thirty (30) months after the First Issue Date, but excluding, the Final Redemption Date at a price per Bond equal to 100.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
- (f) notwithstanding paragraph (e) above, provided that the redemption is financed, in whole or in part, by way of an issue of new Market Loans, any time from and including the first Business Day falling three (3) months prior to the Final Redemption Date to, but excluding, the Final Redemption Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest.

10.3.2 Redemption in accordance with Clause 10.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent, that shall be satisfied 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.

#### 10.4 **Equity clawback**

10.4.1 The Issuer may on one occasion during the lifetime of the Bonds from the proceeds of a New Equity Event, repay up to forty (40) per cent. of the total Nominal Amount, in which case all outstanding Bonds shall be partially repaid by way of reducing the outstanding Nominal Amount of each Bond *pro rata*. The repayment must occur on an Interest Payment Date within 180 days after such New Equity Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such New Equity Event (net of fees, charges and commissions actually incurred in connection with such New Equity Event and net of taxes paid or payable as a result of such New Equity Event). The repayment per Bond shall equal the repaid percentage of the outstanding Nominal Amount (rounded down to the nearest SEK 1.00) plus (i) a premium of four (4) per cent. on the repaid amount and (ii) accrued but unpaid interest on the repaid amount.

- 10.4.2 Partial redemption in accordance with this Clause 10.4 shall be made by the Issuer giving not less than twenty (20) Business Days' notice to the Bondholders and the Agent. Any such notice is irrevocable and, upon expiry of such notice, the Issuer is bound to redeem the Bonds in part on the immediately following Interest Payment Date at the applicable amounts. The applicable amount shall be an even amount in SEK and paid to the Person who is registered as a Bondholder on the Record Date prior to the relevant Redemption Date.
- 10.4.3 Notwithstanding Clause 10.4.1 above, the outstanding Nominal Amount must be at least sixty (60) per cent. of the initial Nominal Amount at any time other than in connection with a redemption of the Bonds in full in accordance with Clause 10.1 (*Redemption at maturity*) and Clause 10.3 (*Voluntary total redemption (call option)*).
- 10.5 **Early redemption due to illegality (call option)**
- 10.5.1 The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.
- 10.5.2 The Issuer shall give notice of redemption pursuant to Clause 10.5.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).
- 10.5.3 A notice of redemption in accordance with Clause 10.5.1 is irrevocable and shall specify the Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.
- 10.6 **Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)**
- 10.6.1 Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Bondholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or Listing Failure Event, as the case may be, pursuant to Clause 11.1.2 (after which such time shall lapse), have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the Listing Failure Event, as the case may be.
- 10.6.2 The notice from the Issuer pursuant to Clause 11.1.2 shall specify the period during which the right pursuant to Clause 10.6.1 may be exercised, the Redemption Date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased.
- 10.6.3 If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 11.1.2. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 10.6.1.

- 10.6.4 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 10.6, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 10.6 by virtue of the conflict.
- 10.6.5 Any Bonds repurchased by the Issuer pursuant to this Clause 10.6 may at the Issuer's discretion be retained or sold, but may not be cancelled other than in connection with a redemption of the Bonds in full.
- 10.6.6 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 10.6, if a third party in connection with the occurrence of a Change of Control Event or a Listing Failure Event offers to purchase the Bonds in the manner and on the terms set out in this Clause 10.6 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 10.6, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 10.7 **Mandatory repurchase due to a Restricted Payment**
- 10.7.1 The Issuer shall, as soon as practicably possible after completion of a Restricted Payment and in any event within 10 Business Days of completion of such Restricted Payment, pursuant to a public tender offer, offer all Bondholders to sell back Bonds in an aggregate amount of at least the sum of such Restricted Payment, at an amount per Bond equal to the Call Option Amount for the relevant period (other than in respect of the period prior to the First Call Date, for which it shall be an amount per Bond equal to the amount set out in Clause 10.3.1(b)) together with accrued but unpaid Interest on the repurchased Bonds (a "Restricted Payment Tender Offer").
- 10.7.2 A repurchase in accordance with Clause 10.7(a) shall be communicated by the Issuer by way of press release and notice from the Issuer to the Agent and the Bondholders.

## 11. INFORMATION TO BONDHOLDERS

### 11.1 Information from the Issuer

- 11.1.1 The Issuer shall make the following information available to the Bondholders and the Agent by way of press release and by publication on the website of the Issuer:
- (a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of each financial year, the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, 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; and

- (c) any other information required by the Swedish Securities Markets Act (Sw: *lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- 11.1.2 The Issuer shall prepare the Financial Statements in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed (as amended from time to time) and the Swedish Securities Market Act (Sw: *lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).
  - 11.1.3 The Issuer shall, upon request by the Agent, provide the Agent with any information relating to a disposal made pursuant to Clause 12.3 (*Disposals of assets*) or a merger or demerger made pursuant to Clause 12.7, which the Agent deems necessary (acting reasonably).
  - 11.1.4 The Issuer shall promptly notify the Bondholders and the Agent upon becoming aware of the occurrence of a Change of Control Event or a Listing Failure Event, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Such notice may be given in advance of the occurrence of a Change of Control Event, and be conditional upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event.
  - 11.1.5 The Issuer shall issue a Compliance Certificate to the Agent (i) when the Financial Statements are made available to the Bondholders and the Agent pursuant to Clause 11.1.1, (ii) in connection with the issuance of Subsequent Bonds or any Market Loan or making of a Restricted Payment, in each case which requires that the Incurrence Test is met, and (iii) at the Agent's reasonable request, within fifteen (15) Business Days from such request. The Compliance Certificate shall include figures in respect of the Maintenance Test or the Incurrence Test (as applicable) and the basis on which the Maintenance Test or the Incurrence Test (as applicable) has been calculated.
  - 11.1.6 The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 11.2 **Information from the Agent**
- 11.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 11.2.2, the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information

(save for that any delay in disclosing an Event of Default that has occurred and is continuing shall be dealt with in accordance with Clause 14.3.

11.2.2 If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

### 11.3 **Information among the Bondholders**

Subject to applicable regulations, the Agent shall promptly upon request by a Bondholder forward by post any information from such Bondholder to the Bondholders which relates to the Bonds. The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed.

### 11.4 **Availability of Finance Documents**

The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.

## 12. **GENERAL UNDERTAKINGS**

### 12.1 **Compliance with laws**

The Issuer shall, and shall procure that the Group Companies will, comply in all material respects with all laws and regulations including but not limited to the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed.

### 12.2 **Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group as at the First Issue Date.

### 12.3 **Disposal of assets**

12.3.1 The Issuer shall not, and shall procure that no Group Company, sell or otherwise dispose of the shares in any Group Company or any Associated Entity (except when required by the provisions of a shareholders' agreement, in which case the Issuer shall, to its best efforts, ensure that such disposal does not take place) or substantially all the business or assets of a Group Company or, to its best effort, an Associated Entity to any Person not being the Issuer or any of the wholly-owned Subsidiaries, unless (i) the transaction is carried out at fair market value and on terms and conditions customary for such transaction, and (ii) provided that it does not have a Material Adverse Effect.

12.3.2 The Issuer shall not, and shall procure that SIBS Modular does not, transfer or otherwise dispose of any of its Intellectual Property to any Group Company (other than SIBS Modular or the Issuer).

## 12.4 Distributions

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

- (a) pay any dividends on shares,
- (b) repurchase any of its own shares,
- (c) redeem its share capital or other restricted equity (Sw: *bundet eget kapital*) with repayment to shareholders,
- (d) repay any subordinated shareholder loans or capitalized or accrued interest thereunder, or
- (e) make other distributions or transfers of value (Sw: *värdeöverföringar*) within the meaning of the Swedish Companies Act to its direct or indirect shareholders,

(the transactions set out in paragraphs (a) to (e) above are together and individually referred to as a “**Restricted Payment**”),

provided however that any such Restricted Payment may be made:

- (a) if made to the Issuer or a direct or indirect Subsidiary of the Issuer but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis; and/or
- (b) if:
  - (i) the Incurrence Test is met (calculated on a *pro forma* basis including the relevant Restricted Payment); and
  - (ii) at the time of the payment, the aggregate amount of all Restricted Payments of the Group (other than payments permitted under paragraph (i) above) in any fiscal year (including the Restricted Payment in question) does not exceed 40 per cent. of the Group's consolidated net profit for the previous financial year.

12.4.2 The Issuer shall not permit any Subsidiary, and shall procure that none of its Subsidiaries will, enter into, or otherwise be subject to, any representations, undertakings or other terms in any financing agreement or arrangements having a similar effect, which would reasonably limit the amount of, or otherwise impose restrictions on a Subsidiary's ability to make a Restricted Payment to the Issuer.

## 12.5 Financial Indebtedness

The Issuer shall not, and shall procure that none of its Subsidiaries will, incur any Financial Indebtedness, other than Permitted Debt.

## 12.6 **Negative Pledge**

12.6.1 The Issuer shall not, and shall procure that no other Group Company will, provide prolong or renew any Security over any of its/their assets (present or future), other than in respect of Permitted Security.

12.6.2 SIBS Modular shall not provide prolong or renew any guarantees and/or Security over any of its assets (present or future) for the benefit of SIBS Malaysia and/or any Subsidiary of SIBS Malaysia.

## 12.7 **Mergers and demergers**

The Issuer shall not, and shall procure that no other Material Group Company will, enter into any amalgamation, demerger, merger or reconstruction, otherwise than under an intra-group re-organisation on a solvent basis where a Group Company is the surviving entity, provided however that an amalgamation, demerger, merger or reconstruction with the effect that the Issuer is not the surviving entity shall not be permitted.

## 12.8 **Maintenance of Properties**

The Issuer shall, and shall procure that each other Group Company and Associated Entity will, keep the Properties in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice.

## 12.9 **Insurance**

The Issuer shall, and shall procure that each Group Company and Associated Entity shall, keep the Properties insured to the extent customary for similar properties and businesses on the relevant geographical market with one or more reputable insurers.

## 12.10 **Dealings with related parties**

The Issuer shall, and shall ensure that the Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies and an Associated Entity (excluding when such shareholder is another Group Company) and/or any Affiliates of such direct and indirect shareholders, at arm's length terms.

## 12.11 **Authorisation**

The Issuer shall, and shall procure that each Group Company, and to its best efforts, each Associated Entity will, obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company and an Associated Entity.

## 12.12 **Valuation of Properties**

12.12.1 The Issuer shall (at its own expense), during each calendar year procure that external valuation report(s) regarding the fair market value of one-hundred (100.00) per cent. of the Properties held by the Group and any Associated Entity (where applicable), is prepared by CBRE, Cushman & Wakefield, Forum Fastighetsekonomi, JLL, Newsec, Savills, Svefa, Nordier Property Advisors or another reputable independent property advisor.

12.12.2 The Issuer shall further procure that the results of such valuation report(s), or (if available) any subsequent comparable valuation report(s) replacing such valuation report(s), are reflected in good faith and in accordance with the Group's valuation policy in the following Financial Statement(s).

#### 12.13 Admission to trading

12.13.1 The Issuer shall ensure that:

- (a) without prejudice to the rights of any Bondholder pursuant to Clause 10.6 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)*), the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within twelve (12) months after the First Issue Date; and
- (b) any Subsequent Bonds are admitted to trading on the relevant Regulated Market within sixty (60) calendar days after the issuance of such Subsequent Bonds (unless Subsequent Bonds are issued before the date falling twelve (12) months after the First Issue Date in which case such Subsequent Bonds shall be admitted to trading within the later of (A) twelve (12) months after the First Issue Date and (B) the date falling sixty (60) calendar days after the issuance of the relevant Subsequent Bonds.

12.13.2 It is the Issuer's intention that both the Initial Bonds and any Subsequent Bonds are admitted to trading on the Regulated Market of Nasdaq Stockholm or on any other Regulated Market within thirty (30) calendar days after the issuance of such Bonds. The absence of admission within thirty (30) calendar days shall however not constitute a Listing Failure Event nor an Event of Default under these Terms and Conditions.

#### 12.14 Undertakings relating to the Agency Agreement

12.14.1 The Issuer shall, in accordance with the Agency Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;
- (c) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent; and
- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

12.14.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

#### 12.15 CSD related undertakings

The Issuer shall keep the Bonds affiliated with a CSD and comply with all applicable CSD Regulations.



### **13. FINANCIAL UNDERTAKINGS**

The Issuer undertakes for so long as any amount is outstanding under the Bonds to comply or, as relevant, procure the compliance with the financial covenants set out in this Clause 13.

#### **13.1 Maintenance Test**

13.1.1 The Issuer shall ensure that the Maintenance Test is met on each test date. The Maintenance Test is met if Minimum Cash is at least the equivalent of 12 months Interest on the relevant test date.

#### **13.2 Testing of the Maintenance Test**

13.2.1 The Maintenance Test shall be tested quarterly on each Reference Date on the basis of the Financial Statements and be included in the Compliance Certificate delivered in connection therewith. The first testing date will be on 31 December 2024.

13.2.2 For the purpose of calculating the Minimum Cash for the Maintenance Test pursuant to Clause 13.1.1, the Interest Rate shall be calculated as per a testing date determined by the Issuer, falling no more than one month prior to the relevant testing date and such Interest Rate shall be extrapolated for 12 months.

#### **13.3 Incurrence Test**

13.3.1 The Incurrence Test is met if:

- (a) in connection with incurrence of new Financial Indebtedness, the Leverage Ratio is:
  - (i) from, and including, the First Issue Date to, and excluding, 31 March 2025 not higher than 3.75:1;
  - (ii) from, and including, 31 March 2025 to, and excluding, 30 September 2025, not higher than 3.00:1; and
  - (iii) from, and including, 30 September 2025 to, and including, the Final Maturity Date, not higher than 2.75:1.
- (b) in connection with any Restricted Payment:
  - (i) the Leverage Ratio is not higher than 2.00:1;
  - (ii) the Equity Ratio is at least 50 per cent.; and
  - (iii) Minimum Cash is at least the equivalent of 24 months Interest.

#### **13.4 Testing of the Incurrence Test**

13.4.1 The Leverage Ratio for purpose of the Incurrence Test shall be calculated as follows:

- (a) the calculation shall be made as per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness or the distribution (as applicable); and
  - (b) the amount of Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include any new Financial Indebtedness and exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred (however, any cash balance resulting from the incurrence of any new Financial Indebtedness shall not reduce the Net Interest Bearing Debt).
- 13.4.2 The Equity Ratio for purpose of the Incurrence Test shall be calculated as per a testing date determined by the Issuer, falling no more than one month prior to the Restricted Payment being made.
- 13.4.3 For the purpose of calculating the Minimum Cash for the Incurrence Test pursuant to Clause 13.3.1(b)(iii), the Interest Rate shall be calculated as per a testing date determined by the Issuer, falling no more than one month prior to the Restricted Payment being made and such Interest Rate shall be extrapolated for 24 months.
- 13.5 Adjustments**
- 13.5.1 The figures for EBITDA for the Reference Period ending on the relevant Reference Date or test date shall be used for the Incurrence Test but adjusted so that entities acquired or disposed of by the Group during the Reference Period shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period.
- 13.5.2 The figures for Net Finance Charges set out in the Financial Report as of the most recent quarter date (including when necessary, financial statements published before the First Issue Date), shall be used, but adjusted so that Net Finance Charges for such Reference Period shall be:
- (a) reduced to reflect any Net Finance Charges attributable to a disposed entity or which has been repaid, repurchased, defeased or otherwise discharged as a result of or in connection with a disposal of an entity (to the extent such Net Finance Charges is included in the relevant Financial Report); and
  - (b) increased on a *pro forma* basis by an amount equal to the Net Finance Charges directly attributable to (i) any Financial Indebtedness owed by acquired entities and (ii) any Financial Indebtedness incurred to finance the acquisition of entities, in each case calculated as if all such debt had been incurred at the beginning of the relevant Reference Period.
- 14. ACCELERATION OF THE BONDS**
- 14.1 The Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 14.4, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or

at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

(a) **Non-payment**

The Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:

- (i) is caused by technical or administrative error; and
- (ii) is remedied within five (5) Business Days from the due date.

(b) **Other obligations**

The Issuer does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) or (b) above), unless the non-compliance:

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

(c) **Invalidity**

The obligations under any Finance Document are not, or cease to be, valid, binding and enforceable (other than in accordance with the provisions of the Finance Documents), and such invalidity, non-binding and unenforceability has a detrimental effect on the interests of the Bondholders.

(d) **Insolvency**

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

(e) **Insolvency proceedings**

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

- (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw: *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company;

- (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 procedure or step analogous to item (i)-(ii) above is taken in any jurisdiction in respect of any Material Group Company,

other than (A) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised, and (B), in relation to the members of the Group other than the Issuer, solvent liquidations or a permitted merger or demerger as stipulated in Clause 12.7 (*Mergers and demergers*).

(f) **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding SEK 15,000,000 and is not discharged within sixty (60) calendar days.

(g) **Cross-payment default /cross-acceleration**

- (i) Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described),
- (ii) any commitment for any Financial Indebtedness of a Group Company is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iii) any security interest securing Financial Indebtedness over any asset of any Group Company is enforced,

provided however that the amount of Financial Indebtedness referred to under paragraph (i), (ii) and/or (iii) above, individually or in the aggregate exceeds an amount corresponding to SEK 15,000,000 (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.

(h) **Cessation of business**

A Material Group Company ceases to carry on its business (except if due to (i) a solvent liquidation of a Group Company other than the Issuer or (ii) a permitted disposal as stipulated in Clause 12.3 (*Disposals of assets*) or a permitted merger or demerger as stipulated in Clause 12.7 (*Mergers and demergers*)) and provided, in relation to a discontinuation of a Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.

- 14.2 The Agent may not accelerate the Bonds in accordance with Clause 14.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided on a Bondholders' Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 14.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 14.4 If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 14.5 If the right to accelerate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 14.6 In the event of an acceleration of the Bonds in accordance with this Clause 14, the Issuer shall redeem all Bonds at an amount per Bond together with a premium on the due and payable amount as set forth in Clause 10.3.1 for the relevant period, but shall up until the First Call Date be the price set out in paragraph (a) of Clause 10.3.1, (for the avoidance of doubt, together with accrued and unpaid interest).

## 15. DISTRIBUTION OF PROCEEDS

- 15.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Acceleration of the Bonds*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 18.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16.4.11, together with default interest in accordance with Clause 9.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions, including default interest in accordance with Clause 9.4 on delayed payments of Interest and repayments of principal under the Bonds.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer.

- 15.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1(a), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1(a).
- 15.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds constitute escrow funds (Sw: *redovisningsmedel*) and must be held on a separate 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 15 as soon as reasonably practicable.
- 15.4 If the Issuer or the Agent shall make any payment under this Clause 15, 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 Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid, the Record Date specified in Clause 8.1 shall apply.

## **16. DECISIONS BY BONDHOLDERS**

### **16.1 Request for a decision**

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the

Bondholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable regulations.

16.1.4 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.

16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer shall upon request provide the convening Bondholder(s) with the information available in 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. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.

16.1.6 Should the Issuer want to replace the Agent, it may (i) convene a Bondholders' Meeting in accordance with Clause 16.2 (*Convening of Bondholders' Meeting*) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 16.3 (*Instigation of Written Procedure*). After a request from the Bondholders pursuant to Clause 18.4.3, the Issuer shall no later than ten (10) 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 16.2. 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.

16.1.7 Should the Issuer or any Bondholder(s) convene a Bondholders' Meeting or instigate a Written Procedure pursuant to Clause 16.1.5 or 16.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Bondholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

## 16.2 **Convening a Bondholders' Meeting**

16.2.1 The Agent shall convene a Bondholders' Meeting by way of notice to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

16.2.2 The notice pursuant to Clause 16.2.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Record Date on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) a form of power of attorney, and (v) the agenda for the meeting. The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. Should prior notification by the Bondholders be required

in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

16.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.

16.2.4 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.

### 16.3 **Instigation of Written Procedure**

16.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

16.3.2 A communication pursuant to Clause 16.3.1 shall include (i) a specification of the Record Date on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights, (ii) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (iii) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 16.3.1). The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. If the voting is to be made electronically, instructions for such voting shall be included in the communication.

16.3.3 If so elected by the Person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 16.3.1, when consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

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

16.4.1 Only a Bondholder or a Person who has been provided with a power of attorney or other authorisation pursuant to Clause 7 (*Right to act on behalf of a Bondholder*) from a Bondholder:

(a) on the Record Date specified in the notice pursuant to Clause 16.2.2 in respect of a Bondholders' Meeting, or

(b) on the Record Date specified in the communication pursuant to Clause 16.3.2, 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 Adjusted Nominal Amount. Each whole Bond entitles to one vote and any fraction of a Bond voted for by a Person shall be disregarded. Such Record Date specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

16.4.2 The following matters shall require the consent of Bondholders representing at least two thirds (2/3) 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 16.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 12 (*General undertakings*);
- (b) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, SEK 2,000,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
- (c) a change to the terms of Clause 2.1;
- (d) a change of issuer of the Bonds;
- (e) a mandatory exchange of the Bonds for other securities;
- (f) reduce the principal amount, Interest Rate or Interest amount which shall be paid by the Issuer;
- (g) amend any payment day for principal or Interest or waive any breach of a payment undertaking; and
- (h) amend the provisions regarding the majority requirements under these Terms and Conditions.

16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 17.1(a), (b) or (c)), and acceleration of the Bonds.

16.4.4 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

- (a) if at a Bondholders' Meeting, attend the meeting in Person or by other means prescribed by the Agent pursuant to Clause 16.2.4 (or appear through duly authorised representatives); or

- (b) if in respect of a Written Procedure, reply to the request.
- 16.4.5 If a quorum exists for some, but not all, of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 16.4.6 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 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the Person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 16.4.6, the date of request of the second Bondholders' Meeting pursuant to Clause 16.2.1 or second Written Procedure pursuant to Clause 16.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 16.4.4 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 16.4.7 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 the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 16.4.8 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.
- 16.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such Person is a 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.
- 16.4.10 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.
- 16.4.11 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.
- 16.4.12 If a decision is to be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) its Affiliates or any Associated Entity as per the Record Date for voting, 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 for determining whether a Bond is owned by a Group Company, an Affiliate or an Associated Entity.

16.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each Person registered as a Bondholder on the date referred to in Clause 16.4.1(a) or 16.4.1(b), as the case may be and also be 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.

## **17. AMENDMENTS AND WAIVERS**

17.1 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 a Finance Document or any other document relating to the Bonds, provided that the Agent is satisfied that:

- (a) in the opinion of the Agent and/or as confirmed by a reputable external expert engaged by the Agent, such amendment or waiver is not detrimental to the interest of the Bondholders as a group; or
- (b) such amendment or waiver is made solely for the purpose of rectifying obvious errors and mistakes; or
- (c) such amendment or waiver is required by any applicable regulation, a court ruling or a decision by a relevant authority; or
- (d) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).

17.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.

17.3 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 17.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are made available in the manner stipulated in Clause 11.4 (*Availability of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority and ensure that any amendments to the Finance Documents are made available in the manner stipulated in Clause 11.4 (*Availability of Finance Documents*).

17.4 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.

## **18. THE AGENT**

### **18.1 Appointment of the Agent**

18.1.1 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*) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.

- 18.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 18.1.3 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.
- 18.1.4 The Agent is entitled to fees for 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.
- 18.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies or any Associated Entity notwithstanding potential conflicts of interest.
- 18.2 Duties of the Agent**
- 18.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents. However, the Agent is not responsible for the content, due execution, legal validity or enforceability of the Finance Documents.
- 18.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 18.2.3 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 18.2.4 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.
- 18.2.5 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, or (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders

under the Finance Documents, (iii) in connection with any Bondholders' Meeting or Written Procedure, or (iv) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents (including for the purpose of deciding whether the conditions set out in Clause 17.1 are fulfilled (v) as otherwise agreed between the Agent and the Issuer. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).

- 18.2.6 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.
- 18.2.7 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.
- 18.2.8 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.
- 18.2.9 The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 18.2.8.
- 18.2.10 The Agent's duties under these Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with these Terms and Conditions and upon instructions from the Bondholders, unless otherwise set out in these Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.
- 18.2.11 The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Terms and Conditions and the other Finance Documents, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default has occurred.
- 18.2.12 Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- 18.3 **Liability for the Agent**
- 18.3.1 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 loss.

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

18.3.3 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.

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

18.3.5 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.

18.3.6 The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other Person.

#### 18.4 **Replacement of the Agent**

18.4.1 Subject to Clause 18.4.6, 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.

18.4.2 Subject to Clause 18.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

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

18.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall 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.

- 18.4.5 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.
- 18.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 18.4.7 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.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, 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.

## **19. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT**

- 19.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 19.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **20. THE CSD**

- 20.1 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.
- 20.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on a Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (Sw: *lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in

accordance with the Central Securities Depositories and Financial Instruments Accounts Act.

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

- 21.1 A Bondholder may not take any steps whatsoever against the Issuer in matters relating to the Bonds or the Terms and Conditions, or to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw: *företagsrekonstruktion*) or bankruptcy (Sw: *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer or any of the Subsidiaries or any Associated Entity in relation to any of the obligations and liabilities of the Issuer under the Finance Documents.
- 21.2 Clause 21.1 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 18.1.2), 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 18.2.8, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.9 before a Bondholder may take any action referred to in Clause 21.1.
- 21.3 The provisions of Clause 21.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 10.6 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event*) or other payments which are due by the Issuer to some but not all Bondholders.

## **22. TIME-BAR**

- 22.1 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.
- 22.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw: *preskriptionslag (1981:130)*), a new time-bar period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of Interest (excluding capitalised Interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.



## 23. NOTICES AND PRESS RELEASES

### 23.1 Notices

23.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

- (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, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
- (c) if to the Bondholders, shall be given at their addresses as registered with the CSD, on a date selected by the sending Person which falls no more than five (5) Business Days prior to the date on which the notice or communication is sent, and by either courier or personal delivery (if practically possible) or by letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

23.1.2 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 Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 23.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1.1, or, in case of email, when received in readable form by the email recipient, save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

23.1.3 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.

### 23.2 Press releases

23.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 10.3.2 (*Voluntary total redemption*), 10.5.2 (*Early redemption due to illegality*), 11.1.2 (*Change of Control Event or a Listing Failure Event*), 14.3 (*Event of Default*), 16.2.1 (*Convening a Bondholders' Meeting*) and 16.3.1 (*Instigation of Written Procedure*) shall also be published by way of press release by the Issuer or the Agent, as applicable.

23.2.2 In addition to Clause 23.2.1, if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it

can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

#### **24. FORCE MAJEURE AND LIMITATION OF LIABILITY**

- 24.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 24.2 The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 24.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 24.4 The provisions in this Clause 24 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

#### **25. GOVERNING LAW AND JURISDICTION**

- 25.1 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.
- 25.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 25.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 25.3 The submission to the jurisdiction of the Swedish courts shall however not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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