This prospectus was approved by the Swedish Financial Supervisory Authority on 11 December 2024. This prospectus is valid for twelve (12) months after its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.

Qliro AB (publ)

PROSPECTUS REGARDING THE ADMISSION TO TRADING OF

SEK 55,000,000

Floating Rate Additional Tier 1 Bonds

ISIN: SE0021627775

11 December 2024

IMPORTANT INFORMATION

This prospectus (the "**Prospectus**") has been prepared by Qliro AB (publ), Swedish reg. no. 556962-2441, ("**Qliro**", the "**Company**" or the "**Issuer**" or together with its subsidiary, unless otherwise indicated by the context, the "**Group**") a public limited liability credit market company incorporated in Sweden, having its headquarters located at the address Sveavägen 151, Stockholm, Sweden, in relation to the application for admission for trading of the Issuer's SEK 55,000,000 Floating Rate Perpetual Additional Tier 1 Notes with ISIN SE0021627775 (the "**Notes**"), issued on 22 October 2024 (the "**Issue Date**"), in accordance with the terms and conditions for the Notes (the "**Terms and Conditions**" and the "**Notes Issue**", respectively), on the corporate bond list of Nasdaq Stockholm Aktiebolag ("**Nasdaq Stockholm**"). Concepts and terms defined in Section "*Terms and Conditions for the Notes*" are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus. Carnegie Investment Bank AB (publ), Swedish reg. no. 516406-0138, ("**Carnegie**") and Nordea Bank Abp, Finnish reg. no. 2858394-9, ("**Nordea**") have acted as joint bookrunners in connection with the issue of the Notes.

This Prospectus has been prepared by the Company and approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"). Furthermore, Annexes 7 and 15 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the content of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Notes in any jurisdiction. It has been prepared solely for the purpose of admitting the Notes to trading on Nasdaq Stockholm. This Prospectus may not be distributed in any country or jurisdiction where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Notes are therefore required to inform themselves about, and to observe, such restrictions. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **"Securities Act"**), or any U.S. state securities laws and are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Issuer has not undertaken to register the Notes under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Notes in the future. Furthermore, the Issuer has not registered the Notes under any other country's securities laws. It is the investor's obligation to ensure that the offers and sales of Notes comply with all applicable securities laws. The Notes have been offered and sold only outside the United States to persons other than U.S. persons ("non-U.S. purchasers", which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust)) in reliance upon Regulation S under the Securities Act.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer's auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. In this Prospectus, any references to "**SEK**" refer to Swedish Kronor, references to "**NOK**" refer to Norwegian crowns, references to "**EUR**" refer to Euro and references to "**DKK**" refer to Danish Krone.

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

Amounts payable under the Notes (as defined herein) are calculated by reference to STIBOR, which is provided by the Swedish Financial Benchmark Facility As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) is included in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

The Notes may not be a suitable investment for all investors and each potential investor in the Notes 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 Notes, the merits and risks of investing in the Notes 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 Notes and the impact other Notes 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 Notes; (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.

This Prospectus has been prepared in English only and is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the SFSA's website (www.fi.se) and the Issuer's website (www.qliro.com).

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RISK FACTORS

*This section describes risks which are specific to Qliro AB (publ) ("**Issuer**", and jointly with its subsidiaries, "**Qliro**" or the "**Group**") and its contemplated issue of floating rate additional tier 1 notes (the "**Notes**"), which Qliro considers to be material when making an investment decision in relation to the Notes. Prospective investors should make an independent evaluation, with or without help from advisors, of the risks associated with an investment in the Notes. The most material risk factor in a category, based on Qliro's assessment of the probability of the risk's occurrence and the expected magnitude of its adverse impact, is presented first in that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorized in more than one category, such risk factor appears only once and in the most relevant category. Each risk factor is disclosed by rating the relevant risk, based on the probability of the risk's occurrence and the expected magnitude of its adverse impact, as low, medium or high.*

RISKS FACTORS RELATED TO QLIRO

Risks relating to Qliro's financial situation

Risk related to credit exposure

Credit risk is the risk that Qliro's counterparties would be unable, or unwilling, to fulfill their financial obligations towards Qliro as they fall due and that, as a result thereof, Qliro would suffer financial losses. Qliro is exposed to credit risk primarily from defaulting consumers using Qliro's services, but also from defaulting merchants and financial institutions with which Qliro cooperates. As part of its payment solution, Qliro pays the merchants up-front pending delivery to the consumer. In addition, pursuant to some of its agreements with merchants the commission is payable in advance. Hence, the main credit risk Qliro is exposed to in relation to merchants offering Qliro's payment solution to their customers, is that the merchants may fail to handle consumer returns due to, inter alia, bankruptcy. Qliro is also exposed to credit risks in its liquidity management where liquid assets are invested in financial instruments, such as interest-bearing securities and government securities.

During the three quarters of 2024, Qliro had net credit losses of SEK -75.5 million, which can be compared to Qliro's Pay Later volume of the same time period was SEK 3,852 million and the net lending to the public of SEK 1,745 million as of September 30, 2024. Also, during the first three quarters of 2024, Qliro's credit loss reserves decreased from SEK -134.3 million to SEK -133.8 million.

Qliro uses a data-driven model for credit assessments of consumers and other potential and/or existing customers and collects specific data in relation thereto. Since there are differences between the countries in which Qliro operates (Sweden, Finland, Denmark and Norway) in relation to applicable rules and regulations, accessibility to credit information and differences in consumer behavior, the credit assessment model varies between such countries. Predicting the credit risk is generally more difficult in countries where the amount and quality of available information is lower. Failure by Qliro to accurately assess the credit risk of its counterparties could lead to increased credit losses, which could have a material adverse effect on Qliro's operating results and financial position and, in the longer term, a negative effect on its business as a whole.

Risk rating: high.

Risks relating to liquidity, capital and funding

Qliro is exposed to liquidity risk which consists of the risk of not being able to meet its short-term debt obligations without significant increased costs or substantial loss. The risk may be trigged as an effect of deteriorated reputation of Qliro, other credit institutions, banks or the financial system in general and may entail increased difficulties in attracting savings customers. The risk may also be trigged by impaired ability to convert other assets into liquidity without material loss. As of September 30, 2024, Qliro's liquid investments, such as Swedish municipal bonds and commercial papers with an average rating of AA+ and an average maturity of 773 days,

amounted to SEK 649 million. In addition to these investments, as of September 30, 2024, Qliro had SEK 323 million placed in Nordic banks. As of September 30, 2024, Qliro had a liquidity coverage ratio of 667 percent (measured as a liquidity buffer of SEK 624 million compared to net outflows of SEK 93 million over a thirty-day period under stressed market conditions).

Qliro is subject to the Capital Requirements regulation (REGULATION (EU) no. 575/2013) which entails requirements for capital adequacy. The capital adequacy requirements set the limits for the size of Qliro's balance sheet in relation to its equity. If Qliro fails to meet the requirements, Qliro may be forced to take actions that could have material adverse effect on the continuity of Qliro's business.

Qliro could also fail to attract sufficient volume of deposits from the public, which is another important financing source for Qliro's lending. The risk of not attracting a sufficient volume of deposits becomes particularly relevant in a situation where net withdrawals are larger than expected or when increased deposit volumes are necessary to finance further lending and other payments. Increased net withdrawals may result from price competition or negative rumors about Qliro, other credit institutions, banks or the financial system in general.

If Qliro's sources of funding are not sufficient or the costs for obtaining funds significantly increases this could have a material adverse effect on Qliro's ability to fund lending assets and meet its financial obligations as they fall due.

Risk rating: *medium*.

Risk relating to interest rate

Qliro is exposed to interest rate risk, which means a risk of reduced net interest income and/or reduced economic value of equity arising from unfavorable movements in market interest rates that affect interest rate sensitive instruments. The risk mainly arises as a result of mismatches in the maturity structure of interest-sensitive assets and liabilities. Interest rates are sensitive to several factors outside of Qliro's control, such as monetary policies, national and international political affairs and shifts in the market.

As of September 30, 2024, Qliro's net lending to the public amounted to SEK 1,745 million. The lending was, in addition to equity, financed by SEK 2,536 million in deposits from the public (savings accounts) in Sweden and Germany, of which 99 percent are protected by the deposit insurance scheme in Sweden. As of September 30, 2024, Qliro's deposits from the public comprised 41.1 percent floating interest rate and 58.9 percent fixed interest rate with an average term of 44 days. Qliro's total interest income for the first three quarters of 2024 amounted to SEK 213.7 million and the interest costs during the same period amounted to SEK -64.9 million resulting in net interest income for the first three quarters of 2024 amounted to SEK 148.8 million.

Qliro has the contractual right to transfer interest rate risk to its merchants and customers by passing on increased interest costs. There is a risk that usage of the option will entail negative effects on Qliro's competitiveness which may impair Qliro's future growth.

Risk rating: *medium*.

Risks relating to value of intangible assets

The balance sheet value of Qliro's intangible assets was SEK 244.4 million as at September 30, 2024. Qliro regularly invests significant amounts in IT and product development and such investments are to a large extent reported as intangible assets. The value of Qliro's intangible assets is amortized over pre-determined periods of 3–10 years. However, Qliro, reassesses the length of such amortization periods for intangible assets with undetermined life cycles and other intangible assets upon indications of a need for write-down. The assessment in relation to depreciations is often complicated and subject to uncertainty. Potential changes to applicable legal requirements, business environment, macroeconomic or political factors, unforeseen deteriorations in the usage or market value of Qliro's IT system or products, inaccurate assessments with respect to asset value and/or life cycle period, or any other event that result in the value of Qliro's intangible assets decreasing more than expected, could

force Qliro to write down the reported value of its intangible assets. Any such write-down could have a material adverse effect on Qliro's earnings and financial position. During the first three quarters of 2024, depreciation, amortization and impairment made by Qliro amounted to SEK -49 million and primarily related to amortization of previously capitalized payment solutions for e-merchants, as well as consumer products, website and app solutions.

Risk rating: *medium*.

Risks related to currency exposure

Qliro's reporting currency is SEK. Since a portion of Qliro sales are outside Sweden (primarily Finland, Denmark, and Norway) Qliro is exposed to currency risks that arise primarily in connection with recalculation from other currencies to SEK from business conducted abroad (translation exposure), and in connection with transactions in foreign currencies (transaction exposure). The most important currencies to which Qliro is exposed are EUR, NOK, and DKK. As of September 30, 2024, Qliro's net currency exposure amounted to SEK 2,138 million. Qliro is thus exposed to risks when recalculating assets, liabilities, revenues, and expenses denominated in currencies other than SEK. A minor part of Qliro's revenues is generated in EUR, DKK and NOK. Currency risks related to transactions pertain to the exchange rate risk that arises out of the time delay between entering and settling an agreement. The actions that Qliro takes to hedge against currency risks may prove insufficient, ineffective, or inadequate. Unfavorable currency exchange rate fluctuations could, as a result of Qliro's currency exposure, have a material adverse effect on the book value of Qliro's assets and negatively impact Qliro's capital adequacy, or lead to transactions being less profitable than desired or anticipated.

Risk rating: *low*.

Risks related to Qliro's business activities and the financial services industry

Risk relating to operational risk

By offering financial services to merchants and consumers, Qliro is, as a natural part of the business, exposed to operational risks primarily in relation to Information Technology ("**IT**") and system risks, external risks, personnel risks and process risks.

With regards to IT and system risks Qliro depends on a well-functioning IT systems and communication solutions. The business is to a considerable degree dependent on Qliro's ability to process a large number of transactions efficiently and accurately, as well as tracking and analysing the performance history of its credits. For merchants using Qliro's payment solutions, the checkout is a part of the customer experience and is generally critical to the merchant's conversion rate. Any failure in the IT processes, which might be due to system disruption/failure or deficiencies in the information security processes, will likely impair Qliro's ability to provide its services, causing direct financial loss and may compromise Qliro's market standing.

Further, Qliro is exposed to external risks, i.e. risks arising from external factors and not due to Qliro's established processes. The main external risks that Qliro is exposed to and could have a direct financial impact is external fraud (also mentioned under credit risk above) and cyber-attacks.

Qliro is also exposed to risks with regards to personnel. As a credit market company operating under the supervision of the SFSA, Qliro is required to have a well-developed organization with all functions to manage the critical processes within the payments solution, and the requirements in conjunction with the license as a credit market company. The size of such functions is rather independent of the number of transactions that Qliro processes or Qliro's operating results and financial position. As a result, even though it would be desirable or required from a business perspective, Qliro will not be able to significantly down-size its organization within these functions without the risk of an impact on the ability to operate as a company under the supervision by SFSA.

Qliro is, as all organizations also exposed to risks with regards to processes, meaning the risk of failure in manual or semi-manual processes that could be a source of mistakes and errors.

Inadequate or failed processes with regards to operational risk (and to some extent other risk categories as well) could as a consequence expose Qliro to reputational risk, meaning a potential loss of income due to that customers or other counterparties lose confidence in Qliro.

Risk rating: *medium*.

Qliro relies on a limited number of merchants to generate a significant portion of its revenues

Qliro was founded in 2014 as a payment solution provider to merchants that were at that time subsidiaries of Qliro Group AB (such as CDON.com, Nelly, NLYman, Lekmer and Tretti) and introduced its payment solutions for merchants outside of Qliro Group AB and its subsidiaries in March 2015. In 2020, the shares of Qliro were listed on Nasdaq Stockholm and Qliro ceased to be a subsidiary to Qliro Group AB and, thereafter, Qliro Group AB was dissolved. However, some of the merchants that were associated with Qliro Group AB at that time still account for a significant share of Qliro's e-retail volumes and revenues. Further, there is additional merchant concentration risk as the top five merchants account for a significant share of the total e-retail volumes and revenues respectively. Whilst Qliro's assessment is that the agreements, which run for several years, with the previous subsidiaries of Qliro Group AB as well as the other top five merchants have been entered into on market terms, there is a risk that the merchants wish to renegotiate the agreements in a way that is unfavorable to Qliro. Customer concentration also involves an exposure, should one or more of the key merchants terminate or decrease their business activities with Qliro. If these risks were to materialize, Qliro's profits could be negatively affected which could, in the longer term, have a material adverse effect on Qliro's business and financial position.

Risk rating: *medium*.

Risks related to the Group's updated strategy with increased focus on Payment Solutions

During 2022 the Group announced an updated strategy with increased focus on its business segment Payment Solutions. As a part of this updated strategy, the Group has initiated a discontinuation of its Digital Banking Services and as of 30 September 2024, Digital Banking Services has been reported as terminated operations. This type of organizational change carries certain inherent risk in relation to, inter alia, miscalculations, expected savings not materialising, unfavourable macroeconomic developments or other unforeseen events, all of which could have an adverse effect on the Group's business. As a part of the Group's new strategy, the Group has divested its Digital Banking Services private lending portfolio to Morrow Bank ASA at a price of approximately SEK 714 million. Whereas the Issuer's position is that the new strategy and the divestment of the private lending portfolio is beneficial for the Group, it makes the Group more dependent on its Payment Solutions segment and there can be no assurance that the new strategy will yield expected results.

Risk rating: *medium*.

Qliro operates in a highly competitive industry and may fail to compete successfully

Qliro operates in an industry which is characterized by a high degree of innovation driving potential disruption by competition in the industry. In parallel with an increase in the demand for attractive payment solutions for merchants, the level of competition in the industry has increased significantly. Qliro's competitors in this field, including but not limited to Klarna Bank, Adyen and Stripe, may offer a broader range of products and services, have a stronger brand, operate with a wider geographical coverage and have significantly stronger financial resources. Also, traditional full-service banks, which offer a wide range of products and services through extensive office networks and online, may increase their focus on sales financing and private loans which may increase competition in these areas. Further, in relation to Qliro's offering to consumers, the number of banks focusing specifically on private loans have increased. Qliro is dependent on creating a brand which is associated with positive values and a positive reputation, in order for merchants to choose Qliro as a preferred business partner and for consumers to use Qliro's payment solution. Damages to Qliro's brand and reputation may lead to damages to Qliro's market standing and thus cause a decrease in the demand for Qliro's services. If Qliro cannot compete

successfully, demand for Qliro's services may decrease. Qliro may also be forced to lower the price and/or interest on its services in order to compete or maintain demand.

Risk rating: *medium*.

The demand for Qliro's financial services is partly driven by consumer spending on e-commerce, which is affected by macroeconomic factors

Qliro's revenues are primarily driven by the number of transactions carried out by consumers using Qliro's payment solutions, but also by revenues generated from personal loans. This means that a downturn in the demand for e-commerce among consumers in general, affecting the merchants offering Qliro's payment solutions, will adversely affect Qliro. The demand in the retail sector is affected by macroeconomic factors such as the economic climate, general market and consumer trends, international, national and regional economic and political development, inflation, interest rate development, employment rate development, demographic patterns, levels of consumption and consumer preference, all of which are affected by general macroeconomic conditions in markets in which Qliro operates. Whilst the e-commerce sector may be more resistant, the retail industry has traditionally been cyclical and consumer purchases of discretionary retail items generally decline during recessionary periods and other times when disposable income is lower. In particular, a general economic downturn in the Nordic market and changes in the purchasing power of Nordic consumers could therefore adversely affect demand for products that Qliro provides. A decrease in the demand among consumers for Qliro's services could impair Qliro's future growth and have a material adverse effect on Qliro's business, operating results and/or financial position.

Risk rating: *medium*.

Reliance on suppliers

Qliro's business relies in part on certain service and business process outsourcing and other partners. For example, Qliro deposit offering in EUR for individuals in Germany is made in partnership with the platform Raisin. Furthermore, some of Qliro's business systems are dependent on third party software and infrastructure. Qliro has also outsourced other functions such as internal audit and certain parts of its customer service.

Certain IP-rights, such as software licenses and similar related systems are used by Qliro to operate and its business is dependent on continued access to such IP-rights. There is a risk that Qliro will be unable to replace these relationships on commercially reasonable terms. Significant failure of Qliro's suppliers to perform their services in accordance with Qliro's expectations, and any extensive deterioration in or loss of any key relationships would may have material adverse effect on Qliro's business, financial position and results of operations.

Risk rating: *medium*.

Legal and regulatory risks

Capital adequacy and liquidity regulations

Qliro is as a credit market company supervised by the SFSA subject to comprehensive regulations regarding capital and liquidity requirements, which are mainly based on the directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("**CRD IV**") and the regulation 575/2013/EU on prudential requirements for credit and investment firms ("**CRR**") (along with additional delegated acts and technical standards) that implement and amend the minimum requirements for regulatory capital to ensure loss absorbency at the point of non-viability by the Basel Committee on Banking Supervision, the Basel III Framework, in the EU. The CRR and CRD IV include certain capital requirements that are intended to vary over time and depend on, among other things, the existence of cyclical and structural systemic risks. Qliro must at any given time meet the specified capital and liquidity ratios and hold a sufficient amount of own funds and liquidity resources. Qliro may be required to hold even more capital if deemed necessary by the SFSA. Qliro is exposed to the risk of possible changes in applicable capital adequacy and liquidity requirements, changes in the SFSA's or other relevant authorities practices or the implementation of new rules and regulations.

There is also a risk that relevant authorities assess that Qliro does not fully comply with, or that the company violates, applicable regulations. There is a risk that such situations lead to further unexpected requirements in relation to Qliro's capital, leverage, liquidity and funding ratios.

Qliro is further subject to liquidity requirements in its capacity as a credit market company, including a statutory requirement to maintain sufficient liquidity to be able to discharge obligations as they fall due. The SFSA has issued regulations on liquidity (including FFFS 2010:7), serious or systematic deviations from such regulations may lead to the SFSA determining that Qliro's business does not satisfy the statutory soundness requirements for credit institutions and could result in the SFSA imposing sanctions against Qliro.

Qliro is exposed to the risk of changes in the conditions of its business as well as external conditions, which may have a material adverse effect on Qliro's profitability and results, which can affect the capital adequacy ratio. For the foregoing reasons, Qliro may be required to raise additional regulatory capital and such changes could result in Qliro's existing regulatory capital ceasing to count either at the same level as present or at all. Any market perception or concern regarding compliance with future capital adequacy requirements, can increase Qliro's borrowing costs and limit its access to capital markets, which may have a material adverse effect on Qliro's profitability and results.

Risk rating: *high*.

Risks related to Qliro's credit market company license

The Swedish Banking and Financing Business Act (Sw. *lag (2004:297) om bank- och finansieringsrörelse*) (the "**BFBA**") requires all undertakings that conducts financing business to operate under a license granted by the SFSA. Qliro was granted a credit market company license by the SFSA on March 15, 2017. Qliro's credit market company license has an indefinite duration. The SFSA exercises supervision over Qliro and has the right to request any information regarding Qliro's operations or related circumstances as well as to carry out investigations at Qliro's premises. Pursuant to the BFBA, the SFSA has the right to intervene if Qliro violates any of its obligations under the BFBA, other applicable regulations that govern Qliro's operations, Qliro's articles of association or internal regulations. The SFSA may intervene by various means, including to issue an order to limit or reduce the risks of the operations in some aspect, restrict or prohibit payment of dividends or interest or take other measures to rectify the situation, issue injunctions or remarks. In case of material violations, the SFSA can, as an ultimate measure, revoke Qliro's credit market company license, following which the SFSA may determine the manner in which the business will be wound up. If deemed sufficient, taking into consideration, among other things, the nature, gravity, duration and potential effects on the financial system of the violation, the SFSA can, instead of revoking the license, issue a warning. Remarks and warnings may be combined with monetary fines up to ten percent of the annual turnover or two times the cost avoided or profit realized from the violation, where such amount can be ascertained.

If Qliro were subject to material sanctions, remarks or warnings and/or fines imposed by the SFSA, this would cause significant and potentially irreparable, damage to the reputation of Qliro and, as a result, may have a material adverse effect on Qliro's business, operating results and/or financial position. Qliro's operations are contingent upon the credit market company license issued by the SFSA. The loss or suspension of the license would require Qliro to cease its credit market operations.

Risk rating: *medium*.

Risks related to legal and regulatory restrictions and requirements as well as regulatory changes

As a Swedish credit market company and payment solution provider, Qliro is under the SFSA's supervision with regard to, inter alia, solvency and capital adequacy, including solvency ratios and liquidity rules, as well as rules on internal governance and control and on the marketing of payment solutions. Furthermore, as a result of conducting operations on a cross-border basis in various countries, Qliro is subject to supervision by different

competent authorities regarding certain aspects of the business, including e.g. marketing and selling practices, advertising, general terms of business and legal debt collection operations. Differences in the laws and regulations or differences in the interpretations of a law or regulation between the different competent authorities may require local adjustments of Qliro's operations. In addition, as for any provider of financial services to consumers, Qliro's compliance with consumer protection laws and regulations is subject to supervision by consumer authorities in Sweden, Finland, Denmark and Norway. Therefore, the supervision and application of the legal and regulatory framework by authorities could as a result have a material adverse effect on Qliro's business, operating results and/or financial position. This is also the case if relevant authorities were to reach opinions that differ from those of Qliro or third parties associated with Qliro's business, concerning licensing requirements, the necessity to obtain permits or other business law requirements. Failure to comply with applicable laws and regulations could lead to monetary fines and other penalties and ultimately lead to Qliro's credit market company license being revoked and Qliro being required to discontinue its business operations.

There are currently several regulatory initiatives to strengthen consumer protection, for example the Swedish government is currently reviewing legislative measures against excessive consumer lending and an official report regarding such legislative measures was published in June 2023 (SOU 2023:38). The Swedish government is also evaluating the implementation of the updated EU consumer credit directive ((EU) 2023/2225) rendered in 2023.

Regulatory requirements relating to consumer credits apply in Sweden and in other countries in which the Group operates, which limits the amount of interest and/or fees (including penalty fees) that may be charged by the Group for certain financial products provided by the Group, including on loans provided to consumers. Should such regulatory requirements increase, should new requirements be introduced or should the relevant authorities interpretation and application of existing regulatory requirements change a manner not consistent with the Group's interpretation and application (e.g. by way of prohibiting certain penalty fees on defaulted consumer loans), the Group may lose significant sources of income or may have to alter the terms upon which it offers some or all of its consumer lending and other financial products. Such changes could lead to decreased profitability, which ultimately would have a negative effect on the Group's business, financial condition and results of operations.

New, amended or repealed laws and regulations could, in addition to leading to increased complexity and higher demands on Qliro's compliance function, impose restrictions for how Qliro operates its business, which could have a negative effect on Qliro's earnings. There is a risk that measures taken by Qliro to ensure compliance with new laws and regulations are inadequate. Any failures to implement new or amended laws, especially due to the increasing quantity and complexity of legislation, may lead to adverse consequences for Qliro. As Qliro primarily offers sales financing and consumer loan products, there is a risk that adverse changes in the regulatory environment, e.g. restrictions on consumer lending, will have a greater impact on Qliro's business and financial condition as compared to, for example, high street banks with a more diversified product mix. Qliro incurs, and expects to continue to incur, significant costs and expenditures to comply with the increasingly complex regulatory environment.

Risk rating: *medium*.

The Recovery and Resolution Directive

Qliro is subject to directive 2014/59/EU (as amended by directive 2019/879/EU) establishing a framework for the recovery and resolution of credit institutions and investment firms ("**BRRD**"). BRRD establishes a framework for the recovery and resolution of credit institutions and, inter alia, requires EU credit institutions to produce and maintain recovery plans setting out the arrangements that may be taken to restore long-term viability of the institution in the event of a material deterioration of its financial position. National resolution authorities, in consultation with competent authorities, are required to prepare resolution plans setting out how a firm might be resolved in an orderly fashion and its essential functions preserved if it were to fail. The National Debt Office (Sw. Riksgälden) is the national resolution authority in Sweden. The BRRD establishes a number of resolution tools and powers that may be used alone or in combination by the National Debt Office to manage an institutions failure.

These tools and powers include the following: (i) a sale of business tool – which enables resolution authorities to direct the sale of the institution or the whole or part of its business on commercial terms; (ii) a bridge institution tool - which enables resolution authorities to transfer all or part of the business of the institution to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) an asset separation tool - which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximizing their value through eventual sale or orderly wind-down; and (iv) a general bail-in tool - which gives resolution authorities the power to write-down all or a portion of the principal amount of, or interest on, certain other eligible liabilities of a financial institution undergoing one of the resolution procedures noted above and/or convert certain unsecured debt claims into another security. All of the actions noted above can be taken without any prior shareholder approval. Bail-ins require creditors of a distressed institution to accept some losses in order to save the institution from insolvency. Should Qliro become subject to such bail-in or resolution powers, existing shareholders could experience a dilution or cancellation of their holdings without any compensation therefor. There is also a risk that claims from creditors will be written down, which in turn affects the financing costs of Qliro. This could have a material adverse effect on Qliro's operating results and/or financial position.

As noted above, the powers provided to resolution and competent authorities in the BRRD include write-down and conversion powers to ensure that relevant capital instruments (including subordinated notes) fully absorb losses at the point of non-viability of the issuing firm. Therefore, the Notes could be subject to a permanent write-down or conversion to equity at the point of non-viability. The exercise of any such power may be inherently unpredictable and may depend on a number of factors, which may be outside of Qliro's control. There is a risk that the application of any non-viability loss absorption measure may result in a conversion to equity or write-down, in whole or in part, of the principal amount of, or interest on, the Notes. Any such conversion to equity or write-down shall not constitute an event of default and the holders of the Notes will have no further claims in respect of any amount so converted or written-down. Any such exercise or any suggestion that the Notes could become subject to such exercise, could therefore have a material adverse effect on the value of the Notes.

Risk rating: *medium*.

The General Data Protection Regulation

As part of its business operations, Qliro processes large amounts of personal data on a daily basis, primarily in relation to the consumers using Qliro's services. The EU has adopted regulation 2016/679/EU on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("**GDPR**") which govern Qliro's ability to obtain, retain, share and otherwise process consumer data. Qliro's compliance with GDPR is subject to supervision by national data protection authorities. These authorities may, from time to time, review or audit Qliro's data protection practices. Failure to comply with GDPR can subject Qliro to substantial monetary fines (including administrative fines up to the greater of EUR 20 million or 4.0 percent of Qliro's total global annual turnover), which could lead to Qliro having to make provisions to cover such costs and may damage Qliro's market standing.

Risk rating: *medium*.

Anti-money laundering

As a credit market company, Qliro is required to comply with the Swedish Anti-Money Laundering and Terrorist Financing Act (Sw. *lag (2017:630) om åtgärder mot penningtvätt och finansiering av terrorism*) implementing directive 2015/849/EU on the prevention of the use of the financial system for the purposes of money launder or terrorist financing, which requires Qliro to take actions in order to counteract money laundering and terrorist financing. The legal framework requires Qliro to maintain substantial procedures, internal control functions and guidelines to counteract money laundering and terrorist financing. Failure to comply with the applicable laws and regulations can result in material sanctions, remarks or warnings and/or fines and ultimately lead to Qliro's credit

market company license being revoked by competent authorities. There is also a risk that business relationships and Qliro's reputation would be damaged.

Risk rating: *medium*.

Accounting rules and standards

From time to time, the International Accounting Standards Board ("IASB"), the EU and other regulatory bodies change the financial accounting and reporting standards, which govern the preparation of Qliro's financial statements. These changes can be difficult to predict and materially affect how Qliro records and reports its financial condition and results of operations. In some cases, Qliro may be required to apply a new or revised accounting standard retrospectively, resulting in restating prior periods' financial statements. For example, in 2014, the IASB issued a new accounting standard for financial instruments, IFRS 9, which became effective from January 1, 2018. IFRS 9 provides principles for classification of financial instruments, and provisioning for expected credit losses that are mandatory, and therefore fully implemented by Qliro. The IASB may make other changes to the financial accounting and reporting standards that govern the preparation of Qliro's financial statements, which Qliro may adopt prior to the when they become mandatory if deemed appropriate, or which Qliro may be required to adopt. There is a risk that any such changes could have a material adverse effect on Qliro's operating results and/or financial position.

Risk rating: *medium*.

Risks related to taxes and charges

Qliro conducts its business in accordance with its interpretation of applicable tax laws and regulations and applicable requirements and decisions. There is a risk that Qliro's or its advisors' interpretation and application of laws, provisions and judicial practice has been, or will at some point be, incorrect or that such laws, provisions and practice will be changed, potentially with retroactive effect. Difficulties or shortcomings to adequately collect and pay VAT when conducting cross-border operations may lead to an increased tax exposure. If such an event should occur, Qliro's tax liabilities can increase, which could have a negative effect on its earnings and financial position.

Risk rating: *medium*.

The Swedish Deposit Guarantee Scheme

The Swedish Deposit Guarantee Scheme ("SDGS") guarantees depositors' deposits in the event Qliro is declared bankrupt or if the SFSA determines that the SDGS should be activated in a given situation. Qliro is exposed to the risk of changes in the SDGS framework such as an increase of the fees or decrease of the maximum compensation amount. A decrease of the maximum compensation amount could have a negative effect on the amount of consumer savings deposits currently held by Qliro. Changes of the SDGS could have a material adverse effect on Qliro's liquidity and funding.

Risk rating: *low*.

Risks related to legal proceedings, claims and disputes

Qliro may from time to time be involved in disputes associated with its operations. Disputes could concern claims from consumers, corporates, regulatory authorities or governments. Disputes and claims may be time consuming, disrupt operations, involve significant amounts and negatively affect Qliro's reputation and general standing. The outcome of such disputes may expose Qliro to unexpected costs and losses, reputational or other non-financial consequences. The actual outcome of such proceedings may, for example, not correspond to the perception on the market and Qliro's reputation may, as a result, be impacted in a way that does not accurately reflect the outcome of such proceedings. This could have a material adverse effect on Qliro's business, operating results and/or financial position.

Risk rating: *low*.

RISKS FACTORS RELATED TO THE NOTES

Risks related to the nature of the Notes

Interest payments on the Notes may be cancelled by the Issuer

Any payment of interest in respect of the Notes shall be payable out of the Issuer's distributable items and (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer acting in its sole discretion and notwithstanding that it has distributable items or that it may make any distributions pursuant to the applicable regulations, or (ii) will be mandatorily cancelled to the extent so required by applicable regulations.

Any cancellation of interest (in whole or in part thereof) shall in no way limit or restrict the Issuer from making any payment of interest or equivalent payment or other distribution in connection with any instrument ranking junior to the Notes (including, without limitation, any common equity tier 1 capital) or in respect of any other additional tier 1 capital instruments. In addition, the Issuer may without restriction use the funds that could have been applied to make such cancelled payments to meet its other obligations as they become due.

As a result, there is a risk that the payments of interest is cancelled. Following any cancellation of interest as described above, holders of Notes ("**Noteholders**") shall have no right thereto or to receive additional interest or compensation. Furthermore, no cancellation of interest in accordance with the terms of the Notes shall constitute a payment default or otherwise entitle the Noteholders to take any action against the Issuer or put the Issuer into bankruptcy.

Any actual or anticipated cancellation of interest on the Notes will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest cancellation provisions of the Notes, the market price of the Notes is likely to be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation.

Risk rating: *high*.

Loss absorption following a trigger event

If at any time the common equity tier 1 ratio has fallen below 5.125 per cent., in case of the Issuer or 7.00 per cent., in case of the Issuer's consolidated situation (if applicable), this constitute a "trigger event" and the total nominal amount of the Notes shall be reduced by an amount sufficient to restore the common equity tier 1 ratio of the Issuer and/or, if applicable, the Issuer's consolidated situation to at least 5.125 per cent or 7.00 per cent (as applicable). Such write-down of the Notes is likely to result in a Noteholder losing some or all of its investment.

The Issuer and/or the SFSA may determine that such a trigger event has occurred on more than one occasion and the nominal amount of the Notes may consequently be written down on more than one occasion. Further, during any period when the then nominal amount of a Note is less than the initial nominal amount, interest will accrue on, and the Notes will be redeemed on, the then nominal amount of the Notes.

The Issuer's and/or the SFSA's calculation of the common equity tier 1 ratio of the Issuer, and therefore its determination of whether a trigger event has occurred, shall be binding on all Noteholders who shall have no right to challenge the published figures detailing the common equity tier 1 ratio of the Issuer.

Risk rating: *high*.

The Issuer's obligations under the Notes are subordinated

The Notes constitute deeply subordinated unsecured obligations of the Issuer. In the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, the rights of the Noteholders are subordinated in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer as well as any subordinated creditors of the Issuer whose rights are expressed to rank in priority to the Noteholders by statute or regulation.

The Notes rank *pari passu* with all other liabilities or capital instruments which constitute additional tier 1 capital (Sw. *primärkapitaltillskott*) of the Issuer or other liabilities or capital instruments of the Issuer that rank or are expressed to rank equally with the Notes. The Notes however rank junior to any tier 2 capital (Sw. *supplementärkapital*) of the Issuer.

In the event of a liquidation or bankruptcy of the Issuer, the Issuer will be required to pay its depositors and its unsubordinated creditors in full before it can make any payments on the Notes, where after the Noteholders normally would receive payment pro rata with other unsecured creditors. In the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, there is a risk that the Issuer does not have enough assets remaining after payments to senior ranking creditors have been effected, in order to pay the amounts due under the Notes. No Noteholder who is indebted to the Issuer shall be entitled to exercise any right to set-off or counterclaim against moneys owed by Issuer in respect of the Notes held by such Noteholder. As a result, there is a risk that the Noteholders will lose some or all of their investments in the Notes.

Risk rating: *medium*.

Credit risk associated with the Notes

Investors in the Notes carry a credit risk towards the Group. Noteholders' ability to receive payment under the terms and conditions for the Notes (the "**Terms and Conditions**") is therefore dependent upon the Issuer's and the Group's ability and willingness to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors of which some have been mentioned above.

There is a risk that an increased credit risk will cause the market to charge the Notes a higher risk premium, which will have a significant negative effect on the value of the Notes. Another aspect of the credit risk is that there is a risk that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Notes.

Risk rating: *medium*.

Substitution or variation of the Notes

Subject to the terms of the Notes and the prior consent of the SFSA, upon the occurrence of a Capital Event or Tax Event (in each case as defined in the Terms and Conditions), the Issuer may, at its option and without the consent or approval of the Noteholders, elect to substitute or vary the terms of all (but not some only) outstanding Notes for, or so that they become or remain, as applicable, Qualifying Securities (as defined in the Terms and Conditions).

There is a risk that, due to the particular circumstances of each Noteholder, any Qualifying Security will be less favourable to the Noteholders in all respects or that a particular Noteholder would not make the same determination as the Issuer as to whether the terms of the relevant Qualifying Security is not materially less favourable to Noteholders than the terms of the relevant Notes. The substitution or variation of the Notes may thus lead to changes in the Notes that have effects that are less favourable in the opinion of a Noteholder. The Issuer bears no responsibility towards the Noteholders for any adverse effects of such substitution or variation (including, without limitation, with respect to any adverse tax consequence suffered by any Noteholder). The degree to which the Notes may be substituted or varied is uncertain and presents a significant risk to the return of the Notes.

Risk rating: *medium*.

Liquidity risks and listing of the Notes

Pursuant to the Terms and Conditions, the Issuer has applied for admission to trading of the Notes on the corporate bond list of Nasdaq Stockholm. Once the Notes are admitted to trading on a regulated market, active trading in the Notes may not occur and hence there is a risk that a liquid market for trading in the Notes will not form or will not be maintained, even if the Notes are listed. This risk is particularly prominent in times of volatility on the capital markets. As a result, the Noteholders may be unable to sell their Notes when desired or at a favourable price level

that allows for a profit comparable to similar investments traded on an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Notes.

Furthermore, the nominal value of the Notes may not be indicative of the market price of the Notes once the Notes are admitted for trading on Nasdaq Stockholm as the Notes may trade below their nominal value (for instance, to allow for the market's perception of a need for an increased risk premium).

It should also be noted that during any given period of time it may be difficult or impossible to sell the Notes (at all or at reasonable terms) due to, for example, severe price fluctuations, close-down of the relevant market or trade restrictions imposed on the market.

Risk rating: *medium*.

Limited acceleration rights in respect of the Notes

The Noteholders may only accelerate the Notes if the Issuer is placed into bankruptcy (Sw. *konkurs*) or is subject to liquidation proceedings (Sw. *likvidation*). The Noteholders have no other acceleration rights with respect to the Notes. Consequently, there is a risk that there are other events including events which have an adverse effect on the business, operations, assets, liabilities, conditions (financial or otherwise) or prospects of the Issuer, which will not give the Noteholders a right to accelerate the Notes, and that may cause the market price of the Notes to decline. For example, a payment default or an acceleration with respect to any other financial indebtedness of the Issuer or a change of control of the Issuer will not give the Noteholders a right to demand repayment of the Notes.

Furthermore, the agent's right to represent bondholders in formal court proceedings in Sweden (such as bankruptcies, company reorganisations or upon in-court enforcement of security) has recently been questioned and there has been a case where a court has held that such right does not exist, meaning that the bondholders, through the agent, were unable to take actions against the issuer. Although the relevant case law on this subject is, as of now, non-precedential, if such judgments should continue to be upheld by the justice system and/or if the regulators should not intervene and include the agent's right to represent bondholders in relevant legislation, it may become more difficult for Noteholders to protect their rights under the terms of the Notes in formal court proceedings.

Furthermore, no payments will be made to the Noteholders before all amounts due, but unpaid, to all other creditors of the Issuer ranking ahead of the Noteholders have been paid by the Issuer as ascertained by the administrator in bankruptcy (Sw. *konkursförvaltare*) or the judicial liquidator (Sw. *likvidator*).

Risk rating: *medium*.

Call options are subject to the prior consent of the SFSA

The Issuer has the option (but no obligation) to redeem the Notes from the first call date, being the date falling five years after the issue date of the Notes. However, in order to exercise such a call option, the Issuer must obtain the prior consent of the SFSA. There is a risk that such redemption cannot be carried out at the time when needed or that would be favourable for the Group, which could force the Issuer to sustain an unfavourable financial position for a certain period of time prior to that consent can be obtained.

The Noteholders have no rights to call for the redemption of the Notes and there is a risk that such a call will not be exercised by the Issuer. The SFSA must agree to permit such a call, based upon its evaluation of the regulatory capital position of the Issuer and certain other factors at the relevant time. There is a risk that the SFSA will not permit such a call or that the Issuer will not exercise such a call at all. Consequently, there is a risk that Noteholders would be required to bear the financial risks of an investment in the Notes for a period of time in excess of the minimum period.

Risk rating: *medium*.

No limitation on issuing debt and granting security over assets

The Terms and Conditions do not restrict the Issuer from incurring additional financial indebtedness ranking senior to, or *pari passu* with, the Notes and do not restrict the Issuer from providing security for such debt. If security is granted, the Noteholders will, in the event of bankruptcy, re-organisation or winding-up of the Issuer, be subordinated in right of payment out of the assets being subject to security. Any enforcement action taken by such secured creditor in relation to secured assets of the Group could also have a material adverse effect on the Group's assets and operations and, ultimately, the Issuer's payment ability under the Notes. Furthermore, the issuance of additional debt by the Issuer may reduce the amount recoverable by the Noteholders in the event of bankruptcy, re-organisation or winding-up of the Issuer.

Risk rating: *medium*.

Interest rate risk

The value of the Notes depends on several factors, one of the most significant being the level of market interest over time. Potential investors in the Notes are hence dependent on a favourable and stable general market interest rate over time in order to sustain profitability in respect of its investment. Subject to replacement of base rate provisions of the terms of the Notes, the Notes bear interest at a floating rate of 3 month STIBOR (or any base rate replacing STIBOR, as applicable) plus a margin and the interest rate of the Notes is determined two business days prior to the first day of each respective interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate.

The determining interest rate benchmarks, such as STIBOR has been subject to regulatory changes such as the Benchmarks Regulation (Regulation (EU) 2016/1011 on indices used as benchmarks in financial and contracts or to measure the performance of investment funds) (the "**BMR**"). The implementation of the BMR has and will lead to that certain previously used benchmarks, such as LIBOR, has and will be discontinued, leading to that, *inter alia*, existing financing arrangements may need to be renegotiated or terminated. Even if the administrator (the Swedish Financial Benchmark Facility) of STIBOR is authorised by the SFSA to operate as a benchmark administrator pursuant to Article 34.1(a) of the BMR, there is a risk that alternative benchmark rates (such as Swestr) will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Notes. Increased or altered regulatory requirements and risks associated with the BMR (as amended) involve inherent risks as the effects cannot be fully assessed at this point in time. There is a risk that future developments in relation to STIBOR cause volatility in STIBOR, which would affect the interest rate for the Notes.

Risk rating: *low*.

The Notes constitute perpetual obligations

The Notes are perpetual meaning that the Notes have no specified maturity date. The Issuer is not obliged to redeem the Notes unless the Issuer is placed into bankruptcy (Sw. *konkurs*) or is subject to liquidation proceedings (Sw. *likvidation*) (see further risk factor "Limited acceleration rights in respect of the Notes" above) and Noteholders have no option to redeem the Notes at any time.

There is a risk that a Noteholder may have to bear the financial risks of the investment in the Notes for a long period of time, in particular if no active trading on the secondary market occurs, and there is a risk that it may not recover its investment in the Notes before the Notes are redeemed at the discretion of the Issuer. Consequently, there is a risk that the Noteholders may lose the whole or a part of its investment if the Issuer chooses not to redeem the Notes.

Risk rating: *low*.

Risks related to the Resolution Act and BRRD

Write-down and conversion and bail-in

The Group is subject to the Swedish Resolution Act 2015 (Sw. *Lag (2015:1016) om resolution*) (the "**Resolution Act**"), which implements BRRD into Swedish law. The Swedish National Debt Office (Sw. *Riksgäldskontoret*) (the "**NDO**") is granted significant powers in its capacity as competent resolution authority under the Resolution Act and BRRD to apply the resolution tools and exercise the resolution powers set forth in the Resolution Act. Such powers include the introduction of a statutory "write-down and conversion power" with respect to capital instruments and a "bail-in power", which gives the NDO authority to cancel or vary all or a portion of the principal amount of, or interest on, the term of and the interest payment dates of certain eligible liabilities including tier 1 and tier 2 capital instruments. Prior to resolution under the Resolution Act, the SFSA may require bail-in.

The bail-in power can be used to recapitalise an institution that is failing or about to fail, allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring. The write-down and conversion power can be used to ensure that tier 1 capital and tier 2 capital instruments fully absorb losses at the point of non-viability of an institution and before any other resolution action is taken. The Resolution Act specifies the order in which the relevant bail-in tool should be applied, which order reflects the hierarchy of capital instruments under CRD IV and otherwise respecting the hierarchy of claims in an ordinary insolvency. In addition, the bail-in power contains a specific mechanism that aims at safeguarding that shareholders and creditors do not receive a less favourable treatment than in ordinary insolvency proceedings. Even where a claim for compensation is established under this "no creditor worse off" safeguard, this will be determined on the basis of an independent valuation performed after the resolution action has been taken. It is unlikely that such compensation would be equivalent to the full loss incurred by the Noteholders in the resolution and there is a risk that such Noteholders will experience considerable delay in recovering any such compensation.

The Notes constitute unsecured obligations of the Issuer and could be subject to the bail-in power. The determination of whether all or only a part of the principal amount of the Notes will be subject to bail-in is inherently unpredictable. There is a risk that if the bail-in tool would be applied, it could result in the cancellation of all or a portion of the principal amount of, or interest on, the Notes and/or the conversion of all, or a portion, of the principal amount of, or outstanding amount payable in respect of, or interest on, the Notes into ordinary shares or other securities of the Issuer or another person, including by means of a variation to the terms of the Notes (including their maturity date or interest rate) to give effect to such application of the bail-in tool.

Accordingly, potential Noteholders should consider the risk that the bail-in tool may be applied in such a manner as to result in Noteholders losing all or a part of the value of their investment in the Notes or receiving different securities than the Notes, which will be worth significantly less than the Notes and which will have significantly fewer protections than those typically afforded to debt securities.

Moreover, the NDO may exercise its authority to apply the bail-in tool without providing any advance notice to the Noteholders. Noteholders may also have limited or no rights to challenge any decision of the NDO to exercise the bail-in power or to have that decision reviewed by a judicial or administrative process or otherwise.

Risk rating: *medium*.

Additional measures

In addition to the bail-in power and the statutory write-down and conversion power, the Resolution Act provides the NDO with broader powers to implement other resolution measures on a credit institution such as the Issuer, in the event of any distress, which may include (without limitation):

1. directing the sale of the bank, such as the Issuer, or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply;

2. transferring all or part of the business of the bank, such as the Issuer, to a "bridge institution" (a publicly controlled entity);
3. transferring the impaired or problem assets to an asset management vehicle to allow them to be managed and worked out over time;
4. replacing or substituting the bank, such as the Issuer, as obligor in respect of debt instruments;
5. modifying the terms of debt instruments, for instance the Notes, (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments); and/or
6. discontinuing the listing and admission to trading of financial instruments, such as the Notes.

The NDO will likely allow the use of financial public support only as a last resort after having assessed and exploited, to the maximum extent practicable, the resolution tools, including the bail-in tool and/or the statutory write-down and/or conversion powers.

The Resolution Act establishes a preference in the ordinary insolvency hierarchy, firstly, for insured depositors and, secondly, for all other deposits of individuals and micro, small and medium-sized enterprises held in EEA or non-EEA branches of an EEA credit institution. These preferred deposits will rank ahead of all other unsecured senior creditors of the Issuer, including the Noteholders, in the insolvency hierarchy. Furthermore, insured deposits are excluded from the scope of the bail-in powers.

Risk rating: *medium*.

THE NOTES IN BRIEF

This section contains a general and broad description of the Notes. It does not claim to be comprehensive or cover all details of the Notes. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference, and the full Terms and Conditions for the Notes included under Section "*Terms and Conditions for the Notes*", before a decision is made to invest in the Notes.

General

Issuer	Qliro AB (publ), Swedish reg. no 556962-2441.
Resolutions, authorisations and approvals	The Issuer's Board of Directors resolved to issue the Notes on 17 September 2024.
The Notes offered	SEK 55,000,000 in an aggregate principal amount of floating rate additional tier 1 notes.
Nature of the Notes	The Notes constitute tier 1 capital (Sw. *primärkapitaltillskott*) as defined in Part Two, Title I, Chapter 3 of the of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as the same may be amended or replaced from time to time, as amended by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements.
Number of Notes	44 Notes.
ISIN	SE0021627775.
Issue Date	22 October 2024.
Price	All Notes issued on the Issue Date have been issued at an issue price of 100.00 per cent. of the Nominal Amount.
Interest Rate	Interest on the Notes is paid at a rate of three (3) months STIBOR plus 13 per cent. *per annum*. Interest will accrue from, but excluding, the Issue Date.
Use of benchmark	Interest payable for the Notes issued under the Terms and Conditions is calculated by reference to STIBOR. As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) is included in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the regulation (EU) 2016/1011 (the Benchmark Regulation).
Interest Payment Dates	Quarterly in arrears on 22 January, 22 April, 22 July and 22 October each year (with the first Interest Payment Date being on 22 January 2025 and the last Interest Payment Date being the relevant Redemption Date. Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and

ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

Nominal Amount ..... The nominal amount of each Bond is SEK 1,250,000 and the minimum permissible investment upon issuance of the Notes was SEK 1,250,000.

Denomination..... The Notes are denominated in SEK.

Status of the Notes ..... The Notes (other than any Notes held by a Group Company) shall constitute Additional Tier 1 Instruments of the Issuer and (if applicable) the Issuer Consolidated Situation. The Notes will constitute direct, unsecured and subordinated obligations of the Issuer and shall, as regards the right to receive periodic payments (to the extent not cancelled) or repayment of capital in the event of the liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, at all times rank:

(a) *pari passu* without any preference among themselves;

(b) *pari passu* with (i) any present or future liabilities or capital instruments of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Additional Tier 1 Capital, and (ii) any other liabilities or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Notes;

(c) senior to holders of all classes of the Issuer's shares in their capacity as such holders and any other liabilities or capital instruments of the Issuer that rank or are expressed to rank junior to the Notes; and

(d) junior to any present and future claims of (i) depositors of the Issuer, (ii) any other unsubordinated creditors of the Issuer, and (iii) any subordinated creditors of the Issuer whose rights rank or are expressed to rank in priority to the Notes, including, for the avoidance of doubt, holders of notes which constitute Tier 2 Capital.

The Issuer reserves the right to issue further Additional Tier 1 Instruments and other subordinated notes and obligations in the future, which may rank *pari passu* with the Notes, as well as any capital instruments of the Issuer issued as Common Equity Tier 1 Capital, which may rank junior to the Notes or any capital instruments which may rank senior to the Notes.

Interest cancellation ..... Any payment of Interest in respect of the Notes shall be payable only out of and up to the Issuer's Distributable Items and:

(a) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Applicable Capital Regulations; and

(b) will be mandatorily cancelled to the extent so required by the Applicable Capital Regulations, including the applicable criteria for Additional Tier 1 Instruments.

Following any cancellation of Interest as described above, the right of the Noteholders to receive accrued Interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such Interest or to pay interest thereon, whether or not payments of Interest in respect of subsequent Interest Periods are made, and such unpaid Interest will not be deemed to have "accrued" or been earned for any purpose.

A cancellation of any payment of Interest at any time shall in no event constitute a right for any Noteholder to accelerate the Notes.

Loss absorption upon a Trigger Event .....

If at any time a Trigger Event occurs, the Total Nominal Amount or the Issuer's payment obligation under the Notes shall be written down (a "**Write-Down**").

A Write-Down shall take place on a date selected by the Issuer in consultation with the SFSA but no later than one month following the occurrence of the relevant Trigger Event unless, in accordance with the Applicable Capital Regulations, the SFSA has agreed with the Issuer in writing that such reduction and cancellation may occur after a longer period, in which case, on such date as agreed with the SFSA.

A Write-Down shall be made as a reduction of the Total Nominal Amount, where the Issuer's payment obligation under each Note shall be reduced to a certain percentage of the Nominal Amount, and such Write-Down shall be considered to be an unconditional capital contribution (Sw. *ovillkorat kapitaltillskott*) and shall be made in consultation with the SFSA and in accordance with the rules of the CSD.

The amount of the reduction of the Total Nominal Amount on the Write-Down Date shall equal the amount of a Write-Down that would restore the CET1 Ratio of the Issuer to at least 5.125 per cent., and the CET1 Ratio of the Issuer Consolidated Situation to at least 7.00 per cent. at the point of such Write-Down, provided that the maximum reduction of the Total Nominal Amount shall be down to a Nominal Amount per Note corresponding to SEK 1.00.

A Write-Down shall be made taking into account any preceding or imminent write-down or conversion of corresponding or similar loss absorbing instruments (if any) issued by the Issuer, including but not limited to Additional Tier 1 Instruments (other than the Notes).

For the avoidance of doubt, the Nominal Amount of each Note shall, upon the Write-Down of the Total Nominal Amount described above, be written down on a *pro rata* basis.

"**Trigger Event**" means at any time:

(a) the CET1 Ratio of the Issuer is less than 5.125 per cent; or

(b) the CET1 Ratio of the Issuer Consolidated Situation, is less than 7.00 per cent,

in each case as determined by the Issuer and/or the SFSA (or any agent appointed for such purpose by the SFSA).

Reinstatement of the Notes	Following a Write-Down, the Issuer may, at its absolute discretion, reinstate the Notes, subject to compliance with any maximum distribution limits set out in, and otherwise in accordance with, the Applicable Capital Regulations. Unless a write-up of the Nominal Amount of the Notes is permitted and possible in accordance with the rules of the CSD, reinstatement shall be made by way of issuing new notes that qualify as Additional Tier 1 Instruments to the relevant Noteholders. A reinstatement of the Notes, shall be made taking into account any preceding or imminent reinstatement of corresponding or similar loss absorbing instruments issued by the Issuer or any other member of the Issuer Consolidated Situation, including but not limited to Additional Tier 1 Instruments (other than the Notes). For the avoidance of doubt, any reinstatement of the Notes shall be made on a *pro rata* basis.
Use of Proceeds	The Net Proceeds shall be used for general corporate purposes of the Group.

Call Option

Early voluntary redemption (Call option).....	(a) Subject to Clause **12.1** (*Consent from the SFSA*) of the Terms and Conditions, the Issuer may redeem all, but not some only, of the Notes on (i) any Business Day falling within the Initial Call Period or (ii) any Interest Payment Date falling after the Initial Call Period at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest (to the extent not cancelled); (b) Subject to Clause **12.1** (*Consent from the SFSA*) of the Terms and Conditions, if a Capital Event or Tax Event has occurred prior to the First Call Date, the Issuer may: (i) redeem all, but not some only, of the outstanding Notes on any Interest Payment Date at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest (to the extent not cancelled); or (ii) substitute or vary the terms of all (but not some only) of the outstanding Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain, as applicable, Qualifying Securities, provided that such substitution or variation does not itself give rise to any right of the Issuer to redeem, substitute or vary the terms of the Notes in accordance with Clause **12.5** of the Terms and Conditions in relation to the Qualifying Securities so substituted or varied.
First Call Date.....	The date falling five (5) years after the Issue Date (i.e. on 22 October 2029).
Initial Call Period.....	The period commencing on (and including) the First Call Date and ending on (and including) the Interest Payment Date falling on or immediately after three (3) months of the First Call Date.
Capital Event.....	The occurrence of a change in the regulatory classification of the Notes (other than in respect of any Notes held by a Group Company) that results or would be likely to result in the exclusion of such Notes from the Additional Tier 1 Instruments of the Issuer and/or the Issuer Consolidated Situation or reclassification of such Notes as a lower quality form of regulatory capital, *provided that*: (a) the SFSA considers such a change to be sufficiently certain; (b) the Issuer demonstrates to the satisfaction of the SFSA that the regulatory reclassification of the Notes was not reasonably foreseeable at the Issue Date; and (c) such exclusion or reclassification is not a result of any applicable limitation on the amount of such Additional Tier 1 Instruments contained in the Applicable Capital Regulations.

Tax Event ..... The occurrence of any amendments to, clarification or change in the laws, treaties or regulations of Sweden affecting taxation, including any change in the interpretation by any court or authority entitled to do so, or any governmental action, on or after the Issue Date and which was not foreseeable at the Issue Date, resulting in a substantial risk that:

(a) the Issuer is, or becomes, subject to a material amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Notes; or

(b) the treatment of any of the Issuer's items of income or expense with respect to the Notes as reflected on the tax returns, including estimated returns, filed (or to be filed) by the Issuer will not be accepted by any tax authority, which subjects the Issuer to a material amount of additional taxes, duties or governmental charges.

Miscellaneous

Transfer restrictions	The Notes are freely transferable. The Noteholders may be subject to purchase or transfer restrictions with regard to the Notes under local laws to which such Noteholder may be subject (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). The Notes have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.
Credit rating	No credit rating has been assigned to the Notes.
Acceleration of the Notes.....	Neither a Noteholder or the Agent have a right to accelerate the Notes or otherwise request prepayment or redemption of the Nominal Amount of the Notes, except in the event of liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer.
Admission to trading	The Issuer (a) intends to have the Notes admitted to trading on the corporate bond list of Nasdaq Stockholm within thirty (30) days of the Issue Date; (b) shall procure that the Notes are admitted to trading on the corporate bond list of Nasdaq Stockholm within sixty (60) calendar days from the Issue Date or, if such admission to trading is not possible to obtain, admitted to trading on another Regulated Market within sixty (60) calendar days from the Issue Date; and (c) once the Notes are admitted to trading on a Regulated Market, shall maintain such admission as long as the Notes are outstanding (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other relevant Regulated Market, as applicable, and the CSD preventing trading in the Notes in close connection to the redemption of the Notes). The earliest date for admitting the Notes to trading on Nasdaq Stockholm is on or about 13 December 2024. The total expenses of the admission to trading of the Notes are estimated to amount to approximately SEK 200,000.
Representation of the Noteholders	Nordic Trustee & Agency AB (publ), Swedish reg. no. 556882-1879, is acting as Agent for the Noteholders in relation to the Notes and any other matter within its authority or duty in accordance with the Terms and Conditions. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the Agent, set out in the Terms and Conditions of the Notes which document is contained in this Prospectus under Section "*Terms and Conditions for the B*onds". The Terms and Conditions are also available at the Agent's office address, Norrlandsgatan 16, SE-111 43 Stockholm, Sweden, during normal business hours as well as at the Agent's website, www .nordictrustee.com and the Issuer's website www .qliro.com.
Governing law.....	The Notes are governed by Swedish law.

Time-bar.....	The right to receive repayment of the principal of the Notes 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.
Clearing and settlement.....	The Notes are affiliated to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Notes are registered on behalf of the Noteholders on a securities account (Sw. *VP-konto*). No physical Notes have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.
Risk factors	Investing in the Notes involves substantial risks and prospective investors should refer to Section "*Risk Factors*" for a discussion of certain factors that they should carefully consider before deciding to invest in the Notes.

DESCRIPTION OF THE ISSUER AND THE GROUP

Overview of the Issuer

Legal and commercial name.....	Qliro AB (publ).
Corporate reg. no.	556962-2441.
LEI-code.....	2138006QFV6OJMYQC847.
Date and place of registration....	17 February 2014, Sweden, with the Swedish Companies Registration Office (Sw. *Bolagsverket*).
Date of incorporation	6 February 2014.
Legal form.....	Swedish public limited liability credit market company.
Jurisdiction and laws	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).
Registered office	Stockholm, Sweden.
Visiting address (postal address)	Sveavägen 151, 113 46, Stockholm, Sweden (P.O. Box 195 25, 104 32 Stockholm, Sweden).
Phone number.....	+46 (0)8 409 003 00.
Website.....	www .qliro. com. The information provided at the Issuer's website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus.

History and development

Qliro was founded in 2014 as a wholly-owned subsidiary of Qliro Group AB (previously CDON Group) to simplify online payments and develop a flexible payment solution that could contribute to merchant profitability. Over time, the Group has grown in terms of both revenue and geographic presence. Today, Qliro offers online payment solutions to e-merchants and their consumers in the Nordic region as well as savings accounts, to individuals in Sweden and Germany.

The following is a description of the major milestones in the Group's history.

HISTORY

2014	• Qliro was founded in 2014 as a wholly-owned subsidiary of CDON Group. • Qliro launched Pay Later products (invoicing and part payments) for e-commerce in Sweden.
2015	• Qliro launched Pay Later products in Finland and Denmark, and continued to develop and design its platform.
2016	• Qliro made significant investments in its platform and product development to strengthen its payment solutions offering and launched Qliro One, a new flexible checkout solution fully integrated with Qliro's Pay Later products and other payment options offered through various partners.

2017	• Qliro became a credit market company. • Qliro expanded its payment offering to Norway and launched personal loans and savings accounts to consumers in Sweden. • Qliro's digital application was developed and launched.
2018	• Qliro strengthened and optimised its commercial business operations to improve its commercial focus and partner with several new external merchants. • Qliro recruited a new management team focused on developing two complementary business areas.
2019	• Qliro's new strategic focus led to an increase in market share and a broader network of external merchants, which was further strengthened through new contracts with several new major e-merchants. • Qliro issued floating rate subordinated tier 2 capital notes in the amount of SEK 100,000,000. • Qliro acquired the subsidiary Qliro Incitament AB.
2020	• Qliro listed its shares on Nasdaq Stockholm under the ticker "QLIRO". • Alexander Antas, as a representative of Mandatum Private Equity is elected as a new member of the Board, and a decision is made to establish an incentive program for senior executives and other key persons in Qliro. • Rite Ventures becomes the largest owner of the former Qliro Group after signing an agreement with Kinnevik, the largest shareholder at the time, to acquire Kinnevik's shares. • Qliro strengthened its market position through contracts with additional e-merchants and as of 30 June 2020 Qliro had entered into agreements with 57 merchants such as Biltema, Inet and CAIA Cosmetics. • Qliro broadened its consumer offering with the launch of a digital financial services platform that offers companies a place to distribute their services in a partnership with Qliro. The first to be integrated was an insurance service in collaboration with the insuretech company Insurely. • Qliro diversified its funding by launching savings accounts to consumers in Germany in collaboration with the open banking platform Deposit Solution.
2021	• Qliro strengthened its market position further by on-boarding new e-merchants such as Stronger, Teknikproffset and Blush. • Qliro launched the digital sustainability service Retursmart in Qliro's Swedish app. • Qliro introduced mobile payment methods, including VIPPS, MobilePay and Swish. • Qliro's digital application became available on all Nordic markets. • Qliro broadedned its offering to include a more standardized offering for SME merchants in Sweden. • Qliro initiated recruitment of a new CEO, which replaced Carolina Brandtman.
2022	• Christoffer Rutgersson was appointed new CEO. • Patrik Enblad is elected as Qliro's new Chairman of the Board by the Annual General Meeting. He succeeded Lennart Jacobsen, who had been Chairman of the Board since

	2018. Mikael Kjellman, formerly CEO and founder of online beauty company Skincity, is elected as a new member of Qliro's Board of Directors. • Qliro's commercial focus was strengthened and new executives were appointed to 70 percent of senior manager positions. • Qliro launched an updated strategy with a sharpened focus on Payment Solutions and initiated transformation of the company through a profitability program, with the aim to accelerate implementation of the new strategy and reach profitability for the full year 2023. • Qliro entered into partnership with market-leading e-commerce platform Centra with a focus on strengthening consumer brands. • Qliro grows with 4 new merchants in the SME segment. • Qliro terminated direct marketing activities in Digital Banking Services.
2023	• Qliro met the financial target of positive profit for the full year 2023 following four consecutive profitable quarters. • Qliro strengthened its product offering, including the launch of the payment service Unified Payments (previously Collecting PSP). • Qliro launched a new tech strategy, appointed a merchant success team and tripled sales capacity. • Qliro expanded portfolio of e-merchants through agreements with 17 new e-merchants and deepened its partnership with payment provider Trustly. • Qliro resolved to issue warrants to Qliro's board of directors. • Qliro received final judgement from the Patent and Market Court and is prohibited from marketing personal loans to consumers.
2024	• Qliro strengthened four management positions, all with relevant sector experience in payment solutions. • Qliro received the decision of the Swedish Financial Supervisory Authority regarding its review and evaluation process (ÖUP) for 2023. Since December 31, 2023, Qliro

satisfies the new capital adequacy requirements and the capital guidance that came into effect on March 21, 2024.

- Qliro divested the personal loans portfolio as part of the wind-down of the business segment Digital Banking Services and for the purpose of accelerating growth in its core business; Payment Solutions.
- Qliro conducted a directed share issue of SEK 50 million to finance growth and geographical expansion.
- Qliro issued the Notes and carried out an early redemption of existing supplementary capital instrument (T2).
- Qliro implemented short-term and long-term incentive programs for 2024, including the issue and transfer of warrants.
- Qliro signed agreements with more than 200 new e-merchants, of which the total payment volume for the largest agreement exceeded SEK 1 billion.
- Qliro initiated geographical expansion in Norway and in Finland with new recruitments of country managers as well as the establishment of a Norwegian branch.
- Qliro launched a new integration for the commerce platform, Shopify, enabling Nordic merchants to use Qliro's checkout on Shopify's platform in nearly 60 countries and thus expanding Qliro's addressable market in the SME segment.
- Qliro launched Qliro Checkout 0.0 a new checkout with improved performance and increased functionality and several new products and functions such as Qliro Instore and Loyalty Driver.
- Qliro gave notice of early redemption of its supplementary capital instrument (T2).

Business and operations

General

Qliro is a Fintech and credit market company under the supervision of the Swedish Financial Supervisory Authority, offering online payment solutions including a complete check-out solution to merchants and their customers in the Nordics.

In accordance with section 3 of the articles of association of the Company, adopted on 19 May 2021, the object of the Company is to conduct such banking business which is permitted for a credit market company by the Swedish Banking and Financing Business Act (Sw. *lag (2004:297) om bank- och finansieringsrörelse*). This includes acquiring receivables, providing factoring and instalment credits, operating deposit operations from the public and other business that is naturally connected therewith. In addition, the Company provides administration, ledger services and other activities compatible therewith.

Development of the Group

Qliro was founded in 2014 as a subsidiary of Qliro Group AB (previously CDON Group), for the purpose of simplifying and securing online payments, primarily in the Nordic region. Over time, Qliro has grown and broadened its offering. Qliro became a credit market company in 2017. Qliro's listing on Nasdaq Stockholm in 2020 was a significant milestone as the Company separated from Qliro Group, thereby forming an independent group with its subsidiary QFS Incitament AB. For more information about the Group, please refer to Section "Overview of the Group".

The Group's business

Qliro is a fintech company that provides online payment solutions for Enterprise and SME merchants and their consumers, mainly in e-commerce. The offering includes a complete checkout solution with all relevant payment options for direct payments (Pay Now) and the proprietary payment methods invoicing and installments (Pay Later) in the Nordics. The operations have historically been divided into two complementary business segments: Payment Solutions and Digital Banking Services, where the latter has been winded down after the Company divested the personal loan portfolio within Digital Banking. For more information about the divestment, please refer to section "Recent events particular to the Issuer".

Qliro's payment services ensure that e-merchants receive secure payment for their goods and allow consumers to shop securely online, and pay for their purchases with different direct payment options such as bank card and Swish, or by invoice and installments. Qliro also offers savings accounts to individuals in Sweden and Germany. Qliro's savings accounts are insured by the state deposit guarantee and are available at fixed or variable interest.

The payment solutions include Qliro's Pay Later and Pay Now products for consumers purchasing goods and services online. Qliro's income is mainly generated through interest and fees associated with Pay Later products. Average credit amounts are low and maturities short. When new merchants join the platform, Qliro's business volumes rise, which gradually drives growth in the loan book and generates interest income over time. Income from new merchant agreements is realized gradually, with approximately 50-60 percent of potential income recognized in the first year, reaching full effect within three years (corresponding to the longest installment period of 36 months). This growth in totalpayment volumes is highly likely to generate increased income in the coming 3-year period.

The offering included in Pay Later comprises invoices, buy-now-pay-later (BNPL) products and various types of part payments. Qliro's Pay Now payment solution includes a range of payment methods offered through partnerships, such as card payments, direct bank payments or Vipps, Mobilpay, Swish, Paypal, iDeal, Unzer, American Express and Trustly. Qliro has the capacity to handle payments on more than 30 markets and the checkout solution is available in eight languages.

The number of unique consumers that used Qliro's checkout through the company's merchants in the last 12 months was 5.9 million. Qliro's income is mainly generated through interest and fees associated with Pay Later products. The average credit is low and the maturity is short. Historically, Qliro's strategy has been focused on a customized offering for the very largest Nordic e-merchants. During 2023, Qliro increased its commercial focus and investments to accelerate growth in both large ("**Enterprise**") and small and midsized e-merchants ("**SME**"), both through direct sales and through partners. The number of connected merchants increased to 75 in 2023.

Material agreements

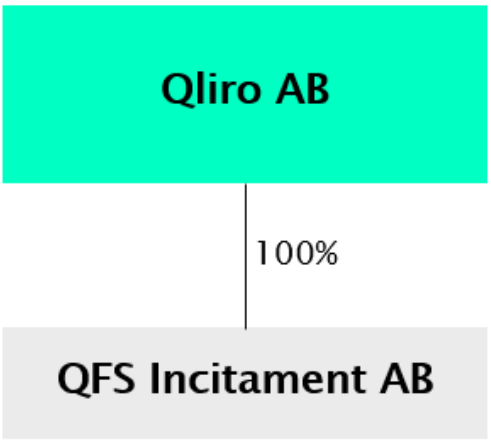
Neither, the Issuer, nor the Group, has entered into any material agreements that are not entered into in the ordinary course of its business, which could result in any Group Company being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Noteholders under the Terms and Conditions.

Overview of the Group

The Issuer is the ultimate parent company of the Group. As of the date of this Prospectus, the Group consists of the Issuer and the subsidiary QFS Incitament AB.

The Group's main operations are conducted through, and the revenues of the Group emanates from, the Issuer's own operations as conducted by itself, and the Issuer is thus not dependent on its subsidiary in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

A group structure is presented below.



Recent events particular to the Issuer

Except for the issuance of the Notes and as described below, there have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency. The summary below sets out recent events (in addition to the Notes), which is relevant to its ability to meet its obligations to the Noteholders under the Terms and Conditions.

On 8 August 2024, Qliro announced notice of early redemption of all outstanding tier 2 bonds issued on 4 September 2019 with ISIN SE0013041266 and with a total outstanding nominal amount of SEK 100,000,000 in accordance with the terms and conditions of the bonds. The date for early redemption was 4 September 2024 and all bonds was redeemed at the redemption price of 100 per cent. of the nominal amount (*i.e.*, SEK 1,250,000 per bond) together with accrued but unpaid interest.

On 28 August 2024, Qliro completed the divestment of its personal loan portfolio within Digital Banking to Morrow Bank ASA for a purchase price of a premium of two per cent of the loan volume. The divestment was

carried out as a part of Qliro's strategy to focus on its core business Payment Solutions. The transaction also strengthens Qliro's capital structure and enable an accelerated expansion within Payment Solutions

On 19 September 2024, Qliro completed a directed share issue of 2,148,228 shares at a subscription price of SEK 23.275 per share. The share issue was carried out in two tranches. Firstly, a directed new share issue of 1,829,346 shares at a subscription price of SEK 23.275 per share. Secondly, a directed new share issue of 318,882 shares at a subscription price of SEK 23.275 per share. The total proceeds from the tranches amounted to SEK 50.0 million before transaction costs.

Material adverse changes, significant changes and trend information

There has been no material adverse change in the prospects of the Issuer since the end of the last financial year for which the Issuer has published annual financial information, being the audited annual report for the financial year ended 31 December 2023 to the date of this Prospectus.

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which the Issuer has published financial information, being the unaudited interim report for the financial period 1 January – 30 September 2024, to the date of this Prospectus.

There have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Issuer has published interim financial information, being the unaudited interim report for the financial period 1 January – 30 September 2024, to the date of this Prospectus.

Governmental, legal or arbitration proceedings

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

Credit rating

No credit rating has been assigned to the Issuer.

OWNERSHIP STRUCTURE

Ownership structure

The shares of the Company are denominated in SEK. As of the date of this Prospectus, the Company has issued share capital of SEK 59,623,740.40 divided into 21,294,193 shares. Each share entitles the holder to one vote at general meetings and has equal rights on distribution of income and capital. The Issuer's shares are admitted to trading on the Small Cap segment of Nasdaq Stockholm since 2 October 2020 under the ticker "QLIRO" and with ISIN SE0013719077.

The following table sets forth the ten (10) largest shareholders in the Issuer as of September 30, 2024.

#	Shareholder	Shares and votes (%)
1	Rite Ventures	25.5 %
2	Avanza Pension	9.3 %
3	Mandatum Life Insurance Company	9.2 %
4	Nordnet Pensionsförsäkring	4.7 %
5	Christoffer Rutgersson	4.3 %
6	Staffan Persson	4.3 %
7	Thomas Krishan	3.3 %
8	Patrik Enblad	3.1 %
9	Peter Lindell	2.4 %
10	Sune Mordenfeld	1.6 %
	Total	**67.7 %**

The Issuer is not owned or controlled, directly or indirectly by any one person or group of persons. The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including, among other, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Banking and Financing Business Act (Sw. *lag (2004:297) om bank- och finansieringsrörelse*). In addition, the Issuer acts in compliance with the rules of Nasdaq Stockholm and the Swedish Corporate Governance Code (Sw. *Koden för svensk bolagsstyrning*) without deviations.

Shareholders' agreements

As far as the Issuer is aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

General

The division of duties between the Board of Directors and the CEO follows Swedish law and is set out in the rules of procedure for the Board of Directors and instructions for the CEO. The CEO is responsible for the Issuer's day-to-day management and operations and reports to the Board of Directors. The Board of Directors and the executive management may be contacted through the Issuer at its head office at Sveavägen 151, 113 46 Stockholm, Sweden.

Board of Directors

The section below presents the members of the Board of Directors, their position, including the year of their initial election, their shareholdings in the Issuer and their significant assignments outside the Issuer, which are relevant for the Issuer.

Overview

Name	Position	Independent[1)]
Patrik Enblad	Chairman of the Board of Directors	Yes
Alexander Antas	Board member	Yes
Mikael Kjellman	Board member	Yes
Lennart Francke	Board member	Yes
Helena Nelson	Board member	Yes

1) Independent in relation to the Issuer, its executive management and largest shareholders.

Members of the Board of Directors

Patrik Enblad
Born 1966. Chairman of the Board since 2022.
Education: Business Studies at Stockholm University.
Other on-going principal assignments: Chairman of the board of Degoo, Chairman of the board of Instabridge.
Holdings: 600,000 shares and 300,000 warrants.

Alexander Antas
Born 1981. Member of the Board since 2020.
Education: Master's degree in finance from Hanken School of Economics in Finland.
Other on-going principal assignments: Board observer at Coronaria Oy. Board observer at Elematic Oy.
Holdings: 0 shares and 0 warrants.

Mikael Kjellman
Born 1977. Member of the Board since 2022.
Education: IHM Business School.
Other on-going principal assignments: Chairman of Tradecity AB, Klockaren 13 AB, Söderby Stuteri AB, and Board member of Soul Technology AB.
Holdings: 303,433 shares and 150,000 warrants.

Lennart Francke
Born 1950. Member of the Board since 2016.
Education: M.B.A, Stockholm School of Economics and Program for Management Development, Harvard Business School, USA.

Other on-going principal assignments: Board member of Centrum för Näringslivshistoria CfN AB, and Stiftelsen Affärsvärlden.
Holdings: 16,249 shares and 150,000 warrants.

Helena Nelson
Born 1965. Member of the Board since 2015.
Education: Master of Laws, Lund University and Ruter Dam Management Programme, Stockholm.
Other on-going principal assignments: Board member of Carnegie Personal AB and Montrose by Carnegie and member of the council in Livförsäkringsbolaget Skandia.
Holdings: 1,000 shares and 100,000 warrants.

Executive management

The section below presents the members of the executive management, including the year each person became a member of the executive management and their shareholdings in the Issuer.

Overview

Name	Position
Christoffer Rutgersson	Chief Executive Officer
Mikael Rahm	Interim Chief Financial Officer
Evelin Kaup	Chief Product Officer
Joel Nisses	Chief Risk Officer
Fredrik Milton	Chief Technology Officer
Jesper Bruksner	Interim Chief People Officer
Emma Lunde	Chief Customer Officer
Robin Soubry	Chief Strategy Officer
Lina Nätterlund	Chief Credit Officer
Peder Ålenius	Chief Commercial Officer

Members of the Executive management

Christoffer Rutgersson
Born 1986. Chief Executive Officer since 2022.
Education: MSc Industrial Engineering and Management, Linköping Institute of Technology.
Other on-going principal assignments: Board member of PurpleLion Capital AB and PurpleLion Ventures AB.
Holdings: 813,893 shares and 748 874 warrants.

Mikael Rahm
Born 1970. Interim Chief Financial Officer since 2024.
Education: Master of Laws and BSc in Business Administration & Accounting from Stockholm University.
Other on-going principal assignments: N/A.
Holdings: 0 shares and 0 warrants.

Evelin Kaup
Born 1987. Chief Product Officer since 2024.
Education: Master's degree in Banking and Finance from Stockholm University.
Other on-going principal assignments: Board member and CEO of Bapla AB.
Holdings: 4,956 shares and 60,000 warrants.

Joel Nisses
Born 1981. Chief Risk Officer since 2023.

Education: MSc in International Business, Grenoble Ecole de Management, BSc in Economics, Lund University and BSc in Political Science, Swedish Defence University.
Other on-going principal assignments: N/A.
Holdings: 43,042 shares and 50,000 warrants.

Fredrik Milton
Born 1977. Chief Technology Officer since 2022.
Education: Natural science program, Hersby Gymnasium.
Other on-going principal assignments: N/A.
Holdings: 1,050 shares and 60,000 warrants.

Jesper Bruksner
Born 1989. Interim Chief People Officer since 2024.
Education: Bachelor's degree in Human Resources from Mid Sweden University in Östersund.
Other on-going principal assignments: N/A.
Holdings: 0 shares and 0 warrants.

Emma Lunde
Born 1982. Chief Customer Officer since 2022.
Education: IHM Business School and COPC-2000® CSP Standard, Registered Coordinator Training - COPC Inc, Amsterdam.
Other on-going principal assignments: N/A.
Holdings: 59 shares and 35,000 warrants.

Robin Soubry
Born 1986. Chief Strategy Officer since 2023.
Education: Master Industrial Design, University Antwerp and Master in Business Administration, Vlerick Business School.
Other on-going principal assignments: N/A.
Holdings: 13,320 shares and 60,000 warrants.

Lina Nätterlund
Born 1988. Chief Credit Officer since 2024.
Education: Master's degree in Industrial Engineering and Management from the Royal Institute of Technology in Stockholm.
Other on-going principal assignments: N/A.
Holdings: 0 shares and 0 warrants.

Peder Ålenius
Born 1979. Chief Commercial Officer since 2024.
Education: Master of Science in Economics and Business Administration from the School of Business, Economics and Law at the University of Gothenburg.
Other on-going principal assignments: Advisory board member of Violet AI AB.
Holdings: 4,485 shares and 60,000 warrants.

Conflicts of interests within administrative, management and control bodies

None of the members of the Board of Directors or the executive management of the Issuer has a private interest that may be in conflict with the interests of the Issuer except as described below.

As described in sections “Board of Directors” and “Executive management”, certain members of the Board of Directors or the executive management of the Issuer have financial interests in the Issuer as a consequence of their holdings of shares in the Issuer. The members of the Board of Directors and executive management may serve as directors or officers of other companies or have significant shareholdings in other companies which may result in a

conflict of interest. In the event that such conflict of interest arises at a board meeting, a board member which has such conflict will abstain from voting for or against the approval of such participation, or the terms of such participation.

Notwithstanding the above, it cannot be excluded that other conflicts of interest may arise in the future between companies, in which members of the Board of Directors or the executive management of the Issuer have duties, and the Issuer.

Auditor

The Issuer's auditor is KPMG AB, with Magnus Ripa as the auditor in charge. Magnus Ripa is a member of FAR (the professional institute for authorised public accountants in Sweden). KPMG AB has been the Issuer's auditor since 2014 and was re-elected on the latest annual general meeting in the Issuer for a one-year period. The business address of KPMG AB is Vasagatan 16, 101 27 Stockholm, Sweden.

SUPPLEMENTARY INFORMATION

Information about the Prospectus

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 Notes.

Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Notes and the performance of its obligations relating thereto. The issuance of the Notes on 22 October 2024 was resolved upon by the Board of Directors of the Issuer on 17 September 2024.

The Board of Directors of the Issuer is responsible for the information contained in the Prospectus. The Board of Directors of the Issuer declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The Board of Directors of the Issuer is responsible for the information given in the Prospectus only under the conditions and to the extent set forth in Swedish law.

Information from third parties

No information in this Prospectus has been sourced form a third party.

Interest of natural and legal persons involved in the Notes issue

Carnegie Investment Bank AB (publ) and Nordea Bank Abp, filial i Sverige and its respective affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of Carnegie Investment Bank AB (publ) and Nordea Bank Abp, filial i Sverige and/or its respective affiliates having previously engaged, or engaging in the future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Documents available for inspection

Copies of the following documents are available at the Issuer's head office in paper format during the validity period of this Prospectus and also available in electronic format at the Issuer's website, www.qliro.com.

- The Issuer's articles of association.
- The Issuer's certificate of registration.
- The Issuer's audited annual report for the financial year ended 31 December 2022, including the audit report.
- The Issuer's audited annual report for the financial year ended 31 December 2023, including the audit report.
- The Issuer's unaudited interim reports for the financial period 1 January – 30 September 2024.

FINANCIAL INFORMATION

Historical financial information

The Issuer's audited annual reports for the financial years ended 31 December 2022 and 31 December 2023 and the Issuer's reviewed interim report for the financial period 1 January – 30 September 2024 have been incorporated in this Prospectus by reference to the extent set out under Section "Incorporation by reference" below. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Notes or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the financial period 1 January – 31 December 2023 (or as of 31 December 2023) derives from the Issuer's audited annual reports for the financial year ended 31 December 2023. All financial information in this Prospectus relating to the financial period 1 January – 30 September 2024 (or as of 30 September 2024) derives from the Issuer's reviewed interim report for the financial period 1 January – 30 September 2024 or constitutes the Issuer's internal financial information and has not been audited by the Issuer's auditor.

Accounting standards

The financial information for the financial years ended 31 December 2022 and 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the European Union. In addition, the financial information for the financial years ending 2022 and 2023 have been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and the Swedish Financial Reporting Board's recommendations RFR 2, Supplementary Accounting Rules for Groups and the regulations and general guidelines issued by the Swedish Financial Supervisory Authority (FFFS 2008:25). The financial information for the financial period 1 January – 30 September 2024 has been prepared in accordance with International Financial Reporting Standards (IFRS) and was prepared in accordance with IAS 34 Interim Financial Reporting.

Auditing of the historical financial information

The Issuer's audited annual report for the financial years ended 31 December 2022 and 31 December 2023 has been audited by KPMG AB, with Magnus Ripa as the auditor in charge. The Issuer's interim report for the financial period 1 January – 30 September 2024 has been reviewed, but not audited, by the Issuer's auditor. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

Incorporation by reference

The information on the following pages in the Issuer's audited annual reports for the financial years 2022 and 2023 and the Issuer's unaudited interim report for the financial period 1 January – 30 September 2024 are incorporated in this Prospectus by reference and is available at the Issuer's website, www.qliro.com, on https://www.qliro.com/en-se/investor-relations-2/financial-reports. For particular financial figures, please refer to the pages set out below.

Reference	Pages
The Issuer's annual report 2022	
Consolidated income statement	39
Consolidated statement of comprehensive income	39

The Issuer’s annual report 2023

The Issuer’s interim report 1 January – 30 September 2024

TERMS AND CONDITIONS

Qliro AB (publ)

SEK 55,000,000
Floating Rate Additional Tier 1 Notes

ISIN: SE0021627775

Issue Date: 22 October 2024

SELLING RESTRICTIONS

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

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

PRIVACY STATEMENT

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

The personal data collected will be processed by the Issuer, the Agent and the Issuing Agent for the following purposes (i) to exercise their respective rights and fulfil their respective obligations under the Finance Documents, (ii) to manage the administration of the Notes and payments under the Notes, (iii) to enable the Noteholders to exercise their rights under the Finance Documents and (iv) to comply with its obligations under applicable laws and regulations.

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

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

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

Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: www.qliro.com, www.nordictrustee.com and www.nordea.se.

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TERMS AND CONDITIONS

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

"**Acceleration Event**" has the meaning ascribed to it in Clause 15 (*Acceleration of the Notes*).

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

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

"**Additional Tier 1 Capital**" means, at any time, the sum, expressed in SEK, of all amounts that constitute additional tier 1 capital (Sw. *övrigt primärkapital för kapitaltäckningsändamål*) as defined in Chapter 3 of Title I of Part Two of the CRR and/or any other Applicable Capital Regulations.

"**Additional Tier 1 Instruments**" means at any time, capital instruments that constitute additional tier 1 instruments (Sw. *primärkapitaltillskott*) as defined in Chapter 3 of Title I of Part Two of the CRR and/or any other Applicable Capital Regulations.

"**Adjusted Nominal Amount**" means the total aggregate Nominal Amount of the Notes outstanding at the relevant time less the aggregate Nominal Amount of all Notes owned by a Group Company, an Affiliate of a Group Company or any other person or entity owning any Notes that has undertaken towards a Group Company or an Affiliate of a Group Company to vote for such Notes in accordance with the instructions given by a Group Company or an Affiliate of a Group Company, in each case irrespective of whether such Person is directly registered as owner of such Notes.

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

"**Agency Agreement**" means the agreement entered into between the Agent and the Issuer on or prior to the Issue Date regarding, *inter alia*, the remuneration payable by the Issuer to the Agent or any replacement agency agreement entered into after the Issue Date between the Issuer and an agent.

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

"**Applicable Capital Regulations**" means the laws, regulations, directives, requirements, guidelines and policies relating to capital adequacy which from time to time are applicable to the Issuer or the Issuer Consolidated Situation, including, without limiting the generality of the

foregoing, the CRD and any delegated act adopted by the European Commission thereunder, as well as the legal acts, regulations, requirements, guidelines, regulatory technical standards and policies relating to capital adequacy as then applied in Sweden by the SFSA and/or any successor (whether or not such requirements, guidelines, regulatory technical standards or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Issuer Consolidated Situation).

"**Base Rate**" means STIBOR or any reference rate replacing STIBOR in accordance with Clause 19 (*Replacement of Base Rate*).

"**Base Rate Administrator**" means Swedish Financial Benchmark Facility AB (SFBF) or any person replacing it as administrator of the Base Rate.

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

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

"**Capital Event**" means, at any time on or after the Issue Date, there is a change in the regulatory classification of the Notes (other than in respect of any Notes held by a Group Company) that results or would be likely to result in the exclusion of such Notes from the Additional Tier 1 Instruments of the Issuer and/or the Issuer Consolidated Situation or reclassification of such Notes as a lower quality form of regulatory capital, *provided that*:

(a) the SFSA considers such a change to be sufficiently certain;

(b) the Issuer demonstrates to the satisfaction of the SFSA that the regulatory reclassification of the Notes was not reasonably foreseeable at the Issue Date; and

(c) such exclusion or reclassification is not a result of any applicable limitation on the amount of such Additional Tier 1 Instruments contained in the Applicable Capital Regulations.

"**CET1 Ratio**" means, at any time:

(a) with respect to the Issuer, the Common Equity Tier 1 Capital of the Issuer as of such time expressed as a percentage of the Risk Exposure Amount; and

(b) with respect to the Issuer Consolidated Situation, the Common Equity Tier 1 Capital of the Issuer Consolidated Situation expressed as percentage of the Risk Exposure Amount,

in each case calculated by the Issuer in accordance the Applicable Capital Regulations.

"**Common Equity Tier 1 Capital**" means common equity tier 1 instruments (Sw. *kärnprimärkapitalinstrument*) as defined in Chapter 2 of Title I of Part Two of the CRR and/or any other Applicable Capital Regulations.

"**CRD**" means the legislative package consisting of:

(a) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended by Directive 2019/878/EU of the European Parliament and of the Council of 20 May 2019 as regards exempted entities,

financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures;

(b) the CRR; and

(c) any regulatory capital rules, regulations or other requirements implementing (or promulgated in the context of) the foregoing which may from time to time be introduced, including, but not limited to, delegated or implementing acts or regulations (including technical standards) adopted by the European Commission, national laws and regulations, adopted by the SFSA and guidelines issued by the SFSA, the European Banking Authority (EBA) or any other relevant authority, which are applicable to the Issuer, the Group or the Issuer Consolidated Situation, as applicable,

in each case as the same may be amended or replaced from time to time.

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as the same may be amended or replaced from time to time, as amended by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Notes from time to time, initially Euroclear Sweden AB, reg. no. 556112-8074.

"**CSD Regulations**" means the CSD's rules and regulations applicable to the Issuer, the Agent and the Notes from time to time.

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

"**Distributable Items**" means (subject to as otherwise defined in the Applicable Capital Regulations), the amount of the profits of the Issuer for the last financial year, plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments (Sw. *kapitalbasinstrument*) of the Issuer excluding, for the avoidance of doubt, distributions to holders of any Tier 2 Capital instruments, less any losses brought forward, profits which are non-distributable pursuant to any applicable legislation or the Issuer's articles of association and sums placed to non-distributable reserves in accordance with applicable legislation or the Issuer's articles of association, those profits, losses and reserves being determined on the basis of the individual audited annual financial statements of the Issuer in respect of such financial year and not on the basis of its consolidated accounts.

"**Finance Documents**" means the Terms and Conditions and any other document designated to be a Finance Document by the Issuer and the Agent.

"**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*).

"**First Call Date**" means the date falling five (5) years after the Issue Date or (being 22 October 2029).

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

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

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

"**Initial Call Period**" means the period commencing on (and including) the First Call Date and ending on (and including) the Interest Payment Date falling on or immediately after three (3) months of the First Call Date.

"**Interest**" means the interest on the Notes calculated in accordance with Clause 10.1.

"**Interest Payment Date**" means 22 January, 22 April, 22 July and 22 October each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date falling on 22 January 2025 and the last Interest Payment Date being the relevant Redemption Date).

"**Interest Period**" means each period beginning on (but excluding) the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

"**Interest Rate**" means the Base Rate plus 13.00 per cent. *per annum* as adjusted by any application of Clause 19 (*Replacement of Base Rate*).

"**Issue Date**" means 22 October 2024.

"**Issuer**" means Qliro AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556962-2441.

"**Issuer Consolidated Situation**" means the entities (if any) which from time to time are part of the Issuer's prudential consolidated situation, as such term is used in the Applicable Capital Regulations, from time to time.

"**Issuing Agent**" means Nordea Bank Abp, filial i Sverige, reg. no. 516411-1683, Smålandsgatan 17, SE-105 71 Stockholm, Sweden, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

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

"**Net Proceeds**" means the proceeds from the Notes Issue after deduction has been made for fees payable to the sole bookrunner and the Issuing Agent for services provided in relation to the placement and issuance of the Notes.

"**Nominal Amount**" has the meaning set forth in Clause 3.4 (as adjusted by any Write-Down and reinstatement made pursuant to Clause 11 (*Loss absorption and discretionary reinstatement*).

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

"**Noteholder**" 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 Note.

"**Noteholders' Meeting**" means a meeting among the Noteholders held in accordance with Clause 17.2 (*Noteholders' Meeting*).

"**Notes Issue**" has the meaning set forth in Clause 3.4.

"**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.

"**Qualifying Securities**" means securities issued directly by the Issuer following a substitution or variation of the Notes in accordance with Clause 12.5 (*Early voluntary total redemption or substitution or variation due to Capital Event or Tax Event (call option)*) that have terms not materially less favourable to investors, certified by the Issuer acting reasonably (having consulted with an independent investment bank or independent financial adviser of international standing), than the terms of the Notes (immediately prior to the relevant substitution or variation), provided that they shall:

(a) include a ranking at least equal to the Notes;

(b) have at least the same Interest Rate and the same Interest Payment Dates as those applying to the Notes;

(c) have the same redemption rights as the Notes (including the same call dates as the Notes);

(d) preserve any existing rights under the Notes to any accrued interest which has not been paid but which has not been cancelled in respect of the period from (and including) the Interest Payment Date last preceding the date of the relevant substitution or variation of the Notes;

(e) are assigned (or maintain) the same or higher credit ratings as were assigned to the Notes (if any) immediately prior to the relevant substitution or variation of the Notes; and

(f) comply with the then current requirements for Additional Tier 1 Instruments contained in the Applicable Capital Regulations.

If the Notes were admitted to trading and listed on a Regulated Market immediately prior to the relevant substitution or variation, the Issuer shall use reasonable efforts to ensure that the relevant Qualifying Securities are admitted to trading and listed on a Regulated Market within sixty (60) days from their issuance.

"**Quotation Day**" means:

(a) in relation to an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, two (2) Business Days before the Issue Date); or

(b) in relation to any other period for which an Interest Rate is to be determined, two (2) Business Days before the first day of that period.

"**Record Date**" means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 16 (*Distribution of Proceeds*), (iv) the date of a Noteholders' 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 Notes are to be redeemed or repurchased in accordance with Clause 12 (*Redemption and repurchase of the Notes*).

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

"**Risk Exposure Amount**" means, at any time, with respect to the Issuer or the Issuer Consolidated Situation, the aggregate amount of the risk weighted assets (or any equivalent or successor term) of the Issuer or the Issuer Consolidated Situation, calculated by the Issuer in accordance with the Applicable Capital Regulations at such time. For the purposes of this definition, the term "risk weighted assets" means the risk weighted assets or total risk exposure amount, as calculated by the Issuer, in accordance with the Applicable Capital Regulations applicable to the Issuer or the Issuer Consolidated Situation.

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

"**SEK**" denotes the lawful currency of Sweden.

"**SFSA**" means the Swedish financial supervisory authority (Sw. *Finansinspektionen*) or such other governmental authority in Sweden having primary banking supervisory authority with respect to the Issuer or, if the Issuer becomes subject to primary bank supervision in a jurisdiction other than Sweden, the relevant governmental authority in such other jurisdiction having primary banking supervisory authority with respect to the Issuer.

"**STIBOR**" means:

(a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for the offering of deposits in SEK and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day;

(b) if no rate as described in paragraph (a) 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 (rounded upwards to four decimal places, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in SEK;

(c) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or

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

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

(a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;

(b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners;

(c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or

(d) exercises control as determined in accordance with the Accounting Principles.

"**Tax Event**" means the occurrence of any amendments to, clarification or change in the laws, treaties or regulations of Sweden affecting taxation, including any change in the interpretation by any court or authority entitled to do so, or any governmental action, on or after the Issue Date and which was not foreseeable at the Issue Date, resulting in a substantial risk that:

(a) the Issuer is, or becomes, subject to a material amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Notes; or

(b) the treatment of any of the Issuer's items of income or expense with respect to the Notes as reflected on the tax returns, including estimated returns, filed (or to be filed) by the Issuer will not be accepted by any tax authority, which subjects the Issuer to a material amount of additional taxes, duties or governmental charges.

"**Tier 2 Capital**" means tier 2 capital (Sw. *supplementärkapital*) as defined Chapter 4 of Title I of Part Two of the CRR and/or any other Applicable Capital Regulations.

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

"**Trigger Event**" means at any time:

(a) the CET1 Ratio of the Issuer is less than 5.125 per cent; or

(b) the CET1 Ratio of the Issuer Consolidated Situation, is less than 7.00 per cent,

in each case as determined by the Issuer and/or the SFSA (or any agent appointed for such purpose by the SFSA).

"**Write-Down**" has the meaning set forth in Clause 11.1.1.

"**Written Procedure**" means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 17.3 (*Written Procedure*).

1.2 Construction

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

(a) "**assets**" includes present and future properties, revenues and rights of every description;

(b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;

(c) a "**regulation**" includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department; and

(d) a provision of regulation is a reference to that provision as amended or re-enacted.

1.2.2 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.

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

1.2.4 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of the Terms and Conditions and may be updated

without the consent of the Noteholders and the Agent (save for the privacy statement insofar it relates to the Agent).

2. STATUS AND RANKING OF THE NOTES

2.1 The Notes (other than any Notes held by a Group Company) shall constitute Additional Tier 1 Instruments of the Issuer and (if applicable) the Issuer Consolidated Situation. The Notes will constitute direct, unsecured and subordinated obligations of the Issuer and shall, as regards the right to receive periodic payments (to the extent not cancelled) or repayment of capital in the event of the liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, at all times rank:

(a) *pari passu* without any preference among themselves;

(b) *pari passu* with (i) any present or future liabilities or capital instruments of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Additional Tier 1 Capital, and (ii) any other liabilities or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Notes;

(c) senior to holders of all classes of the Issuer's shares in their capacity as such holders and any other liabilities or capital instruments of the Issuer that rank or are expressed to rank junior to the Notes; and

(d) junior to any present and future claims of (i) depositors of the Issuer, (ii) any other unsubordinated creditors of the Issuer, and (iii) any subordinated creditors of the Issuer whose rights rank or are expressed to rank in priority to the Notes, including, for the avoidance of doubt, holders of notes which constitute Tier 2 Capital.

2.2 The Issuer reserves the right to issue further Additional Tier 1 Instruments and other subordinated notes and obligations in the future, which may rank *pari passu* with the Notes, as well as any capital instruments of the Issuer issued as Common Equity Tier 1 Capital, which may rank junior to the Notes or any capital instruments which may rank senior to the Notes.

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

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

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

3.3 Each Noteholder acknowledges and accepts that any liability of the Issuer towards a Noteholder under the Notes may be subject to bail in action, including conversion or write-down in accordance with Directive 2014/59/EU and Directive 2019/879/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, each as amended or replaced from time to time.

3.4 The initial nominal amount of each Note is SEK 1,250,000 (the "**Nominal Amount**"). The total nominal amount of the Notes is SEK 55,000,000 (the "**Notes Issue**"). The Nominal Amount and

the Total Nominal Amount may be adjusted by any Write-Down and reinstatement made pursuant to Clause 11 (*Loss absorption and discretionary reinstatement*).

3.5 All Notes are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.

3.6 The minimum permissible investment in connection with the Notes Issue is SEK 1,250,000.

3.7 The ISIN for the Notes is SE0021627775.

4. USE OF PROCEEDS

The Net Proceeds shall be used for general corporate purposes of the Group.

5. CONDITIONS FOR DISBURSEMENT

5.1 The Issuer shall provide to the Agent, no later than the Issue Date, the following:

(a) a copy of the articles of association and certificate of registration 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 Terms and Conditions and the Agency Agreement, and resolving that it executes, delivers and performs the Terms and Conditions and the Agency Agreement;

II. authorising a specified person or persons to execute the Terms and Conditions and the Agency Agreement 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 Terms and Conditions and the Agency Agreement;

(c) a duly executed copy of the Terms and Conditions; and

(d) a duly executed copy of the Agency Agreement.

5.2 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1 have been received (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)).

5.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clause 5.2, the Issuing Agent shall settle the issuance of the Notes and pay the Net Proceeds to the Issuer on the Issue Date.

6. THE NOTES AND TRANSFERABILITY

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

6.2 The Notes are freely transferable. All transfers of Notes are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Notes transferees upon completed transfer.

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

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

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

7. NOTES IN BOOK-ENTRY FORM

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

7.2 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 Notes shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register.

7.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.

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

7.6 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. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 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 Noteholder or third party unless necessary for such purposes.

8. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

8.1 If any Person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Noteholder or, if

applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.

8.2 A Noteholder 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 Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.

8.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.

8.4 These Terms and Conditions shall not affect the relationship between a Noteholder who is the nominee (Sw. *förvaltare*) with respect to a Note and the owner of such Note, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

9. PAYMENTS IN RESPECT OF THE NOTES

9.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Noteholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.

9.2 Provided that a Noteholder has registered an income account (Sw. *avkastningskonto*) for the relevant Securities Account on the applicable Record Date, the CSD shall procure that principal, interest and other payments under the Notes are deposited to such income account on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effected by the CSD to such Noteholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Noteholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.

9.3 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. For the avoidance of doubt, such postponement shall in no event constitute an event of default.

9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.

9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Notes Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any

payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

10. INTEREST AND INTEREST CANCELLATION

10.1 Interest

10.1.1 Subject to Clause 10.2 and Clause 11, the Notes will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.

10.1.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.

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

10.2 Interest cancellation

10.2.1 Any payment of Interest in respect of the Notes shall be payable only out of and up to the Issuer's Distributable Items and:

(a) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Applicable Capital Regulations; and

(b) will be mandatorily cancelled to the extent so required by the Applicable Capital Regulations, including the applicable criteria for Additional Tier 1 Instruments.

10.2.2 The Issuer shall give notice to the Noteholders in accordance with Clause 25 (*Notices and press releases*) of any such cancellation of a payment of Interest, which notice may be given after the date on which the relevant payment of Interest is scheduled to be made. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer not to pay Interest as described above.

10.2.3 Following any cancellation of Interest as described above, the right of the Noteholders to receive accrued Interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such Interest or to pay interest thereon, whether or not payments of Interest in respect of subsequent Interest Periods are made, and such unpaid Interest will not be deemed to have "accrued" or been earned for any purpose.

10.2.4 Failure to pay such interest (or the cancelled part thereof) in accordance with this Clause 10 shall not constitute an event of default or the occurrence of any event related to the insolvency of the Issuer or entitle Noteholders to take any action to cause the Issuer to be declared bankrupt or for the liquidation, winding-up or dissolution of the Issuer.

10.3 Calculation of Interest in case of Write-Down or reinstatement

10.3.1 Subject to Clause 10.2 (*Interest cancellation*), in the event that a Write-Down occurs during an Interest Period, Interest will accrue on the Nominal Amount (as adjusted pursuant to such Write-Down).

10.3.2 Subject to Clause 10.2 (*Interest cancellation*), in the event that a reinstatement of the Notes occurs pursuant to Clause 11.3 (Reinstatement of the Notes) Interest shall begin to accrue on the reinstated Nominal Amount.

10.3.3 In connection with a Write-Down or reinstatement pursuant to Clause 11 (Loss absorption and discretionary reinstatement), the Issuer shall inform the CSD of an adjusted interest rate that shall be applied on the next Interest Payment Date, in order for the Noteholders to receive an amount of Interest equivalent to the Interest Rate on the Notes so written down or written up (as applicable).

10.4 No penalty interest

Under no circumstances shall any penalty (Sw. *dröjsmålsränta*) interest be payable by the Issuer in respect of the Notes.

11. LOSS ABSORPTION AND DISCRETIONARY REINSTATEMENT

11.1 Write-Down upon a Trigger Event

11.1.1 If at any time a Trigger Event occurs the Issuer will irrevocably cancel any accrued and unpaid interest in respect of the Notes to (but excluding) the Write-Down Date (as defined below) in accordance with Clause 10 above (including if payable on the Write-Down Date); and on the Write-Down Date (without any requirement for the consent or approval of the Noteholders), reduce the then Total Nominal Amount or the Issuer's payment obligation under the Notes in accordance with this Clause 11.1 (such reduction a "**Write-Down**").

11.1.2 Such cancellation and reduction shall take place on a date selected by the Issuer in consultation with the SFSA (the "**Write-Down Date**") but no later than one month following the occurrence of the relevant Trigger Event unless, in accordance with the Applicable Capital Regulations, the SFSA has agreed with the Issuer in writing that such reduction and cancellation may occur after a longer period, in which case, on such date as agreed with the SFSA.

11.1.3 A Write-Down shall be made as a reduction of the Total Nominal Amount, where the Issuer's payment obligation under each Note shall be reduced to a certain percentage of the Nominal Amount, and such Write-Down shall be considered to be an unconditional capital contribution (Sw. *ovillkorat kapitaltillskott*) and shall be made in consultation with the SFSA and in accordance with the rules of the CSD.

11.1.4 The amount of the reduction of the Total Nominal Amount on the Write-Down Date shall equal the amount of a Write-Down that would restore the CET1 Ratio of the Issuer to at least 5.125 per cent., and the CET1 Ratio of the Issuer Consolidated Situation to at least 7.00 per cent. at the point of such Write-Down, provided that the maximum reduction of the Total Nominal Amount shall be down to a Nominal Amount per Note corresponding to SEK 1.00.

11.1.5 A Write-Down in accordance with this Clause 11.1 shall be made taking into account any preceding or imminent write-down or conversion of corresponding or similar loss absorbing instruments (if any) issued by the Issuer, including but not limited to Additional Tier 1 Instruments (other than the Notes).

11.1.6 For the avoidance of doubt, the Nominal Amount of each Note shall, upon the Write-Down of the Total Nominal Amount described above, be written down on a *pro rata* basis.

11.1.7 A Write-Down may occur on more than one occasion and the Notes may be written-down on more than one occasion. Any Write-Down shall not constitute an Acceleration Event.

11.2 Trigger Event Notice

11.2.1 Upon the occurrence of a Trigger Event, the Issuer shall immediately inform the SFSA and shall as soon as practicable following the occurrence of a Trigger Event and in any event not later

than five (5) Business Days following such occurrence give notice (a "**Trigger Event Notice**") to the Noteholders and the Agent in accordance with Clause 25 (*Notices and press releases*), which notice, in addition to specifying that a Trigger Event has occurred shall specify:

(a) the Write-Down Date; and

(b) if then determined, the amount to be written down in accordance with Clause 11.1 (*Write-Down upon a Trigger Event*) ("**Write-Down Amount**"). If the Write-Down Amount has not been determined when the Trigger Event Notice is given, the Issuer shall, as soon as reasonably practicable following such determination, notify Noteholders and the Agent of the Write-Down Amount.

11.2.2 Notwithstanding Clause 11.2.1 above, failure to give a Trigger Event Notice shall not prejudice any Write-Down of the Notes.

11.3 Reinstatement of the Notes

11.3.1 Following a Write-Down, the Issuer may, at its absolute discretion reinstate the Notes, subject to compliance with any maximum distribution limits set out in, and otherwise in accordance with, the Applicable Capital Regulations.

11.3.2 Unless a write-up of the Nominal Amount of the Notes is permitted and possible in accordance with the rules of the CSD, reinstatement shall be made by way of issuing new notes that qualify as Additional Tier 1 Instruments to the relevant Noteholders. Any such new notes issuance shall specify the relevant details of the manner in which such new notes issuance shall take effect and where the Noteholders can obtain copies of the new terms and conditions of the new notes. Such new notes shall be issued without any cost or charge to the Noteholders and shall be made in accordance with the rules of the CSD.

11.3.3 A reinstatement in accordance with this Clause 11.3 shall be made taking into account any preceding or imminent reinstatement of corresponding or similar loss absorbing instruments issued by the Issuer or any other member of the Issuer Consolidated Situation, including but not limited to Additional Tier 1 Instruments (other than the Notes).

11.3.4 For the avoidance of doubt, at no time may the reinstated Total Nominal Amount exceed the original Total Nominal Amount of the Notes (if issued in full), being SEK 55,000,000.

11.3.5 For the avoidance of doubt, any reinstatement of the Notes shall be made on a *pro rata* basis.

11.3.6 If the Issuer decides to reinstate the Notes, the Issuer shall notify the Noteholders and the Agent in accordance with Clause 25 (*Notices and press releases*) prior to such reinstatements becoming effective.

12. REDEMPTION AND REPURCHASE OF THE NOTES

12.1 Consent from the SFSA

The Issuer may not, other than as explicitly set forth in this Clause 12, redeem or repurchase any outstanding Notes. Any such redemption or repurchase shall always be made in accordance with the Applicable Capital Regulations and, provided that such consent is required under the Applicable Capital Regulations, be subject to the prior consent of the SFSA.

12.2 Perpetual Notes

The Notes constitute perpetual obligations of the Issuer and have no fixed date for redemption. The Issuer may only redeem the Notes at its discretion in the circumstances described herein. The Notes are not redeemable at the option of the Noteholders at any time.

12.3 Purchase of Notes by the Issuer

12.3.1 Subject to Clause 12.1 (*Consent from the SFSA*) and Clause 12.3.2, the Issuer may at any time and at any price purchase Notes on the market or in any other way. Any Notes held by the Issuer may, at its discretion, be retained, sold or cancelled by the Issuer.

12.3.2 Any purchase of Notes pursuant to this Clause 12.3 may, for the avoidance of doubt, only be made prior to the First Call Date under the limited circumstances permitted under Article 78.4 (d) of CRR (at the date of these Terms and Condition meaning that a purchase of Notes may only be made prior to the First Call Date if before or at the same time as the purchase, the Notes are replaced with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Issuer Consolidated Situation and the SFSA, acting in its sole discretion, has permitted the purchase on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances) and subject to any other requirements under the Applicable Capital Regulations from time to time.

12.4 Early voluntary total redemption (call option)

Subject to Clause 12.1 (*Consent from the SFSA*), the Issuer may redeem all, but not some only, of the Notes on:

(a) any Business Day falling within the Initial Call Period; or

(b) any Interest Payment Date falling after the Initial Call Period;

at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest (to the extent not cancelled).

12.5 Early voluntary total redemption or substitution or variation due to Capital Event or Tax Event (call option)

Subject to Clause 12.1 (*Consent from the SFSA*), if a Capital Event or Tax Event has occurred prior to the First Call Date, the Issuer may:

(a) redeem all, but not some only, of the outstanding Notes on any Interest Payment Date at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest (to the extent not cancelled); or

(b) substitute or vary the terms of all (but not some only) of the outstanding Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain, as applicable, Qualifying Securities, provided that such substitution or variation does not itself give rise to any right of the Issuer to redeem, substitute or vary the terms of the Notes in accordance with this Clause 12.5 in relation to the Qualifying Securities so substituted or varied.

12.6 Notice of early redemption, substitution or variation

12.6.1 Redemption in accordance with Clause 12.4 (*Early voluntary total redemption (call option)*) or Clause 12.5 (*Early voluntary total redemption or substitution or variation due to Capital Event or Tax Event (call option)*) shall be made by the Issuer giving not less than twenty (20) and not

more than sixty (60) Business Days' notice to the Noteholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, subject to the Applicable Capital Regulations and approval of the SFSA, at the Issuer's discretion contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Notes in full at the applicable amount on the specified Redemption Date.

12.6.2 Notwithstanding Clause 12.6.1 above:

(a) if a Trigger Event is outstanding, no notice of redemption, substitution or variation may be given until the Trigger Event has been cured; and

(b) if a Trigger Event occurs following a notice being given in accordance with paragraph (a) above but prior to the relevant redemption, substitution or variation of the Notes, such notice shall be of no force and effect and Clause 11.1 (*Write-Down upon a Trigger Event*) shall apply, and, for the avoidance of doubt, no redemption shall occur.

13. INFORMATION TO NOTEHOLDERS

13.1 Financial Statements

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

(a) as soon as they are available, but in any event within four (4) months after the expiry of each financial year:

I. the audited consolidated financial statements of the Group for that financial year (if applicable); and

II. the annual audited unconsolidated financial statements of the Issuer for that financial year; and

(b) as soon as they are available, but in any event within two (2) months after the end of each quarter of each of its financial year:

I. the consolidated financial statements or year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Group for that period (if applicable);

II. the unconsolidated financial statements of the Issuer or year-end report (as applicable) for that period; and

III. a report on regulatory capital of the Issuer and the Issuer Consolidated Situation (if applicable).

13.2 Information; miscellaneous

The Issuer shall:

(a) prepare the financial statements in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm (or any other Regulated Market, as applicable) (as amended from time to time) and the Swedish Securities Market Act (Sw. *lag (2007:528) om värdepappersmarknaden*) (as amended from time to time);

(b) procure that each of the financial statements include a profit and loss account, a balance sheet, a cash flow statement and a management commentary or report from the Issuer's board of directors; and

(c) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) available on its website.

14. ADMISSION TO TRADING

The Issuer:

(a) intends to have the Notes admitted to trading on the corporate bond list of Nasdaq Stockholm within thirty (30) days of the Issue Date;

(b) shall procure that the Notes are admitted to trading on the corporate bond list of Nasdaq Stockholm within sixty (60) calendar days from the Issue Date or, if such admission to trading is not possible to obtain, admitted to trading on another Regulated Market within sixty (60) calendar days from the Issue Date; and

(c) once the Notes are admitted to trading on a Regulated Market, shall maintain such admission as long as the Notes are outstanding (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other relevant Regulated Market, as applicable, and the CSD preventing trading in the Notes in close connection to the redemption of the Notes).

15. ACCELERATION OF THE NOTES

15.1 Limited rights of acceleration

Neither a Noteholder nor the Agent have a right to accelerate the Notes or otherwise request prepayment or redemption of the Nominal Amount of the Notes, except in the event of liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (an "**Acceleration Event**").

15.2 Acceleration

15.2.1 The Issuer shall immediately notify the Agent of the occurrence of an Acceleration Event. The Agent shall notify the Noteholders of an Acceleration Event as soon as possible when the Agent received actual knowledge of the Acceleration Event.

15.2.2 If an Acceleration Event has occurred, the Agent is, following the instructions of the Noteholders, authorised to by notice to the Issuer, declare all, but not only some, of the Notes due for payment together with any other amounts payable under the Terms and Conditions, immediately or at such later date as the Agent determines and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

15.2.3 In the event of an acceleration of the Notes upon an Acceleration Event, the Notes shall be redeemed by the Issuer at a price per Note equal to one hundred (100) per cent. of the Nominal Amount, together with accrued but unpaid Interest.

15.3 No set-off

In the event of the liquidation (Sw. *likvidation*), bankruptcy (Sw. *konkurs*) or resolution (Sw. *resolution*) of the Issuer, no Noteholder shall be entitled to exercise any right of set-off or counterclaim against monies owed by the Issuer in respect of the Notes held by such Noteholder.

16. DISTRIBUTION OF PROCEEDS

16.1 All payments by the Issuer relating to the Notes and the Terms and Conditions following an acceleration of the Notes in accordance with Clause 15 (*Acceleration of the Notes*), 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 under the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Noteholders)

II. other costs, expenses and indemnities relating to the acceleration of the Notes or the protection of the Noteholders' rights as may have been incurred by the Agent;

III. any non-reimbursed costs incurred by the Agent for external experts; and

IV. any non-reimbursed costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure;

(b) *second*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);

(c) *third*, in or towards payment *pro rata* of any unpaid principal under the Notes; and

(d) *fourth*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Terms and Conditions.

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

16.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1, such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1.

16.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes constitute escrow funds according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.

16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date

and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

17. DECISIONS BY NOTEHOLDERS

17.1 Request for a decision

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

17.1.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Noteholders' 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.

17.1.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Noteholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.

17.1.4 The Agent shall not be responsible for the content of a notice for a Noteholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.

17.1.5 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Person requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Noteholder, the Issuer shall upon request from such Noteholder provide the Noteholder with necessary information from the Debt Register in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Noteholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.

17.1.6 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Clause 17.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 17.3.1. After a request from the Noteholders pursuant to Clause 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 17.2.1. The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

17.2 Noteholders' Meeting

17.2.1 The Agent shall convene a Noteholders' Meeting by sending a notice thereof to each Noteholder no later than five (5) Business Days after receipt of a request from the Issuer or the

Noteholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Noteholders' Meeting has been requested by the Noteholder(s), the Agent shall send a copy of the notice to the Issuer.

17.2.2 The notice pursuant to Clause 17.2.1 shall include:

(a) the time for the meeting;

(b) the place for the meeting;

(c) an agenda for the meeting (including each request for a decision by the Noteholders);

(d) a form of power of attorney; and

(e) should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

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

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

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

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

17.3 Written Procedure

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

17.3.2 A communication pursuant to Clause 17.3.1 shall include:

(a) each request for a decision by the Noteholders;

(b) a description of the reasons for each request;

(c) a specification of the Business Day on which a Person must be registered as a Noteholder in order to be entitled to exercise voting rights;

(d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;

(e) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 17.3.1); and

(f) if the voting shall be made electronically, instructions for such voting.

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

17.4 Majority, quorum and other provisions

17.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Noteholder*) from a Person who is, registered as a Noteholder:

(a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or

(b) on the Business Day specified in the communication pursuant to Clause 17.3.2, in respect of a Written Procedure,

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

17.4.2 The following matters shall require consent of Noteholders representing at least sixty-six and two thirds ($66^2/_3$) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2:

(a) a change of the terms of Clauses 2.1, 15.1 or 16.1;

(b) a mandatory exchange of the Notes for other securities;

(c) reduce the Nominal Amount, Interest Rate or Interest which shall be paid by the Issuer (other than as a result of an application of Clause 19 (*Replacement of Base Rate*));

(d) amend any payment day for principal or Interest or waive any breach of a payment undertaking, provided that any early redemption, amortisation or repurchase of the Notes shall always be subject to subject to the Applicable Capital Regulations and the prior consent of the SFSA; or

(e) amend the provisions in this Clause 17.4.2 or in Clause 17.4.3.

17.4.3 Any matter not covered by Clause 17.4.2 shall require the consent of Noteholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (f) of Clause 18.1) or an acceleration of the Notes.

17.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Noteholders' Meeting or the Agent in a Written Procedure, will

prevail. The chairman at a Noteholders' Meeting shall be appointed by the Noteholders in accordance with Clause 17.4.3.

17.4.5 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least twenty (20) per cent. of the Adjusted Nominal Amount:

(a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or

(b) if in respect of a Written Procedure, reply to the request.

17.4.6 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 17.2.1) or initiate a second Written Procedure (in accordance with Clause 17.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 17.4.5 shall not apply to such second Noteholders' Meeting or Written Procedure.

17.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.

17.4.8 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

17.4.9 If any matter decided in accordance with this Clause 17 would require consent from the SFSA, such consent shall be sought by the Issuer.

17.4.10 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that that vote in respect of the proposal at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

17.4.11 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.

17.4.12 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.

17.4.13 If a decision shall be taken by the Noteholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Note is owned by a Group Company or an Affiliate of a Group Company.

17.4.14 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Issuer

and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

18. AMENDMENTS AND WAIVERS

18.1 The Issuer and the Agent (acting on behalf of the Noteholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:

(a) is not detrimental to the interest of the Noteholders;

(b) is made solely for the purpose of rectifying obvious errors and mistakes;

(c) is made pursuant to Clause 19 (*Replacement of Base Rate*);

(d) such amendment or waiver is required by the SFSA for the Notes to satisfy the requirements for Additional Tier 1 Instruments under the Applicable Capital Regulations as applied by the SFSA from time to time;

(e) is required by applicable regulation, a court ruling or a decision by a relevant authority;

(f) is necessary for the purpose of having the Notes admitted to trading on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Noteholders; or

(g) has been duly approved by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Noteholders.

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

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

19. REPLACEMENT OF BASE RATE

19.1 General

19.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Noteholders in accordance with the provisions of this Clause 19 shall at all times be made by such Independent Adviser, the Issuer or the Noteholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

19.1.2 If a Base Rate Event has occurred, this Clause 19 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

19.1.3 Notwithstanding any other provision in this Clause 19 (*Replacement of base rate*), no Successor Base Rate or Adjustment Spread (as applicable) will be adopted, and no other amendments to the Terms and Conditions will be made pursuant to this Clause 19 (*Replacement of base rate*),

if, and to the extent that, in the determination of the Issuer, the same could reasonably be expected to lead to a disqualification of the Notes from Additional Tier 1 Capital of the Issuer, or the Issuer Consolidated Situation, whether on a solo, group or consolidated basis

19.2 Definitions

In this Clause 19:

"**Adjustment Spread**" means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof to be applied to a Successor Base Rate and that is:

(a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or

(b) if (a) is not applicable, the adjustment spread that the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

"**Base Rate Amendments**" has the meaning set forth in Clause 19.3.4.

"**Base Rate Event**" means one or several of the following circumstances:

(a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;

(b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;

(c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;

(d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Noteholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period) containing the information referred to in (b) above;

(e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*); or

(f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b)) to (e) above will occur within six (6) months.

"**Base Rate Event Announcement**" means a public statement or published information as set out in paragraph (b) to (e) of the definition of Base Rate Event that any event or circumstance specified therein will occur.

"**Independent Adviser**" means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

"**Relevant Nominating Body**" means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*) or any part thereof.

"**Successor Base Rate**" means:

(a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as the Notes, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or

(b) if there is no such rate as described in paragraph (a), such other rate as the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply *mutatis mutandis* to such new Successor Base Rate.

19.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments

19.3.1 Without prejudice to Clause 19.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer's expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 19.3.2.

19.3.2 If a Base Rate Event has occurred the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate.

19.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 19.3.2 the Noteholders shall, if so decided at a Noteholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in Clause 19.3.2.

19.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").

19.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any

technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

19.4 Interim measures

19.4.1 If a Base Rate Event set out in any of the paragraphs (b) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:

(a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or

(b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

19.4.2 For the avoidance of doubt, Clause 19.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 19. This will however not limit the application of Clause 19.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 19 have been taken, but without success.

19.5 Notices

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments give notice thereof to the Agent, the Issuing Agent and the Noteholders in accordance with Clause 25 (*Notices and press releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Notes are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

19.6 Variation upon replacement of Base Rate

19.6.1 No later than giving the Agent notice pursuant to Clause 19.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 19. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Noteholders.

19.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 19.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Noteholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 19.

19.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 19. Neither the Agent nor the Issuing Agent

shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

19.7 Limitation of liability for the Independent Adviser

Any Independent Adviser appointed pursuant to Clause 19.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

20. THE AGENT

20.1 Appointment of the Agent

20.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes 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 Notes held by such Noteholder, including the winding-up, dissolution, liquidation or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.

20.1.2 Each Noteholder 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 Noteholder which does not comply with such request.

20.1.3 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.

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

20.1.5 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 notwithstanding potential conflicts of interest.

20.2 Duties of the Agent

20.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents.

20.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent is never acting as an advisor to the Noteholders or the Issuer. Any advice or opinion from the Agent does not bind the Noteholders or the Issuer.

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

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

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

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

(a) after the occurrence of an Acceleration Event;

(b) for the purpose of investigating or considering:

I. an event or circumstance which the Agent reasonably believes is or may lead to an Acceleration Event; 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 Noteholders under the Finance Documents;

(c) in connection with any Noteholders' Meeting or Written Procedure; or

(d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

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

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

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

(a) whether any Acceleration Event has occurred;

(b) the financial condition of the Issuer and the Group;

(c) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or

(d) whether any other event specified in any Finance Document has occurred or is expected to occur.

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

20.2.9 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the

Agent reasonably considers necessary for the purpose of being able to comply with this Clause 20.2.9. Other than as set out above, the Agent shall neither be liable to the Issuer nor to the Noteholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

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

20.2.11 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, 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.

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

20.2.13 Upon the reasonable request by a Noteholder, the Agent shall promptly distribute to the Noteholders any information from such Noteholder which relates to the Notes (at the discretion of the Agent). The Agent may require that the requesting Noteholder 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. The Agent shall upon request by a Noteholder disclose the identity of any other Noteholder who has consented to the Agent in doing so.

20.2.14 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Noteholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information.

20.3 Liability for the Agent

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

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

20.3.3 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 Noteholders, 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.

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

20.3.5 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 Noteholders under the Finance Documents.

20.4 Replacement of the Agent

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

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

20.4.3 A Noteholder (or Noteholders) 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 Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.

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

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

(b) the Agent was dismissed through a decision by the Noteholders,

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.

20.4.5 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.

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

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

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

20.4.7 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 Noteholders 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.

20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, 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.

21. THE ISSUING AGENT

21.1 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 Notes. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.

21.2 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.

21.3 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Notes.

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

22. THE CSD

22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Notes.

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

23. NO DIRECT ACTIONS BY NOTEHOLDERS

23.1 A Noteholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation or bankruptcy (Sw. *konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the

obligations or liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.

23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Noteholders 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 Noteholder to provide documents in accordance with Clause 20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 20.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.12 before a Noteholder may take any action referred to in Clause 23.1.

24. TIME-BAR

24.1 The right to receive repayment of the principal of the Notes 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 Noteholders' right to receive payment has been time-barred and has become void.

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

25. NOTICES AND PRESS RELEASES

25.1 Notices

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

(a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Agent to the Issuer from time to time;

(b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Agent by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Agent, to such e-mail address as notified by the Issuer to the Agent from time to time; and

(c) if to the Noteholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Noteholders. A notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

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

(a) in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1.1;

(b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1; or

(c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 25.1.1.

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

25.2 Press releases

25.2.1 Any notice that the Issuer shall send to the Noteholders pursuant to Clause 10.2 (*Interest cancellation*), Clause 11.2 (*Trigger Event Notice*) Clause 12.4 (*Early voluntary total redemption (call option)),* Clause 12.5 (*Early voluntary total redemption or substitution or variation due to Capital Event or Tax Event (call option)*), Clauses 17.4.14, 17.2.1, 17.3.1, 18.2, 19.5, 20.2.12 or 20.4.1 shall also be published by way of press release by the Issuer.

25.2.2 In addition to Clause 25.2.1, if any information relating to the Notes, the Issuer or the Group contained in a notice that the Agent may send to the Noteholders 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 Noteholders 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 Noteholders, the Agent shall be entitled to issue such press release.

26. FORCE MAJEURE

26.1 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, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts,

boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

26.2 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.

26.3 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

27. GOVERNING LAW AND JURISDICTION

27.1 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.

27.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 27.3, be determined by Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

27.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Noteholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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ADDRESSES

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