



# VEF

## VEF AB (publ)

# Prospectus regarding the listing of SEK 500,000,000 senior unsecured callable floating rate sustainability bonds 2023/2026

ISIN: SE0021147675

*This Prospectus is valid for twelve (12) months after its approval, provided that it is completed by any supplement required pursuant to Article 23 of the Prospectus Regulation. This Prospectus was approved by the SFSA on 29 January 2024.*

## IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by VEF AB (publ) (the “**Company**” or the “**Issuer**”), registration number 559288-0362, in relation to the application for admission to trading of the Company’s SEK 500,000,000 senior unsecured callable floating rate sustainability bonds 2023/2026 with ISIN SE002147675 (the “**Bonds**”), issued on 8 December 2023 (the “**First Issue Date**”), in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively), on the sustainable bond list at Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Concepts and terms defined in the Terms and Conditions are used with the same meaning in this Prospectus unless otherwise is indicated by the context. The Company may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issue equals SEK 1,000,000,000. References to “**VEF**” or the “**Group**” refer in this Prospectus to the Company and its subsidiaries from time to time, unless otherwise indicated by the context. See section “**Definitions**” below for definitions of certain other terms in this Prospectus.

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) pursuant to 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**”). Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Prospectus is correct and complete.

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

The Prospectus is available at the Swedish Financial Supervisory Authority’s web page ([www.fi.se](http://www.fi.se)) and the Company’s web page ([www.vef.vc](http://www.vef.vc)).

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company’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 may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Company’s management or are assumptions based on information available to the Group. The words “considers”, “intends”, “deems”, “expects”, “anticipates”, “plans” and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Although the Company believes that the forecasts 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 materialization of risks and other factors affecting the Group’s operations. Such factors of a significant nature are mentioned in section “*Risk factors*”.

This Prospectus shall be read together with all documents that are incorporated by reference (see section “*Documents incorporated by reference*” and any supplements to this Prospectus).

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

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.

# Table of contents

<b>Risk factors</b>	<b>2</b>
<b>Authorizations and statement of responsibility</b>	<b>10</b>
<b>The Bonds in brief</b>	<b>11</b>
<b>The Group and its operations</b>	<b>15</b>
<b>Board of directors, senior management and auditors</b>	<b>19</b>
<b>Legal considerations and supplementary information</b>	<b>22</b>
<b>Financial overview and documents incorporated by reference</b>	<b>23</b>
<b>Terms and Conditions</b>	<b>24</b>
<b>Definitions</b>	<b>50</b>
<b>Addresses</b>	<b>51</b>



# Risk factors

*In this section, a number of risk factors are described concerning the Company's and the Group's investment and other business risks, market risks, financial risks, legal and regulatory risks, and risks related to the nature of the Bonds and the admission of the Bonds to trading.*

*The most material risk factor in each category is presented first. The materiality has been determined based on the probability of occurrence and expected magnitude of negative impact of each risk. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence.*

## **Risk factors specific and material to the Company and the Group**

### **Risks relating to VEF and its investments**

#### *Price risk of non-quoted investments*

On 31 December 2023, approximately 99 per cent. of the Group's investment portfolio consisted of equity investments, including convertible and SAFE notes (Simple Agreement for Future Equity), in unlisted companies. The Group records its equity holding at fair value in the consolidated balance sheet and gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement for the period in which they arise. During 2022, the investment portfolio's fair value through profit or loss decreased approximately USD -369.9. At 31 December 2023, the Group's financial assets at fair value through profit or loss amounted to approximately USD 463.9 million.

The valuation of each non-quoted investment is carried out on basis of the valuation method which the Company deems to be the most accurate. The valuation is based on observable market data or, where such data is missing, other valuation techniques at the time of valuation and assumptions regarding the future development of portfolio companies, which may be inaccurate and which may not materialize as expected or at all. Furthermore, the valuation of non-quoted investments are generally less certain than the valuation of investment listed on a marketplace, and non-quoted investments may be subject of more drastic value changes from time to time. In addition, the realized profit from a non-quoted investment could deviate significantly from the most recent fair value estimation. For example, the ability to carry out accurate valuations could be negatively affected by outbreaks of pandemics or contagious disease, e.g. Covid-19, or wars, e.g. Russia's invasion of Ukraine, and such events could furthermore result in material changes of the valuations, which in turn would affect VEF's result.

There is a risk that VEF's fair value estimations are inaccurate and that the valuation of one or several portfolio companies may change significantly. Changes in the portfolio's fair value could significantly affect the

Group's result during any given financial period, which in turn could have a material adverse effect on the Group's return from investments, financial position and future prospects. . By example, a 10 per cent. decrease in the price of the non-quoted shares in the investment portfolio would, as at 31 December 2023, have affected post-tax profit and equity by approximately USD 46.0 million.

#### *Dependence on portfolio companies*

VEF holds few significant assets other than direct and indirect investments in its portfolio companies. Accordingly, the Company is dependent upon receipt of sufficient income related to the operation of and the ownership in such entities and is consequently subject to the risks relating to the operations in the portfolio companies. VEF does not hold a voting majority in any portfolio company and its ability to exercise a decisive influence in each portfolio company may therefore be limited. As at 31 December 2023, VEF's ownership share in each of its three largest holdings (Creditsas, Konfio and Juspay, jointly representing 77.3 per cent. of the investment portfolio), was 8.7 per cent., 10.3 per cent. and 10.2 per cent., respectively. Further, VEF's interests in relation to a portfolio company may conflict with the interests of other owners and lead to difficulties in the management of such portfolio company, which could have a material adverse effect on the value growth, dividends, cash flows or other income from the relevant portfolio company. A decrease of revenue and income from portfolio companies may, due to poor governance or other issues that may arise from ownership related disputes, have a material adverse effect on the Group's earnings and financial position. For example, VEF disposed its holdings in the former portfolio companies Guiabolso and Xerpa at a loss in 2021.

In case any portfolio company is subject of foreclosure, dissolution, winding-up, liquidation, bankruptcy or other insolvency proceedings, VEF's right to such portfolio company's assets may be limited due to claims from the creditors of the portfolio company. There is a risk that portfolio companies are declared bankrupt, liquidated or similar which could have a material adverse effect on the Group's earnings and financial position.

**Risks related to the portfolio companies' operations**

The portfolio companies provide financial services in emerging and frontier markets which are associated with the risk of incurring losses due to, for instance, deficient procedures, failure to increase and improve the functionality and quality of products and services, failure to extend licensing agreements on favorable conditions, failure to remain competitive or launch new products and services as well as fraud by employees, customers or third parties, mismanagement, unauthorized transactions by employees and operational errors. Furthermore, the portfolio companies could be dependent on IT systems and any disruption that affects critical systems, including data breach, could have severe operational implications. Failure to properly mitigate operational risks in several portfolio companies could have a material adverse effect on the prospects of the relevant investments, and in turn on the Group's earnings and financial position.

There is also a risk that some portfolio companies will be unable to adapt to changing business landscapes, including but not limited to maintaining of key suppliers and customer relationships. Quality problems, delays in the introduction of new products and services could, in addition, lead to a loss of orders and customers for each portfolio company and irregularities and/or other internal or external events could also cause disruptions or damage the business.

Some markets in which the portfolio companies operate are competitive and each portfolio company is subject of a risk of failure in staying competitive, which in turn could have a material adverse effect on VEF's operations, financial position and earnings. Examples of factors which have an impact on the portfolio companies' ability to compete include competitors having better access to capital than the portfolio companies. The global fintech industry is evolving rapidly, which makes it difficult to forecast demand for fintech services. The portfolio companies are further exposed to the risk of not being able to compete successfully as a result of competitors being able to operate without positive results from operations, having significantly greater operating experience and brand recognition or better financial, marketing and technical expertise, which enable such competitors to develop and enhance their operations and to adapt more quickly to rapid technological development and other changes in the relevant market. The markets in which the portfolio companies operates could be subject of increased regulation or subject of negative publicity in traditional media as well as in social media. This could have an adverse effect on consumer behavior and the operations of the portfolio companies, which in turn could have a material adverse effect on the Group's operations, financial position and result.

The occurrence of any adverse effects on operations in several portfolio companies could have a material

adverse effect on the Group's results and return on investment upon exit. This risk is particularly relevant in relation to portfolio companies representing a substantial share of VEF's net asset value (see under "*Risks relating to concentration of portfolio holdings*").

**Disposal risks**

The Company has a strategy to dispose portfolio companies and generate profit by way of selling its holdings in portfolio companies to strategic buyers or via the public market. There is a risk that the Company will not succeed in selling its holdings at market price, or the price recorded in the balance sheet, at the time of the disposal, e.g. because the limited liquidity in non-quoted shares (see above under "*Price risk of non-quoted shares*") or for other reasons. Furthermore, poor market conditions could decrease the possibility to sell ownership interests in portfolio companies and result in disposal prices that are lower than the value recorded by the Group, which could result in balance sheet write-offs. There is a risk that the Group upon disposal of investments, partly or in full, receive less than the expected value and/or less than the original sums invested, which could have a material adverse effect on the Company's earnings and financial position.

**Dependence on key individuals**

The Company is partly dependent on its senior executives and board members. VEF's chief executive officer, David Nangle, and chief investment officer, Alexis Koumoudos, are of particular importance for VEF's development. The Group's success is further dependent on its ability to attract, keep and motivate appropriate members in its management team. The Company currently has ten employees (including one consultant), of which three are members of the management team, and six board members. There is a risk that the Group might lose significant competence, know-how and/or personal network if any or several of the senior executives and/or board members were to leave the Company. If such risk is materialized, it could have a material adverse effect on VEF's operations and, ultimately, its financial position.

**Investment and acquisition risks**

VEF frequently acquires shares in unlisted fintech companies operating in emerging and frontier markets. During 2023, VEF made two new investments in existing portfolio companies in a total amount of USD 8 million. Investments and acquisitions entail a need of operative expertise in order to, *inter alia*, identify investment and acquisition opportunities on favorable terms. Poor investment decisions, such as acquisitions of over-valued shares, could result in a material adverse effect on the Group's operations, competitiveness and, ultimately, financial position. Inability to identify and complete favorable investments or failures in relation to

the management and governance of the portfolio companies could have a material adverse effect on the Group's future investment opportunities and its ability to identify and complete investments.

A majority of the investment portfolio consists of investments in companies in the start-up phase or early growth stage. Such companies typically generate negative cashflows and may be in need of additional capital to carry out their business. In case there are any profits, such are rarely distributed to the investors and instead reinvested into the business to fuel growth and build shareholder value. VEF does not expect to receive any substantial dividends from its portfolio in coming years and thus VEF does not expect to cover its operation costs through dividends. The Group's dividend and coupon income during 2022 amounted to approximately USD 0.4 million and was derived solely from liquidity placements, while the Group's administrative and operating expenses amounted to approximately USD 7.4 million. There is a risk that VEF will need to sell investments in order to achieve a positive cash flow. For risks related to share disposals, see "*Disposal risks*" above.

### *Risks relating to concentration of portfolio holdings*

VEF's operations entail management of a portfolio with a limited number of investments in unlisted companies. The investment portfolio is focused on fintech companies operating in emerging and frontier markets. As at 31 December 2023, the Issuer's active portfolio consisted of 15 companies, together representing approximately 104.0 per cent. of VEF's net asset value. VEF's largest holding, Creditas, is a cornerstone investment that represented 40.7 per cent. of VEF's investment portfolio as at 31 December 2023. The portfolio companies operating in Brazil (Creditas, Gringo, Solfácil, Nibo and FinanZero) represented 52 per cent. of the investment portfolio's net asset value as at 31 December 2023 (see under "*Exposure towards Brazil*").

Such concentration of holdings in the investment portfolio, particularly in relation to Creditas, constitutes a significant risk for VEF, since events causing negative effects in the operations of such individual portfolio companies, representing a large share of VEF's net asset value, also could have an adverse effect of the value of VEF's investment in the relevant portfolio company. Furthermore, it could be difficult for the Group to make changes in its portfolio structure in short time periods. Investments in companies in the start-up phase or early growth stage could, compared with investments in mature and/or listed companies, be associated with higher risk since there is generally a higher degree of uncertainty regarding the continued development and, in some cases, the future ability to generate profit. The concentration of portfolio holdings, and the portfolio structure, could therefore have a material adverse effect on VEF's net asset value, financial position and result.

### *Risks related to competition*

VEF competes with other investors for investment opportunities. There is a risk that VEF will be subject of increased competition, which could have a material adverse effect on its return on investment. High competition could also result in higher acquisition prices, which could have a material adverse effect on VEF's return from its investments. There have been situations where VEF has declined investments because of higher prices caused by high demand from competing investors. Thus, there is a risk that there will be less, or no, opportunities to complete acquisitions on conditions which are acceptable to VEF.

Should any of the aforementioned risks occur, it could have a material adverse effect on VEF's investment activities and its financial position.

### *Risks related to VEF's markets*

#### *Emerging and frontier markets*

The portfolio companies are incorporated in and/or operates in emerging and frontier markets, including Brazil, Mexico, India, Pakistan and emerging Europe. Such markets are often more volatile and investments may be affected by unusually large fluctuations in profit and loss and other factors outside the Company's control that may have a material adverse effect on the value of the Company's adjusted equity. Investors should be aware that investment activity in emerging and frontier markets entails a high level of risk and requires special consideration of factors, including those mentioned here, which are usually not associated with investments in developed countries.

Furthermore, emerging and frontier markets are subject of political risk. The value of VEF's investments in such emerging countries could be affected by uncertainty as a result of e.g. politic and diplomatic developments, social or religious instability and unstable state administration, changes in government policy, taxes and interest rates, restrictions for politic and economic development, significant political changes or lack of consensus between government representatives, executive and decision making institutions and vocal political groups and relevant countries becoming subject of new or amended international sanctions or laws and regulations. Emerging countries typically have less developed legal systems in comparison with developed countries. In such judicial systems, existing laws and regulations are sometimes applied inconsistently and issues related to independence and efficiency of the court system constitute a significant risk. Statutory changes have been made at a rapid pace in emerging countries, and it remains difficult to predict the effect of legislative changes and legislative decisions for companies. It could be more difficult to obtain redress or exercise one's rights in emerging countries than in developed countries, with more mature legal systems. Since such

countries from an economic perspective are in a developing phase, VEF's investments could be affected by unusually large fluctuations in profit and loss and other factors outside the Company's control. Investment activity in emerging markets entails a high level of risk and requires special consideration of factors, including those mentioned here, which are usually not associated with investments in developed countries. If any of the above described risks were to materialize, or if any of the above described factors would have a negative development, it could have a material adverse effect on the Group's operations, earnings and financial position.

Economic unrest in a growth market tends to have an adverse impact on the equity markets in other growth countries, or the share price of companies operating in such markets, as investors opt to reallocate their investment flows to more stable and developed markets. Financial problems or an increase in perceived risk related to a growth market may inhibit foreign investment in such market and have a negative impact on the country's economy. Such an economic downturn could have a material adverse effect on the Group's operations, earnings and financial position.

#### *Exposure towards Brazil*

A major part of the Group's investments operates in Brazil, 52 per cent. of the investment portfolio's net asset value as at 31 December 2023, and consist of the ownership of shares in Creditas (40.7 per cent. of the portfolio), Gringo (3.7 per cent. of the portfolio), Solfácil (3.4 per cent. of the portfolio), Nibo (2.7 per cent. of the portfolio) and FinanZero (1.8 per cent. of the portfolio).

Brazil has experienced deep economic and social changes in recent years. Between the years 2000 and 2013, Brazil was one of the fastest growing economies in the world according to information from the World Bank, until it hit a deep recession in 2014 with declining GDP and rising inflation. 2017 marked a year when the economy started to recover, and inflation fell to middle two-digit levels. Throughout 2019 and 2020, monetary policy was relaxed with consistent selic rate cuts by the central bank of Brazil in a still challenging fiscal environment. However, since mid 2021 the selic rate has increased and since the beginning of 2022, the selic rate has continuously been above 10 per cent (peaking at 13.75 per cent. between August 2022 and August 2023). After three separate selic rate cuts of 50 bps from August 2023 to November 2023 the selic rate has decreased to 12.25 per cent. and the financial markets are anticipating further selic rate cuts during 2024.

Uncertainty springing from *inter alia* political and diplomatic developments, social or religious instability, changes in government policy, tax and interest rates, restrictions on the political and economic development of laws and regulations in Brazil, major policy changes or lack of internal consensus between leaders, executive and decision-making bodies and strong economic

groups could affect the value of the Group's Brazilian investments, which in turn could have a material adverse effect on the Company's earnings and financial position. In addition, political changes may be less predictable in a growth country such as Brazil than in other more developed countries (see above under "*Emerging and frontier markets*").

#### *Global capital markets and macroeconomic risks*

VEF's earnings and investment activities are affected by the conditions on the global capital markets and macroeconomic conditions. Changes in market values resulting from global or regional economic downturn may impact the result of the Company's operations through depreciation of the value of its investment assets. As at 31 December 2023, the Group's financial assets at fair value through profit or loss was approximately USD 463.9 million. Various factors – including concerns over geopolitical issues and changes in the geopolitical environment (e.g. acts of war), increased trade restrictions and protectionist trading trends, inflation, the availability and cost of credit, outbreaks of pandemics, decreasing consumer demand and public spending – could contribute to, or prolong, a large scale economic downturn.

For example, Russia's military invasion of Ukraine initiated in February 2022 has caused major global uncertainty and volatility on both global and local markets as well as a general decline in global security. The development of the conflict is unpredictable and consequences of the war include an economic downturn and volatility on the capital markets, including the debt markets. As a result of the war, VEF wrote down in full its equity holdings in the company REVO as well as holdings of bonds issued by the Russian company Tink-off (jointly representing 2.3 per cent. of VEF's net asset value as at 31 December 2021), equal to an amount of minus USD 17.6 million. VEF divested its holding of Tink-off bonds, in 2023. Furthermore, VEF has equity holdings in the digital money transfer company TransferGo, which has exposure towards Ukraine, which is valued at mark-to-model basis (5.8 per cent. of the investment portfolio's fair value, as at 31 December 2023). The long term consequences are difficult to assess and it is still uncertain what effect the war in Ukraine will have on the global economy and the capital markets, including the debt markets.

Furthermore, Russia's invasion of Ukraine has resulted in heavy international sanctions against Russia and Russian financial institutions. The European Union has since 31 July 2014, following Russia's annexation of the Crimean peninsula, imposed sanctions against Russia which has been increased by way of five additional sanction packages since February 2022. In Q&A material issued by the European Commission in relation to the fifth package of restrictive measures against Russia, it is *inter alia* emphasized that the sanctions are



## Risk factors

designed to maximize the negative impact for the Russian economy while limiting the consequences for EU businesses and citizens. The sanction regulations are complex and the sanctions applicability could under given circumstances be subject of different interpretations and the correct application of the sanctions could therefore be difficult to determine. There is an increased risk that the company which VEF has invested in with operations in Russia, will be subject of claims of non-compliance with international sanctions with respect of previous, current or future business activity, which, should the risk materialize, could result in economic loss for the Group and reputational damage.

In addition, the fixed-income markets have experienced periods of volatility which has negatively affected market liquidity conditions. Securities that are less liquid are more difficult to value and may be hard to dispose of. Domestic and international equity markets have also been experiencing increased volatility and turmoil. The Group is exposed to the risk of loss due to market volatility.

A substantial large scale economic downturn increases the risk of VEF failing to make the expected returns on its investments, which in turn would have a material adverse effect on the financial position of the Company.

### Legal and regulatory risks

#### *Regulatory risks*

The portfolio companies of the Group provide financial services in emerging and frontier markets. Regulatory requirements within the financial services sector are generally extensive and strict. In addition, financial activities conducted by portfolio companies could be subject to license requirements or other permits. Such requirements, or the interpretation by competent authorities of such, may change rapidly from time to time. This presents a risk in particular for new business models within the fintech sector, since such could be rapidly developed to follow the maturity of the fintech market and the introduction of new services. Failure to adapt to the relevant requirements may lead to government sanctions or loss of business opportunities, which in turn could have negative effects on the reputation, result from operations, financial position and prospects of the portfolio companies and, ultimately, a material adverse effect on VEF's financial position.

#### *Accounting practice and access to other information*

Practice in accounting, financial reporting and auditing in emerging and frontier markets may not hold the same standards as in developed countries. It is not uncommon in such markets that there is low access to external analysis, unreliable statistics and inadequate historical data. The effects of inflation could, moreover, more often be difficult for external observers to analyze. Although

special expanded accounts are prepared and auditing is undertaken in accordance with international standards, no guarantees can be given with regard to the completeness or dependability of the information that relates to VEF's investments and potential investments. Inadequate information and weak accounting standards could have a material adverse effect on the valuation of existing and prospective portfolio companies and, ultimately, a material adverse effect on VEF's financial position.

#### *Tax risks*

VEF conducts its business, including intra-Group transactions, in accordance with its interpretation of current tax legislation in relevant jurisdictions, tax treaties and tax authorities' guidelines and other requirements. Notable examples include determining the proper jurisdiction for taxation of gains related to cross-border transactions, proper pricing of cross-border transactions as well as determining the taxation regime applicable to parties to transactions generally. Tax legislation and double tax treaty agreements have a trend of frequent changes including introduction of new taxes and fees (e.g. digital tax) and such changes could have a significant impact on the tax position of portfolio companies and the Company. There is a risk that the Company's interpretation of applicable rules and administrative practice is incorrect, or that rules or practice will be changed, potentially with retroactive effect, in a way that has a material adverse effect on the Group's earnings and financial position.

#### *Corporate governance risks*

Misuse of corporate governance remains a problem in emerging and frontier markets. Minority shareholders may be mistreated in various ways, for instance in the sale of assets, transfer pricing, dilution, limited access to annual general meetings and restrictions on seats on boards of directors for external investors. In addition, sales of assets to and transactions with related parties are common. Transfer pricing is generally applied by companies for the transfer of value from subsidiaries and external investors to various types of holding companies. Companies may neglect to comply with the rules that govern share issues, such as prior notification in sufficient time for the exercise of rights of preemption. Prevention of registration of shares is also widespread and there is a risk of unauthorized changes to share registers where these are controlled by management.

Inadequate accounting rules and standards could hinder the development of an effective system for uncovering fraud and increasing insight. Shareholders can conceal their ownership by acquiring shares through shell company structures based abroad which are not demonstrably connected to the beneficiary, leading to self-serving transactions, insider deals and



conflicts of interest. The supervisory authorities' work to secure effective oversight and ensure that fraud is uncovered, is complicated by the lack of judicial and administrative enforcement instruments.

Further, deficiencies in legislation on corporate governance, judicial enforcement and corporate legislation may lead to hostile takeovers, where the rights of minority shareholders are disregarded or abused, which could have a material adverse effect on the Group's earnings and financial position.

#### Legal disputes

Since the Group invests in companies operating in countries in which the legal framework is less certain and the business environment less reliable, there is an increased risk that the Group and/or the portfolio companies may become involved in legal disputes of various kinds, including labor, intellectual property, contractual or regulatory in nature. Such disputes could result in negative publicity and lost revenues, which could have a material adverse effect on the Group's business, results of operations, financial position and prospects.

#### Financial risks

##### Liquidity risk

Disruptions, uncertainty or volatility in the capital and credit markets may limit the Group's access to capital required to operate its business. Such market conditions may limit the Group's ability to repay, in a timely manner, maturing liabilities, to generate fee income and market-related revenue to meet liquidity needs and to access the capital necessary to grow its business or to finance the Company's portfolio companies' business, for example by participating in their raising of capital. As such, the Group may be forced to postpone raising capital or bear an unattractive cost of capital, which could decrease the Group's profitability and significantly reduce its financial flexibility. In the event the Company cannot participate in its portfolio companies' raising of capital, it may result in dilution. If any of the above described risks were to materialize it could have a material adverse effect on the Group's operations, earnings and financial position.

##### Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, mainly with respect to SEK, GBP and EUR versus USD. The Group's management monitors the exchange rate fluctuations on a continuous basis and per today no currency derivative or hedging are made. An increase/decrease of 10 per cent. of the USD towards SEK as at 31 December 2023 would affect the Group's profit or loss and equity by approximately USD +/- 1,690 thousand. Fluctuations in foreign exchange rates could

have a material adverse effect on the Group's earnings and financial position. The Group's exposure to foreign currency risk at the end of the reporting period, expressed in USD is shown in the table below.

#### Exposure to foreign exchange (USD million)

Exposure to foreign exchange (USD thousands)	Gross assets 31 December 2023	Gross assets 31 Dec 2022	Gross assets 31 Dec 2021
SEK	16,899	6,299	1,463
Other	176	130	295
<b>Total</b>	<b>17,075</b>	<b>6,429</b>	<b>1,758</b>

VEF's investments are made and valued in, predominantly, USD while the income is generated in local currencies. This give rise to a currency exposure which could have a material effect on the Group's result and equity.

## Risks factors specific and material to the Bonds

### Risks related to the nature of the Bonds

#### Repayment and refinancing risk

The ability of the Company to repay the Bonds in full at the maturity date or obtain refinancing is dependent on its financial position and the conditions in the debt and equity capital markets at the time of such refinancing, including the exercise of a voluntary redemption or mandatory repurchase of Bonds. In the event the Company is unable to refinance the Bonds or other outstanding debt, or if such financing can only be obtained on unfavorable terms, this could have a significant adverse effect on the Company's ability to repay the principal of the Bonds at maturity or upon an early redemption or repurchase of Bonds.

#### Unsecured obligations and subordination

The Bonds constitute unsecured debt obligations of the Company. If the Company is subject to any foreclosure, dissolution, winding-up, liquidation, bankruptcy or other insolvency proceedings, the holders of Bonds will receive payment after any prioritised creditors, including any creditors which are mandatorily preferred by law, have been paid in full. Further, following prioritised creditors receiving payment in full, the bondholders will have an unsecured claim against the Company for the amounts due under or in respect of the Bonds, which means that the bondholders normally will receive payment pro rata with other unsecured creditors. There is a risk that an investor could lose the entire, or parts of, its investment in the event of the Company's bankruptcy, reorganisation or winding-up of the Company.

## Risk factors

The terms and conditions for the Bonds allow the Group to incur certain additional debt. If the Company's subsidiaries incur debt, the right to payment under the Bonds will be structurally subordinated to the right of payment relating to debt incurred by subsidiaries of the Company, which could have a negative impact on the bondholders' recovery under the Bonds.

### *Interest rate risk and benchmarks*

The Bonds' value depends on several factors, one of the more significant over time being the level of market interest. The Bonds will bear a floating rate interest of STIBOR plus a certain margin and the interest rate is therefore adjusted for changes in the level of the general interest rate. Hence, there is a risk that increased general interest rate levels significantly affect the market value of the Bonds.

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 will lead to that certain previously used benchmarks, such as LIBOR, will be discontinued, leading to that, *inter alia*, existing financing arrangements may need to be renegotiated or terminated. There is a risk that also STIBOR will be discontinued, or that alternative benchmark rates will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Bonds. 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 developments in relation to STIBOR cause volatility in STIBOR, which would affect the interest rate for the Bonds.

Should STIBOR be discontinued, the terms and conditions for the Bonds provide an alternative calculation of the interest rate for the Bonds. There is a risk that such alternative calculation results in interest payments less advantageous for the bondholders or that such interest payment do not meet market interest rate expectations.

### **Risks related to the admission of the Bonds to trading**

#### *Risks related to the labelling of the Bonds*

The Company intends to use an amount equivalent to the net proceeds of the issue of the Bonds and any Subsequent Bonds in accordance with the Company's sustainability bond framework (the "Sustainability Bond Framework") dated November 2023, which aligns with the Sustainability Bond Guidelines, adhering to both the Social Bond Principles and the Green Bond Principles, published in 2023 and in 2021, respectively, by the International Capital Markets Association ("**ICMA**"). According to the Sustainability Bond Guidelines, sustainability

bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or refinance a combination of green and/or social projects. As there is currently no legal definition of as to what constitutes a "green", "social" or an equivalently-labelled project, there is a risk that any projects, asset or uses defined in the Sustainability Bond Framework will not meet current or future investor expectations regarding such activities/projects/assets and may not be in line with investor's by-laws, other governing rules or investment portfolio mandates. Such terms may be developed in the future and the Group's eligible sustainability investments may not reflect these developments.

Furthermore, a failure to apply proceeds in accordance with the Sustainability Bond Framework could result in investors being in breach of investment criteria or guidelines which an investor is required to comply with, which could result in remedies under the relevant investment criteria or guidelines, leading to claims or reputational damage.

The Company has obtained a second opinion from Sustainalytics (the "**Second Opinion**") to confirm the transparency of the Company's Sustainability Bond Framework and its alignment with ICMA's guidelines and principles referred to above. Sustainalytics is neither responsible for how the Sustainability Bond Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is Sustainalytics responsible for the outcome of the investments described in the Sustainability Bond Framework. There is a risk that the suitability or reliability of the Second Opinion is challenged by the Company, a potential investor, a bondholder, or any third party. Furthermore, second opinion providers, such as Sustainalytics, are currently not subject to any regulatory regime or oversight and there is a risk that such providers will be deemed as not being reliable or objective in the future.

As the market condition for sustainable bonds is rapidly changing, there is a risk that current or future investor expectations will not be met which could negatively affect the secondary trading of the Bonds. Such development could result in inability for bondholders to sell Bonds at attractive terms, or at all, or that the holding of Bonds is associated with reputational damage. For example, should any of the investments which have been financed with the net proceeds from the Bonds only partially, if at all, achieve the sustainability benefits that motivated the investments in the Bonds, the Company's reputation may deteriorate. In addition, the Issuer may lack comprehensive and satisfactory knowledge with respect to any investment, which may result in inaccurate or incomplete reporting of the allocation and impact of the use of proceeds of the Bonds and, furthermore, there may be discrepancies between the Issuer's assessments and investor expectations.

*Risks related to listing of the Bonds*

There is an obligation to list the initial Bonds on Frankfurt Open Market, or any other multilateral trading facility, and Nasdaq Sustainable Debt Market, or any other regulated market, no later than 60 calendar days from the first issue date. There is a risk, which the Company deems to be of low probability, that the Bonds will not be admitted to trading in time, or at all. In such scenario, bondholders holding Bonds on an investment savings account (Sw. *Investeringsparkonto*) will no longer be able to hold the Bonds on such account, thus affecting such bondholder's tax situation. If the Company fails to procure listing in time, or at all, there is a low risk that a liquid market for trading in the Bonds will not exist.

# Authorizations and statement of responsibility

The Company has obtained all necessary resolutions, authorizations and approvals required in conjunction with the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 8 December 2023 was authorized by the board of directors of the Company on 21 November 2023.

The board of directors of the Company is responsible for the information contained in this Prospectus. The board of directors confirms that, to the best of its knowledge and having taken all reasonable care to ensure that such is the case, 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 Company is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law.

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

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

Stockholm, 29 January 2024

**VEF AB (publ)**

*The board of directors*



# The Bonds in brief

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

<b>The Issuer:</b>	VEF AB (publ), reg. no. 559288-0362, a public limited company registered in Stockholm.
<b>The Bonds:</b>	The Bonds are unilateral debt instruments issued under Swedish law and intended for public trading as set out in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>ensidig skuldförbindelse avsedd för allmän omsättning enligt 1 kap. 3 § lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i> ). The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them. The board of directors of the Company resolved to issue the Bonds on 21 November 2023.
<b>First Issue Date:</b>	8 December 2023.
<b>ISIN-code:</b>	SE0021147675.
<b>Short name:</b>	VEFAB 2.
<b>Purpose of the Bonds</b>	The net proceeds from the Bond Issue shall firstly be applied towards redemption and/or repurchase of the Issuer’s outstanding 2022/2025 bonds, including by way of open market purchases, in accordance with the Issuer’s Sustainability Bond Framework dated November 2023 and related transaction costs and secondly be applied in accordance with the Issuer’s Sustainability Bond Framework. The net proceeds from any Subsequent Bond Issue shall be applied in accordance with the Issuer’s Sustainability Bond Framework.
<b>Subsequent Bond Issue:</b>	The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issue equals SEK 1,000,000,000, always provided, <i>inter alia</i> , that the Incurrence Test (calculated <i>pro forma</i> including such issue) is met.
<b>Nominal Amounts and denomination:</b>	The total Nominal Amount of the Bond Issue is SEK 500,000,000. Each Bond has a nominal amount of SEK 1,250,000 and is denominated in SEK.
<b>Interest:</b>	The Bonds bear Interest from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will carry Interest from, but excluding, the Interest Payment Date falling immediately prior to their issuance up to and including the relevant Redemption Date. The Interest Rate on the Bonds equals the sum of (i) three (3) months STIBOR, <i>plus</i> (ii) six point fifty (6.50) per cent. <i>per annum.</i> , payable quarterly in arrears on 8 March, 8 June, 8 September and 8 December each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The last interest payment is due on the Final Redemption Date. 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).

<b>Final Redemption Date:</b>	8 December 2026, at which date the Issuer shall redeem all outstanding Bonds at the Nominal Amount together with accrued but unpaid Interest.
<b>The right to receive payments under the Bonds:</b>	Payment of the Nominal Amount and Interest shall be made to the person who is registered in the securities register (Sw. <i>skuldbok</i> ) as bondholder on the Record Date prior to each Interest Payment Date.
<b>Decisions by bondholders</b>	The Bonds entitle bondholders representing at least ten (10) per cent. of the Adjusted Nominal Amount to request a decision of the bondholders. Such decisions are rendered by way of a Holders' Meeting or a Written Procedure, as decided by the Trustee. Valid decisions require the consent of bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which bondholders are voting, and in respect of certain matters a qualified majority of at least two thirds (2/3) of the Adjusted Nominal Amount for which bondholders are voting is required. Quorum exists if the bondholders present represent at least twenty (20) per cent. of the Adjusted Nominal Amount.
<b>Final Redemption:</b>	The Issuer shall redeem all outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.
<b>Early voluntary redemption by the Issuer (call option):</b>	The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day before the Final Redemption Date, at the applicable Call Option Amount together with accrued but unpaid Interest (see further Clause 11.3 "Early voluntary redemption by the Issuer (call option)" in the Terms and Conditions).
<b>Early voluntary partial and/or total redemption due to disposals</b>	The Issuer may at one occasion per each period of eighteen (18) months falling after the First Issue Date redeem Bonds in an amount not exceeding the net proceeds from disposals of shares or other assets received by the Group (excluding any Investment SPV) during the previous three months (see further Clause 11.4 "Early voluntary partial and/or total redemption due to disposals" in the Terms and Conditions).
<b>Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option):</b>	Upon a Change of Control Event or a De-Listing Event occurring, each bondholder has, during a period of thirty (30) days, the right to request that all, or only some, of its Bonds are repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest (see further Clause 11.5 "Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option)" in the Terms and Conditions).
<b>Time-bar:</b>	The right to receive repayment of the Nominal Amount shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest shall be time-barred and become void three (3) years from the relevant due date for payment.
<b>Restrictions on trade:</b>	The Bonds are freely transferable, but the bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a bondholder may be subject. Each bondholder must ensure compliance with such restrictions at its own cost and expense. All Bond transfers are subject to the Terms and Conditions and the Finance Documents are automatically applicable in relation to all Bond transferees upon the completion of a transfer.

<b>Trustee:</b>	<p>Nordic Trustee &amp; Agency AB (publ), reg.no. 556882-1879, P.O. Box 7329 SE-103 90 Stockholm, Sweden. The Trustee is acting as agent for the bondholders in relation to the Bonds, and, if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions. Even without a separate authorization from the bondholders and without having to obtain any bondholder's consent (if not required to do so under the Terms and Conditions), the Trustee, or a person appointed by the Trustee, is entitled to represent the bondholders in every matter concerning the Bonds and the Terms and Conditions subject to the Terms and Conditions. The Trustee is authorized to act on behalf of the bondholders whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Bonds). Each bondholder shall immediately upon request by the Trustee provide the Trustee with any such documents, including a written power of attorney (in form and substance to the Trustee's satisfaction), as the Trustee deems necessary for the purpose of carrying out its duties under the Terms and Conditions. The Trustee is under no obligation to represent a bondholder which does not comply with such request of the Trustee. An agreement has been entered into between the Trustee and the Issuer regarding, <i>inter alia</i>, the remuneration payable to the Trustee. The trustee agreement is available at the Trustee's office. The rights and obligations of the Trustee are set forth in the Terms and Conditions.</p>
<b>Rating:</b>	<p>The Bonds have not been assigned an official credit rating by any credit rating agency.</p>
<b>Admission to trading of the Bonds:</b>	<p>The Bonds have been admitted to trading at the Open Market of Frankfurt Stock Exchange and the Company shall procure that any Subsequent Bonds are admitted to trading at the Open Market of Frankfurt Stock Exchange not later than sixty (60) calendar days after the relevant Issue Date.</p> <p>This Prospectus has been prepared for the admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm (or any other regulated market). If Subsequent Bonds are issued, a new prospectus will be prepared for the admission to trading of such Subsequent Bonds, unless there is an applicable exemption pursuant to the Prospectus Regulation whereby such Subsequent Bonds may be admitted to trading without a new prospectus been prepared.</p> <p>The Company intends to apply for admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm (or any other regulated market) in connection with the Swedish Financial Supervisory Authority's approval of this Prospectus and the Company shall ensure that such admission to trading is made not later than sixty (60) calendar days after the First Issue Date. The Company shall ensure that any Subsequent Bonds are admitted to trading on the corporate bond list on the relevant regulated market not later than sixty (60) calendar days after the relevant Issue Date.</p> <p>The number of Bonds being admitted to trading is 400. Admission of such Bonds to trading on Nasdaq Stockholm is expected to occur shortly after Nasdaq Stockholm's approval of the abovementioned application for admission to trading. The fact that an application regarding admission to trading of the Bonds on Nasdaq Stockholm has been submitted does not guarantee that the application will be approved.</p> <p>The total expenses of the admission to trading of the Bonds are estimated to amount to SEK 100,000.</p>
<b>Securities register (Sw. <i>skuldbok</i>) and financial institution (Sw. <i>finansiellt institut</i>) through which the bondholders can exercise their financial rights:</b>	<p>The Bonds are connected to the account-based system of Euroclear Sweden. Holdings of the Bonds are registered on behalf of the bondholders on a securities account and no physical Bonds have, or will be, issued. The bondholders' financial rights such as payments of the Nominal Amount and Interest, as well as, if applicable, withholding of preliminary tax will be made by Euroclear Sweden.</p>

## Sustainability Bonds

The sustainability bond framework dated November 2023 (the “**Sustainability Bonds Framework**”) applies to the Bonds. The Issuer’s Sustainability Bond Framework may from time to time be subject to amendments by the Issuer. Any such amendments after the Issue Date will not be applicable to the Bonds and the Bondholders. A failure by the Issuer to apply the net proceeds of the Bonds in accordance with the Sustainability Bond Framework does not give the Bondholders a right to require that the Issuer shall repurchase or redeem any of their Bonds. Further, no Event of Default under the Terms and Conditions will occur should the Bonds no longer be defined as “sustainability” Bonds. The relevant Bondholders are in such case not entitled to early repayment or repurchase of Bonds or other compensation.

For more detailed information about the Issuer’s current Sustainability Bond Framework, please visit the Issuer’s website: [www.vef.vc](http://www.vef.vc).

The Sustainability Bond Framework has been developed in accordance with the Sustainability Bond Guidelines, adhering to both the Social Bond Principles and the Green Bonds Principles, published in 2023 and in 2021, respectively, by the International Capital Markets Association (“**ICMA**”). The Sustainability Bond Framework defines investments that can be financed with proceeds from the Bonds, and outlines the process for evaluating, selecting, tracking and reporting on such investments.

In accordance with the Sustainability Bond Framework, an amount equal to the net proceeds from Bonds will be used to finance and refinance, in part or in full, that create positive sustainability impact by promoting financial inclusion (“**Eligible Sustainability Investments**”). Only such investments that derive at least 90 per cent. of their revenues from certain categories, including, (i) financial inclusion, (ii) financial fairness and wellness, (iii) financial infrastructure and enablement and (iv) Renewable energy, are deemed as Eligible Sustainability Investments and may be financed with the net proceeds from the Bonds. It should be noted that the Issuer may, in part, use the net proceeds of the Bonds to make any early voluntary redemption of the Bonds (in part or in full) and/or repurchase of Bonds prior to the final redemption date, which may reduce funds designated for financing and refinancing of Eligible Sustainability Investments and the sustainability performance of the Bonds. The net proceeds of the Bonds will not be used to finance either fossil fuel energy generation, nuclear energy generation, weapons and defense industries, potentially environmentally negative resource extraction, gambling or tobacco.

To ensure transparency and accountability around the selection of sustainability investments, the Issuer has established a sustainability bond committee (the “**Committee**”) which is, together with the board of directors, responsible for the evaluation and selection process. The Committee consists of the CEO, the interim CFO, the Head of Sustainability and the Chief Investment Officer. All decisions are made in consensus and applies to the selection of Eligible Sustainability Investments. The Committee’s decisions will be presented to the board of directors for final approval. The Committee will keep a register of all Eligible Sustainability Investments. All decisions made by the Committee will be documented and filed to ensure traceability.

The Issuer will ensure that the aggregate amount of Eligible Sustainability Investments approved by the Committee and the board of directors is equal to, or exceeds, the aggregate net proceeds of all outstanding Bonds issued under the Sustainability Bond Framework. If the Committee, or the board of directors, were to conclude that a sustainability investment already funded by the net proceeds of the Bonds has, in their opinion, lost its eligibility in line with the criteria of the Sustainability Bond Framework, it will be replaced by another Eligible Sustainability Investment as soon as practically possible. Net proceeds from the Bonds awaiting allocation to Eligible Sustainability Investments may be invested in short term money market instruments or held as cash.

For as long as the Issuer has Bonds outstanding under the Sustainability Bond Framework, it will publish an annual sustainability bond report, to be made available for investors and other parties on the Issuer’s website: [www.vef.vc](http://www.vef.vc). The report will outline information regarding allocation of proceeds as well as describe sustainability impact (measured where possible and otherwise estimated). All methods and assumptions forming the basis of any allocation forming the basis of any calculation will be explained to provide transparency.



# The Group and its operations

## Introduction

VEF AB (publ) was incorporated in Stockholm on 17 November 2020 and registered with the Swedish Companies Registration Office on 7 December 2020, with corporate identity number 559288-0362. The Company 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)*). The registered office is at Mäster Samuelsgatan 1, 111 44 Stockholm, Sweden, and the LEI-code is 549300GLLHHE80RQ2Y24. The common shares of the Company are listed on Nasdaq Stockholm, with the ticker VEFAB.

The Company's website is [www.vef.vc](http://www.vef.vc) (the information provided at the website does not form part of this Prospectus unless explicitly incorporated by reference into this Prospectus).

## Governance

To ensure that the control over the Company is not abused, the Company *inter alia* complies with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*), internal policies and guidelines and the Swedish Corporate Governance Code (Sw. *Svensk kod för bolagsstyrning*). In addition, the Company acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Company

## Business and operations

VEF's business concept is to identify and invest in growth stage private fintech companies in emerging markets with scalable growth opportunities. VEF's vision is to become the leading fintech investor in the emerging world. The target market for investments is defined by VEF as the market for innovation and change within the fintech sector. The target sector is thus very broadly defined and covers all lines of financial services, including payments, credit, asset management, embedded finance and accounting SaaS. Within emerging markets, VEF focuses on the more populous and scalable markets, referenced against competition for opportunities and point in the cycle.

VEF's main strategic aim is to increase its net asset value over time. The main short term goal for VEF is to allocate its capital in an investment portfolio consisting of fintech companies in emerging markets, while VEF's main long term goal is to create value through its portfolio companies. In order to achieve such goals, VEF is an active and supportive investor with board representation in most of the portfolio holdings, and with an ultimate aim to dispose each holding with profit. As at the date of this Prospectus, VEF has board representation in all portfolio companies except five.

VEF's operations are carried out through the prism of three strategic pillars:

- **Invest well and live:** We are our investments. They define us. We are only a thesis and a bunch of human and financial capital without them. We spend a lot of our time making sure the right assets and entrepreneurs populate our portfolio and when they are in, we do everything in our power to help them succeed.
- **Love your investors:** Our investors provide the capital we need to fuel our business. Simply put, without them we would not exist and our growth path from here would be all the harder. We love our investors, current, old and potential, and pride ourselves on doing our utmost to provide them with a healthy return on capital and good communication flow and transparency while on that journey.
- **Build a business for the long term:** While our first two pillars are necessary for any success, we are building VEF for the long term. Our goals are big, our timeline is long, we are consistently evolving and improving all to make sure VEF is a business that has the right people, processes, and strategy to grow over time.

It is VEF's belief that there are few ways to access the growing fintech sector through public markets, and even less opportunity in emerging markets, and VEF therefore offers potential value creation to investors based on the combination of:

- attractive market conditions in the emerging world;
- active and supportive shareholding;
- entrepreneurs with strong track records;
- scalable, fast-growing companies, with a clear path to profitability; and
- leveraging the disruption of fintech companies.

## History

Bellow follows a summary of the main events in VEF's history.

<b>2015</b>	<ul style="list-style-type: none"> <li>• VEF is founded under the former name Vostok Emerging Finance Ltd, being a spin-off from VNV Global AB (publ) (formerly Vostok New Ventures Ltd) and listed on Nasdaq First North Growth Market with a holding in the portfolio company Tinkoff Bank.</li> <li>• The Company concludes a directed rights issue and of approximately SEK 588 million.</li> <li>• VEF makes its first new investments in REVO and JUMO.</li> </ul>
<b>2016</b>	<ul style="list-style-type: none"> <li>• VEF invests in several of its former portfolio companies, such as Finanzero, Finja and TransferGo.</li> </ul>
<b>2017</b>	<ul style="list-style-type: none"> <li>• VEF invests in Creditas, currently being the largest holding in VEF's investment portfolio.</li> </ul>
<b>2018</b>	<ul style="list-style-type: none"> <li>• VEF invests in Konfio, currently being the second largest holding in VEF's investment portfolio.</li> </ul>
<b>2020</b>	<ul style="list-style-type: none"> <li>• The Company concludes a directed rights issue and of approximately SEK 522 million.</li> <li>• Parent company changes name from Vostok Emerging Finance Ltd. to VEF Ltd.</li> <li>• VEF makes a 25 per cent. write-down of its investment portfolio NAV as a result of the Covid-19 pandemic.</li> </ul>
<b>2021</b>	<ul style="list-style-type: none"> <li>• VEF changes domicile from Bermuda to Sweden. The earlier parent company, VEF Ltd., is liquidated and thereby replaced by VEF AB (publ).</li> <li>• The Company concludes a directed share issue of approximately SEK 885 million.</li> <li>• VEF's NAV per share reaches a record high of USD 0.73, with a total NAV of USD 761.7 million.</li> </ul>
<b>2022</b>	<ul style="list-style-type: none"> <li>• VEF issues SEK 500 million bonds of series 2022/2025.</li> <li>• VEF is relisted from Nasdaq First North Growth Market to Nasdaq Stockholm main market.</li> </ul>
<b>2023</b>	<ul style="list-style-type: none"> <li>• VEF issues the Bonds.</li> <li>• VEF redeems in full the SEK 500 million bonds of series 2022/2025.</li> </ul>

## Organization of activities

The general meeting is the Company's highest decision-making body, while the board of directors adopts decisions on overall issues affecting the Group. The board of directors normally meets in person at least three or four times a year and more frequently if needed. In addition to this, meetings are conducted by telephone conference when necessary. Between meetings, the managing director has regular contact with the chairman and the other board members.

After initial screening and evaluation of an investment the managing director, together with Group management, prepares investment recommendations to the board of directors of the Company. Final investment recommendations are submitted by the board of directors of the Company to VEF Cyprus Limited's board for the investments proposed to be carried out by VEF Cyprus. VEF Cyprus will carry out an autonomous and independent assessment of whether an investment should be approved. The final investment decision must be approved by the board of VEF Cyprus for an investment to be implemented. If the investment is made by the parent company the final decision on the investment is made by the parent company's board.

## Presentation of the portfolio companies

### Main portfolio holdings

#### *Creditas*

Creditas is a fintech platform for secured and specialized financial solutions focused on improving the lives of individuals in Latin America across three ecosystems: living (home), mobility (transport) and earning (salary). Creditas' ecosystem leverages customers' assets to offer fintech solutions, digital insurance and consumer solutions, using proprietary technology to deliver a unique customer experience. Collateral-based lending is the core monetisation tool and allows Creditas to build an enduring client relationship. In Brazil, consumers pay some of the highest interest rates in the world, while secured lending remains massively underpenetrated. Creditas democratizes access to credit by leveraging customers' assets like their real estate, vehicle and salary to offer financing and refinancing options loans at more reasonable rates through an efficient, tech-driven application system.

Creditas is VEF's largest investment holding and represented 40.7 per cent. of the portfolio NAV as at 31 December 2023. VEF's share of ownership in Creditas was 8.7 per cent. as at 31 December 2023.

#### *Konfio*

Konfio builds digital banking and software tools to boost SME growth and productivity in Mexico through three core offerings: credit, payments and SaaS. SMEs have historically been underserved by traditional banks in Mexico, and thus have poor access to financial services – with only one out of ten businesses having access to formal credit. Konfio has built a full ecosystem of technology and business solutions for SMEs to boost their growth and productivity. At the core, Konfio's working capital loan product leverages traditional and non-traditional data sources and proprietary technology to assess credit risk of customers, generating loan offers with dynamic terms in less than 10 minutes in a 100% digital process. Konfio also offers credit cards, payments and SaaS tools as part of the broader product suite.

Konfio is VEF's second largest investment holding and represented 20.6 per cent. of the portfolio NAV as at 31 December 2023. VEF's share of ownership in Konfio was 10.3 per cent. as at 31 December 2023.

#### *Juspay*

Juspay is a payment company in India, founded in 2012. India has one of the most advanced and complex electronic payment infrastructures globally and was an early mover on mandatory two factor authentication. This has resulted in friction and challenges unique to India which Juspay has been solving for some of India's largest merchants and banks. Juspay has created a unifying layer of products and value-added services that

improves conversion rates for merchants and other stakeholders in the payment value chain. Juspay has played a key role in India's payment transformation and has had more than 300 million downloads of its SDK (Software Development Kit) and facilitates more than USD 100 billion of annualized payment volume for some of India's largest merchants including Amazon, Flipkart, Uber, Swiggy, Ola and Cred.

Juspay is VEF's third largest investment holding and represented 16.0 per cent. of the investment portfolio NAV as at 31 December 2023. VEF's share of ownership in Juspay was 10.2 per cent. as at 31 December 2023.

### Other selected portfolio companies

#### *TransferGo*

TransferGo is a low-cost digital money transfer business offering real-time service to customers across the globe. Global remittance volumes total USD 700 billion annually and growing. For many years, customers have been underserved by incumbent banks and traditional money transfer operators, where pricing is too high and speed to low. Today, fintech companies like TransferGo are rapidly increasing the share of digital money transfers in the remittance market, providing greater choice, access, speed and price to customers across the world. Using TransferGo, customers pay up to 90 per cent. less than with banks, with transfers delivered securely in minutes. TransferGo's segment of focus are blue-collar migrant workers who are some of the most consistent remittance customers in the world, with 5–20 transactions per year. Initially focused on the corridors of broader Europe, today TransferGo's 5 mln customers send money to over 160 countries across the world, with high market share in key markets such as Ukraine, Turkey and the CEE.

As at 31 December 2023, TransferGo represented 5.8 per cent. of the investment portfolio NAV and VEF's share of ownership in TransferGo was 11.9 per cent.

#### *Gringo*

Founded in 2020, Gringo is a one-stop shop for drivers in Brazil. Gringo is building a "super-app" for drivers in Brazil with the ambition of becoming the drivers' best friend. Vehicle ownership in Brazil is a cumbersome journey where owners face pain points driven by analogue processes, massive paperwork and broken legacy systems. Gringo's vision is to become the "super-app" for drivers and has started by offering vehicle-documentation related services such as payments, BNPL solutions for drivers to pay for renewal of driving licenses, taxes and fines amongst other things.

As at 31 December 2023, Gringo represented 3.7 per cent. of the investment portfolio NAV and VEF's share of ownership in Gringo was 9.8 per cent.

### *Solfácil*

Solfácil is a digital solar panel marketplace and financing platform. Founded in 2018, Solfácil is building a digital ecosystem for solar energy adoption in Brazil, and offers a holistic solution covering solar equipment procurement and distribution, financing and insurance solutions for the end user, and proprietary IoT technology to optimise monitoring and service post installation.

Brazilians have some of the most expensive electricity bills in the world, comprising 25% of family budgets on average. Financing the installation of a solar system is estimated to be several times cheaper versus a fully conventional supply across its lifetime. Solar financing is therefore a huge opportunity in Brazil where electricity market dynamics, cheap labor, high levels of home ownership, a favorable regulatory environment, and ideal climate conditions contribute to a significant TAM

As at 31 December 2023, Solfácil represented 3.4 per cent. of the investment portfolio NAV and VEF's share of ownership in Solfácil was 2.6 per cent.

### *Nibo*

Nibo is an accounting SaaS provider in Brazil, transforming the way accountants and SMEs interact in one of the most complex and regulated accounting and tax environments in the world. The Nibo platform uses technology to offer a suite of financial management tools to accountants, SMEs and their BPO providers (Business Process Outsourcing), that helps them improve their productivity. Nibo is accumulating and managing a unique pool of SME data which has the potential to serve as a base for offering a variety of additional financial services to Brazil's underserved SMEs as a natural extension of the core products.

As of December 2023, Nibo had over 400 thousand SMEs serviced through over 4,000 accountant customers on its platform.

As at 31 December 2023, Nibo represented 2.7 per cent. of the investment portfolio NAV and VEF's share of ownership in Nibo was 20.1 per cent.

### *FinanZero*

FinanZero is a pioneering digital marketplace for consumer loans in Brazil. The high interest rates on consumer loans in Brazil, where unsecured consumer loan and credit card APRs average well into triple-digits, mean it is an imperative for consumers to find loans with the lowest rates and best terms available to them in the market.

Acting as an independent broker, FinanZero negotiates the customer's loan with a network of over 70 lenders at once to find the loan with the best interest rate and terms for the consumer. FinanZero handles the lending process from start to finish, with the customer and the bank integrated into the platform. For consumers, this means that all the relevant credit providers are reached through one single application, and from the credit providers' perspective, FinanZero adds value through more effective distribution, lower customer acquisition cost, better segmentation, and lower administration costs.

As at 31 December 2023, FinanZero represented 1.8 per cent. of the investment portfolio NAV and VEF's share of ownership in FinanZero was 18.3 per cent.

### *Rupeek*

Rupeek is an asset-backed digital lending platform focused on gold-secured loans in India. Over 90 per cent. of Indians do not have access to formal credit, and for those who do have credit, 60 per cent. is in the form of expensive unsecured loans. At the same time, 95 per cent. of their net worth is held in some form of asset, with Indian households holding over 25,000 tonnes of gold. Starting with gold-backed lending, Rupeek is solving for this paradox by building products to make credit accessible to the masses in a fair and convenient manner and is contributing to the financial inclusion of the Indian population.

As at 31 December 2023, Rupeek represented 1.7 per cent. of the investment portfolio NAV and VEF's share of ownership in Rupeek was 2.5 per cent.

### *BlackBuck*

Founded in 2015, BlackBuck has been a pioneer in bringing the offline operations of trucking online and digitizing fleet operations for truckers (payments solutions around tolls and fuel). The company also operates a marketplace matching trucks with relevant loads and is leading a transformation in the India logistics industry, which is fast moving from paper and pencil to digital. Blackbuck has over a million transacting truckers on its platform with 8,000 physical touchpoints covering 100,000 villages in India.

As at 31 December 2023, BlackBuck represented 1.6 per cent. of the investment portfolio NAV and VEF's share of ownership in BlackBuck was 1.0 per cent.



# Board of directors, senior management and auditors

## Board of directors

### Lars O Grönstedt (chairman)

Born 1954.

**Education:** BA in languages and literature from Stockholm University, and an MBA from Stockholm School of Economics.

**Other current assignments:** Chairman of the board of Bostadsrättsföreningen Blå Tornet and Fabius East plc. Ltd, member of the board in Fabius Finans AB, deputy member of the board of Fabius Management AB and speaker of the elected representatives of Trygg Foundation

**Holdings in the Company:** 130,000 shares (including holdings of closely related persons).

### Per Brilioth

Born 1969. Managing Director.

**Education:** A Bachelor's degree in Business Administration from Stockholm University and a Master of Finance from London Business School, UK.

**Other current assignments:** Chairman of the board of VNV Pioneer AB, VNV Sweden AB, VNV AB, Global Health Equity II AB, Pet Sounds AB, Telegram Studios AB, Gavald Holdings AB, Pomegranate Investment AB (publ) and Vera L AB. Board member and managing director of VNV Global AB (publ) and Global Health Equity AB (publ). Board member of Orquidea Investment AB, Kontakt East Holding AB, Cow-Pow Studios AB, NMS Invest AB, Voi Technology AB, Comuto S.A. (BlaBlaCar), Booksy Group Corp., GT Gettaxi Limited, Simbio Holdings Limited, Incrin Limited (Borzo), OneTwoTrip Limited, El Basharsoft (Wuzzuf and Forasna), Olio Exchange Limited, JamesEdition B.V., Palta Ltd., and International Internet Investment Cooperatief UA (IIC). Deputy board member of Stockholmsvåning AB.

**Holdings in the Company:** 1,932,672 shares.

### Allison Goldberg

Born 1976.

**Education:** Bachelor of Science in Economics, with concentrations in Finance and Operations & Information Management from Wharton School at the University of Pennsylvania.

**Other current assignments:** Member of the board of YieldMo Inc. and General Partner at Saints Capital Media Ventures. Senior Vice President and Managing Partner of Comcast Ventures and Startup Engagement at Comcast.

**Holdings in the Company:** None.

### Hanna Loikkanen

Born 1969.

**Education:** Master of Science in economics from the Helsinki School of Economics and Business Administration.

**Other current assignments:** CEO and chairman of the board of OnBoardSolution Oy. Chief Investment Officer at Finnfund Oy. Board member of Eastnine AB (publ), Bank of Georgia Group PLC, Bank of Georgia JSC and T&B Capital Oy.

**Holdings in the Company:** 52,000 shares.

### Katharina Lüth

Born 1983.

**Education:** Dual degree, Diploma (FH) in International Business and a BSc in International Business, at the European School of Business in Germany and at Northeastern University in Boston. She also holds an MBA from IESE Business School.

**Other current assignments:** CCO and Managing Director of Raisin GmbH.

**Holdings in the Company:** 35,000 shares.

### David Nangle

Born 1975.

**Education:** Degree in B. Comm International (French) from University College Dublin, Ireland.

**Other current assignments:** Board member of Abhi Limited, Creditas Financial Solutions Ltd., Finanzero Brazil AB, Finja Inc, Konfio Limited, TransferGo Holdings Limited, VEF Fintech Ireland Limited and Mahaana wealth pte. Ltd.

**Holdings in the Company:** 19,932,581 shares, of which 11,066,000 constitute investment shares under LTIP 2020, LTIP 2021 and LTIP 2022, as well as 13,300,000 Series C 2020 shares under LTIP 2020, 3,325,000 Series C 2021 shares under LTIP 2021 and 3,325,000 Series C 2022 shares under LTIP 2022.

## Senior management

### David Nangle

Please see section “Board of directors” above.

### Alexis Koumoudos

Born 1985.

**Education:** BA in Business Finance from Durham University and MSc in Quantitative Finance from Cass Business School.

**Other current assignments:** Board member of VEF UK Ltd, Gringo Holdings Limited, Juspay Technologies Private Limited and Nibo Holdings Ltd.

**Holdings in the Company:** 5,220,864 shares, of which 760,637 constitute investment shares under LTIP 2020, LTIP 2021 and LTIP 2022, as well as 9,476,000 Series C 2020 shares under LTIP 2020, 2,369,045 Series C 2021 shares under LTIP 2021 and 2,650,000 Series C 2022 shares.

### Helena Caan Mattsson

Born 1987.

**Education:** LLM from Stockholm University and LLM from Jönköping International Business School.

**Other current assignments:** Board member of VEF Fintech Ireland Limited and VEF UK Ltd

**Holdings in the Company:** 2,837,096 shares, of which 380,242 constitute investment shares under LTIP 2020, LTIP 2021 and LTIP 2022, as well as 4,322,500 Series C 2020 shares under LTIP 2020, 1,184,540 Series C 2021 shares under LTIP 2021 and 2,625,000 Series C shares under LTIP 2022.

## Board committees and nomination committee

### Audit Committee

The main tasks of the Audit Committee follow from Chapter 8, Section 49b of the Swedish Companies Act. The tasks of the committee include monitoring the Company’s financial reporting and the efficiency of the Company’s internal controls and overseeing work related to risk assessment. They also maintaining frequent contacts with the external auditors. The Audit Committee’s work primarily focuses on the quality and accuracy of the Group’s accounting and reporting. The committee is also responsible for evaluating the auditors of the Company and to make recommendations regarding auditor elections to the nomination committee. The Audit Committee monitors the development of relevant accounting policies and requirements, discusses other significant issues related to the financial reporting and reports its observations to the Board. The Audit Committee consists of Hanna Loikkanen (Chair) and Lars O Grönstedt.

### Remuneration Committee

The main task of the Remuneration Committee is to review and propose amendments to the Remuneration Principles as well as to evaluate and propose for the Board’s consideration the structure and size of the Company’s incentive programs and other variable remuneration as well as the annual remuneration of the CEO. The Remuneration Committee consists of Lars O Grönstedt (Chair) and Per Brilioth.

### Nomination Committee

The 2023 AGM held on 9 May resolved to adopt principles for the appointment of a Nomination Committee for the 2024 AGM in accordance with the following. A Nomination Committee shall be convened by the Chairman of the Board and comprise of one representative of each of the three shareholders with the largest number of votes.

If a shareholder declines, or has an obvious conflict of interest, the Chairman of the Board should approach the next largest shareholder. The ownership shall be based on the statistics from Euroclear Sweden over shareholders as per the last business day in August 2023. The chairman of the board shall be co-opted to the Nomination Committee and, as such, is a participating member of the committee but not a voting member. The names of the members of the Nomination Committee shall be announced and presented on the company’s webpage as soon as they have been appointed, which shall be no later than six months prior to the 2024 AGM but in any event no later than the last business day in October 2023. If a member of the Nomination Committee resigns during the committee term or is prevented from completing his or her assignment or in case of a material change in ownership prior to completion of the work to be performed by the Nomination Committee, it shall be possible to change the composition of the Nomination Committee. Changes to the composition of the Nomination Committee shall be announced as soon as possible after occurring. The Nomination Committee’s mandate period extends up to the appointment of a new Nomination Committee. The Nomination Committee shall appoint a Chairman among them, which cannot be the Company’s Chairman of the Board. If the representatives cannot agree upon appointment of a chairman, the representative representing the shareholder with the largest number of votes shall be appointed as Chairman. The Nomination Committee shall prepare proposals for the following decisions at the 2024 AGM: (i) election of the chairman for the meeting, (ii) election of the members of the board, (iii) election of the chairman of the board of directors, (iv) remuneration to the members of the board, (v) election of the company’s auditor (vi) compensation to the company’s auditor, and (vii) proposal for how to conduct the nomination process for the Annual General Meeting in 2025.

## **Conflict of interests**

None of the members of the board of directors or the senior management of the Company has a private interest that may be in conflict with the interests of the Company.

## **Auditors**

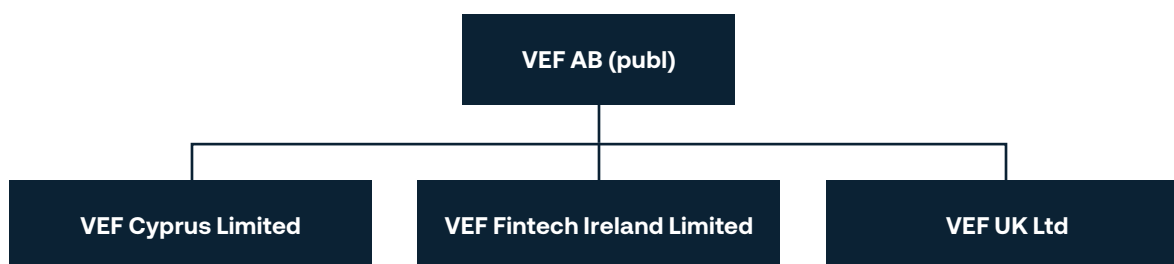
PricewaterhouseCoopers AB, with Bo Karlsson as the auditor in charge, has been the Company's auditor since 2015. Bo Karlsson is a member of FAR. The business address to PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

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

# Legal considerations and supplementary information

## Legal group structure

The VEF Group consists of the Company, VEF AB (publ) and three wholly owned subsidiaries.



## Major shareholders

As far as the Company is aware, it is not directly or indirectly controlled by any shareholder and no shareholder agreements or other agreements between shareholders with the purpose of exercising joint influence over the Company and there are no agreements or equivalent arrangements that may lead to a change in the control over the Company. Furthermore, there are, as far as the board of directors is aware, no agreements concerning transfer restrictions for a certain period (so-called lock-up agreements).

As at 31 December 2023 the Company had approximately 17,600 shareholders, according to Euroclear Sweden.

## Dependence on subsidiaries and associated companies

A significant part of the Group's assets and revenues relate to the Company's subsidiaries and associated companies. Accordingly, the Company's operating results and financial position is dependent upon receipt of income related to the operation of and the ownership in such entities.

## Material agreements

Other than the Terms and Conditions for the Bonds, the Company has not entered into any material agreements, or agreements under which any member of the Group has any obligation or entitlement which is material to the Group, besides agreements entered into in the ordinary course of business.

## Governmental, legal and arbitration proceedings

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company 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 Company's and/or the Group's financial position or profitability.

## Documents on display

The Company's articles of association and certificate of registration and published information referred to in this prospectus are available at VEF's website ([www.vef.vc](http://www.vef.vc)).

## Significant changes and recent events

Other than the Bond Issue and the redemption of the 2022/2025 bonds, there have been no recent events particular to the Company, which are to a material extent relevant to the evaluation of the Company's solvency.

There has been no material adverse change in the prospects of the Company since the date of publication of its last audited financial report.

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which financial information has been published (i.e. 31 December 2023) up until the date of this Prospectus and, other than the Bond Issue, 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 Group has published interim financial information.

# Financial overview and documents incorporated by reference

The financial information in all annual financial statements has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as interpretative notices from IFRS Interpretation Committee (IFRIC) as adopted by the European Union. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups, RFR 2 and the Swedish accounts act have been applied in the Group's consolidated annual report for 2021 and 2022, and with respect to the Issuer's annual reports for 2021 and 2022, the Swedish Financial Reporting Board's recommendation RFR 2 have been applied.

The Group's consolidated interim report from the fourth quarter 2023 (of which parts are incorporated by reference in accordance with below) have been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The below financial information in the Group's consolidated audited annual reports for the financial years 2021 and 2022, and the Group's consolidated interim report for the fourth quarter 2023, is incorporated in this Prospectus by reference and is available at the Company's website, [www.vef.vc](http://www.vef.vc). For particular financial figures, please refer to the pages set out below. Investors should read all information which is incorporated by reference as part of this Prospectus. It should be noted that the non-incorporated parts of the financial reports are either not relevant for the investor or covered elsewhere in the Prospectus.

Reference	Document	Page(s)
Financial information regarding the Group's and the Company's business for the period 1 January–31 December 2023	VEF's interim report for the fourth quarter 2023	– 14 (Consolidated income statement) – 15 (Consolidated balance sheet) – 16 (Consolidated statement of changes in equity) – 17 (Consolidated statement of cash flows) – 22–29 (Notes)
Financial information regarding the Group's and the Company's business for the financial year ended 31 December 2022	VEF's annual report 2022	– 50 (Consolidated income statement) – 50 (Statement of other comprehensive income) – 51 (Consolidated balance sheet) – 52 (Consolidated statement of changes in equity) – 53 (Consolidated statement of cash flows) – 55–68 (Notes for the Group)
Auditor's report for the financial year ended 31 December 2022	VEF's annual report 2022	– 81–84 Independent auditor's report
Financial information regarding the Group's and the Company's business for the financial year ended 31 December 2021	VEF's annual report 2021	– 52 (Consolidated income statement) – 52 (Statement of other comprehensive income) – 53 (Consolidated balance sheet) – 54 (Consolidated statement of changes in equity) – 55 (Consolidated statement of cash flows) – 57–69 (Notes for the Group)
Auditor's report for the financial year ended 31 December 2021	VEF's annual report 2021	– 80–82 Independent auditor's report



# Terms and Conditions

## 1. Definitions and construction

### 1.1 Definitions

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

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

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

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

“**Advance Purchase Agreement**” means

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

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

“**Base Rate**” means STIBOR or any reference rate replacing STIBOR in accordance with Clause 17 (*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.

“**Bond**” means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in

Chapter 1 Section 3 of the Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

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

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

“**Calculation Principles**” means:

- (a) that the calculation of the Equity Ratio and the ratio of Net Interest Bearing Debt to Net Asset Value shall be made as per a testing date (the “**Testing Date**”), determined by the Issuer, falling no more than three (3) months prior to the incurrence of Permitted Debt or a Restricted Payment (that requires the Incurrence Test to be met);
- (b) that the Equity Ratio and the ratio of Net Interest Bearing Debt to Net Asset Value shall be measured on the Testing Date so determined, calculated *pro forma* including any new assets acquired with the proceeds from new Financial Indebtedness and including the new Financial Indebtedness provided it is an interest bearing obligation;
- (c) that the figures for Total Assets, Equity and Net Asset Value for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be adjusted:
  - (i) so that any asset acquired or disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the Testing Date, shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period; and
  - (ii) so that any asset to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period; and

“**Call Option Amount**” means:

- (a) an amount equivalent to the sum of:
  - (i) 103.250 per cent. of the Nominal Amount; and

- (ii) the remaining interest payments up to, but not including, the date falling eighteen (18) months after the First Issue Date, if the call option is exercised on or after the First Issue Date to, but not including, the date falling eighteen (18) months after the First Issue Date;
- (b) 103.250 per cent. of the Nominal Amount if the call option is exercised on or after the date falling eighteen (18) months from the First Issue Date to, but not including, the date falling twenty-four (24) months after the First Issue Date;
- (c) 101.625 per cent. of the Nominal Amount if the call option is exercised on or after the date falling twenty-four (24) months from the First Issue Date to, but not including, the date falling thirty (30) months after the First Issue Date;
- (d) 100.8125 per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty (30) months from the First Issue Date to, but not including, the date falling thirty-three (33) months after the First Issue Date;
- (e) 100.00 per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty-three (33) months from the First Issue Date to, but not including, the Final Redemption Date.

For the purpose of calculating the remaining interest payments pursuant to paragraph (a) above it shall be assumed that the Interest Rate for the period from the relevant record date to the date falling eighteen (18) months after the First Issue Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Holders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Trustee in connection with such redemption.

**“Cash and Cash Equivalents”** means the Issuer’s cash and cash equivalents in accordance with the Accounting Principles as set forth in the most recent Financial Report.

**“Change of Control Event”** means the occurrence of an event or series of events whereby one or more Persons, acting together, acquire control over the Issuer and where “control” means:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or
- (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

**“Compliance Certificate”** means a certificate in form and substance satisfactory to the Trustee and as set forth in Clause 12.3.2.

**“CSD”** means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB (reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden).

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

**“De-listing Event”** means a situation where:

- (a) the Issuer’s shares are not listed and admitted to trading on a Regulated Market, or
- (b) trading of the Issuer’s shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days,

provided that in relation to (a) a De-listing Event shall not be deemed to have occurred should the delisting of the shares be a result of, and occur within three (3) months, from the occurrence of a Change of Control Event.

**“Equity”** means the aggregate amount which in accordance with the Accounting Principles would be shown in the Issuer’s consolidated Financial Report as the shareholders’ equity of the Group.

**“Equity Like Instruments”** means any preference shares, participating debentures or other equity like instruments issued by a Group Company being an Investment SPV for the purpose of directly or indirectly funding an Investment SPV on an arm’s length basis and on market terms (or better), provided that such instruments have no fixed interest or dividend payment dates and have a final maturity date or a final redemption date, and, when applicable, have early redemption dates or instalment dates which occur after the Final Redemption Date.

**“Equity Ratio”** means the ratio of Equity to Total Assets.

**“Event of Default”** means an event or circumstance specified as such in Clause 14 (*Termination of the Bonds*).

**“Existing Bonds”** means the SEK 500,000,000 senior unsecured callable floating rate sustainability bonds 2022/2025 with ISIN SE0016609903 outstanding as per the First Issue Date (issued by the Issuer under a SEK 1,000,000,000 framework).

**“Final Redemption Date”** means 8 December 2026.

**“Finance Documents”** means these Terms and Conditions, the Trustee Agreement and any other document designated to be a Finance Document by the Issuer and the Trustee.

**“Finance Lease”** means a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability.

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

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

“**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).

“**Financial Report**” means the Group’s annual audited financial statements and quarterly interim unaudited reports, which shall be prepared and made available according to Clause 12.1 (*Financial Reports*).

“**First Issue Date**” means 8 December 2023.

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

“**Group**” means the Issuer and all Subsidiaries from time to time and “**Group Company**” means the Issuer or any of the Subsidiaries.

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

“**Holders’ Meeting**” means a meeting among the Holders held in accordance with Clause 15.2 (*Holders’ Meeting*).

“**Incurrence Test**” the Incurrence Test is met if:

- (a) the Equity Ratio exceeds eighty-five (85.00) per cent.;
- (b) the ratio of Net Interest Bearing Debt to Net Asset Value is less than ten (10.00) per cent.; and
- (c) no Event of Default is continuing or would result from the incurrence,

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

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

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

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 10.1 to 10.3.

“**Interest Payment Date**” means 8 March, 8 June, 8 September and 8 December 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 on 8 March 2024 and the last Interest Payment Date being the Final Redemption Date).

“**Interest Period**” means each period beginning on (but excluding) the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant) and, in respect of Subsequent Bonds, each period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant) in no case adjusted due to an application of the Business Day Convention.

“**Interest Rate**” means the Base Rate plus 650 basis points per annum as adjusted by any application of Clause 17 (*Replacement of Base Rate*).

“**Investment SPV**” means:

- (a) a Person (however not an individual) existing with the sole purpose of making and/or holding investments in fintech companies, in which the Issuer holds an ownership interest (directly or indirectly);
- (b) any entity established by the Group for the sole purpose of holding ownership interests in any entity or entities referred to in paragraph (a) above; and/or
- (c) any entity from time to time of which any entity or entities referred to in paragraph (a) or (b) above:
  - (i) has direct or indirect control; or
  - (ii) owns directly or indirectly more than fifty (50.00) per cent. of the share capital or other right of ownership, and

**“Investment SPV Commitment”** means any commitment made by a Group Company to an Investment SPV requiring such Group Company to make an investment in or cash payment to such Investment SPV for investment purposes.

**“Issue Date”** means the First Issue Date and any subsequent date when issuance of Subsequent Bonds take place.

**“Issuer”** means VEF AB (publ) (reg. no. 559288-0362, Mäster Samuelsgatan 1, 1st floor, 111 44 Stockholm, Sweden).

**“Issuing Agent”** means DNB Markets, a part of DNB Bank ASA, filial Sverige (reg. no. 516406-0161, Regeringsgatan 59, SE-105 88 Stockholm, Sweden) or another party replacing it as Issuing Agent in accordance with these Terms and Conditions.

**“Joint Bookrunners”** means DNB Markets, a part of DNB Bank ASA, filial Sverige (reg. no. 516406-0161, Regeringsgatan 59, SE-105 88 Stockholm, Sweden), Pareto Securities AB (reg. no. 556206-8956, P.O. Box 7415, SE-103 91 Stockholm, Sweden) and Pareto Securities Oy (reg.no. 2045188-8, Aleksanterinkatu 44, 00100 Helsinki, Finland).

**“Maintenance Test”** is met if:

- (a) the Equity Ratio exceeds eighty (80.00) per cent.;
- (b) the ratio of Net Interest Bearing Debt to Net Asset Value is less than twenty (20.00) per cent.; and
- (c) the Cash and Cash Equivalents exceeds an amount equal to twelve (12) months’ interest payments under the Bonds calculated on the basis of the total Nominal Amount outstanding from time to time,

paragraphs (a)–(b) above to be calculated in accordance with paragraph (c) in the definition of Calculation Principles (as applicable).

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

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

**“Material Group Company”** means the Issuer or a Subsidiary representing more than ten (10.00) per cent. of the Total Assets.

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

**“Nasdaq Stockholm”** means Nasdaq Stockholm Aktiebolag (reg. no 556420-8394, SE-105 78 Stockholm, Sweden).

**“Nasdaq Sustainable Debt Market”** means the Regulated Market for sustainable bonds of Nasdaq Stockholm.

**“Net Asset Value”** means the aggregate market value of the Group’s investment portfolio after deducting Net Interest Bearing Debt and other liabilities of the Group in accordance with the Accounting Principles and as shown in the Issuer’s consolidated Financial Report.

**“Net Interest Bearing Debt”** means the aggregate interest bearing debt (excluding any interest bearing debt borrowed from any Group Company) less cash and cash equivalents of the Group in accordance with the Accounting Principles and as shown in the Issuer’s consolidated Financial Report

**“Net Proceeds”** means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Joint Bookrunners (if the Joint Bookrunners have requested that their respective fees and costs shall be deducted) and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

**“Nominal Amount”** means the Initial Nominal Amount less any partial redemptions made in accordance with the Terms and Conditions.

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

- (a) incurred under the Bonds (including pursuant to any Subsequent Bond Issue, if such incurrence meets the Incurrence Test (calculated pro forma including such issue));
- (b) until redeemed in full, incurred under the Existing Bonds;
- (c) taken up from a Group Company;
- (d) under any guarantee issued by a Group Company for the obligations of any Group Company, in the ordinary course of business;
- (e) incurred pursuant to any Finance Leases entered into in the ordinary course of business, however with respect to any Finance Leases entered into by the Issuer in a maximum amount of USD 2,000,000 (or the equivalent in any other currency or currencies);
- (f) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions, but not any transaction for investment or speculative purposes;



- (g) arising under any interest rate hedging transactions, but not any transaction for investment or speculative purposes;
- (h) arising under any hedging transactions related to obligations under executive remuneration plans forming part of the ordinary course of business;
- (i) incurred under Advance Purchase Agreements;
- (j) incurred under any counter-indemnity obligation and in the ordinary course of business;
- (k) incurred under Equity Like Instruments;
- (l) incurred under any Investment SPV Commitment;
- (m) incurred by the Issuer under Financial Indebtedness which is unsecured and ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, provided that such incurrence:
  - (i) meets the Incurrence Test on a *pro forma* basis; and
  - (ii) has a final maturity date or a final redemption date, and, when applicable, has early redemption dates or instalment dates which occur after the Final Redemption Date;
- (n) incurred for the purpose of refinancing the Bonds in full.

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

- (a) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (b) provided in relation to any Finance Lease as set out in paragraph (d) in the definition of Permitted Debt;
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (d) provided pursuant to paragraphs (e), (f) or (g) in the definition of Permitted Debt;
- (e) provided for any guarantees issued by a Group Company in the ordinary course of business;
- (f) provided in relation to any counter-indemnity obligation and in the ordinary course of business as set out in paragraph (i) in the definition of Permitted Debt; and
- (g) agreed to be provided for the benefit of the financing provider(s) in relation to a refinancing of the Bonds in full.

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

**“Quotation Day”** means:

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

**“Record Date”** means the fifth (5th) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Holders is to be made under Clause 14.11 (Distribution of proceeds);
- (d) the date of a Holders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

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

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

**“Restricted Payment”** has the meaning set forth in Clause 13.1.1.

**“Securities Account”** means the account for dematerialised securities maintained by the CSD pursuant to the Financial Instruments Accounts Act in which:

- (a) an owner of such security is directly registered; or
- (b) an owner’s holding of securities is registered in the name of a nominee.

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



“**SEK**” means the lawful currency of Sweden.

“**Share Buyback**” has the meaning set forth in paragraph (c) of Clause 13.1.1.

“**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 Thomson Reuters 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) above is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Thomson Reuters 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) above 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) above is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period, and

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

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

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

“**Subsidiary**” means an entity from time to time of which the Issuer:

- (a) has direct or indirect control; or
- (b) owns directly or indirectly more than fifty (50.00) per cent. of the share capital or other right of ownership.

“**Sustainability Bond Framework**” means the sustainability bond framework of the Group as at the First Issue Date.

“**Testing Date**” has the meaning ascribed to it in paragraph (a) in the definition of Calculation Principles.

“**Total Assets**” means the Group’s total assets in accordance with the Accounting Principles and as shown in the Issuer’s consolidated Financial Report.

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with

- (a) the Initial Bond Issue or a Subsequent Bond Issue; and
- (b) the admission to trading of the Bonds.

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

“**Trustee Agreement**” means the fee agreement entered into between the Trustee and the Issuer on or prior to the First Issue Date regarding, *inter alia*, the remuneration payable to the Trustee.

“**USD**” means the lawful currency of the United States of America.

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 15.3 (*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) a “Finance Document” or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
- (c) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (d) 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;
- (e) a provision of regulation is a reference to that provision as amended or re-enacted; and
- (f) a time of day is a reference to Stockholm time.

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

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

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

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

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

1.2.7 Any Equity Like Instrument which is fully treated as equity in balance sheet in accordance with the Accounting Principles shall, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness.

## 2. Status of the Bonds

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

## 3. The amount of the Bonds and undertaking to make payments

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

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

3.3 The aggregate amount of the bond loan will be an amount of up to SEK 1,000,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Initial Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 500,000,000 (the “**Initial Bond**

**Issue**”). All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.

3.4 The ISIN for the Bonds is SE0021147675.

3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.

3.6 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 1,000,000,000 always provided that the Incurrence Test (calculated pro forma including such issue) is met. Any Subsequent Bonds shall be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Initial Bonds shall apply also to Subsequent Bonds. The price of any Subsequent Bonds may be set at the Nominal Amount, at a discount to or at a higher price than the Nominal Amount.

## 4. Use of proceeds

4.1 The Net Proceeds from the Initial Bond Issue shall:

- (a) firstly, be applied towards redemption and/or repurchase of Existing Bonds, including by way of open market purchases, in accordance with the Sustainability Bond Framework and related transaction costs; and
- (b) secondly, be applied in accordance with the Sustainability Bond Framework.

4.2 The Net Proceeds from any Subsequent Bond Issue shall be applied in accordance with the Sustainability Bond Framework.

## 5. Conditions for settlement

5.1 The Issuer shall provide the following to the Trustee prior to the First Issue Date:

- (a) copies of constitutional documents of the Issuer;
- (b) a copy of a resolution by the board of directors of the Issuer:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
  - (ii) authorising a specified person or persons to execute the Finance Documents on behalf of the Issuer; and
  - (iii) authorising a specified person or persons, on behalf of the Issuer, to sign and/or despatch all documents and notices to be signed and/or despatched by the Issuer under or in connection with the Finance Documents to which it is a party;

- (c) a copy of an agreed form Compliance Certificate;
- (d) duly executed copies of the Finance Documents; and
- (e) evidence in the form of a redemption notice that the Existing Bonds will be redeemed (however such redemption notice may be conditional upon completion of settlement).

5.2 The Issuing Agent shall pay the Net Proceeds from the issuance of any Subsequent Bonds to the Issuer on the later of (i) the date of the issue of such Subsequent Bonds and (ii) the date on which the Trustee notifies the Issuing Agent that it has received the following:

- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into any documents necessary in connection therewith;
- (b) a Compliance Certificate from the Issuer confirming that the Incurrence Test is met (calculated pro forma including such issue) and that no Event of Default is continuing or would result from the issue of the Subsequent Bonds; and
- (c) any other document or information as agreed between the Trustee and the Issuer

5.3 The Trustee may assume that the documentation and evidence delivered to it pursuant to Clauses 5.1 and 5.2 is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Trustee does not have to verify or assess the contents of any such documentation or evidence. None of the documentation and evidence delivered to it pursuant to Clauses 5.1 and 5.2 are reviewed by the Trustee from a legal or commercial perspective of the Holders.

5.4 The Trustee shall confirm to the Issuing Agent when it is satisfied that the conditions in Clauses 5.1 and 5.2 (as applicable), as the case may be, have been fulfilled.

## 6. The Bonds and transferability

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

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

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

## 7. Bonds in book-entry form

7.1 The Bonds will be registered for the Holders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Holders and their holdings of Bonds 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 a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

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

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

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

7.7 The Issuer (and the Trustee 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 Trustee Agreement and shall not disclose such information to any Holder or third party unless necessary for such purposes.

## 8. Right to act on behalf of a Holder

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

8.2 A Holder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Holder.

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

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

### 9. Payments in respect of the Bonds

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

9.2 If a Holder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account, such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid 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. Interest shall accrue in accordance with Clause 10.4 during such postponement.

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 Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

### 10. Interest

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

10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Holders on each Interest Payment Date for the preceding Interest Period.

10.3 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).

10.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from, but excluding, the due date up to and including the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Trustee or the CSD, in which case the Interest Rate shall apply instead.

### 11. Redemption and repurchase of the Bonds

#### 11.1 Redemption at maturity

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



### 11.2 Purchase of Bonds by Group Companies

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

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

11.3.1 The Issuer may redeem all, but not some only, of the Bonds in full on any Business Day falling after the First Issue Date but before the Final Redemption Date. The Bonds shall be redeemed at the applicable Call Option Amount together with accrued but unpaid Interest.

11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders and the Trustee. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent to be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

### 11.4 Early voluntary partial and/or total redemption due to disposals

11.4.1 Subject to paragraphs (a) and (b) of Clause 11.4.3, the Issuer may at one occasion per each period of eighteen (18) months falling after the First Issue Date redeem Bonds in an amount not exceeding the net proceeds from disposals of shares or other assets received by the Group (excluding any Investment SPV) not earlier than the date falling three (3) months prior to the date of the relevant redemption notice sent in accordance with paragraph (c) of Clause 11.4.3.

11.4.2 The repayment per Bond shall be pro rata and equal the repaid percentage of the Nominal Amount (rounded down to the nearest SEK 1.00 in accordance with the procedures of the CSD) plus:

- (a) a premium equal to the lower of (i) one hundred and one (101.00) per cent. and (ii) the applicable Call Option Amount, in each case applied to the redeemed Nominal Amount; and
- (b) accrued but unpaid interest on the redeemed Nominal Amount up to (and including) the Redemption Date.

11.4.3 Any redemption in accordance with this Clause 11.4 shall:

- (a) with respect to a redemption made on a Redemption Date falling prior to the date falling eighteen (18) months after the First Issue Date, redeem a maximal Nominal Amount of SEK 200,000,000 (however, and notwithstanding Clause 11.4.1, any remaining net proceeds from the relevant disposal(s) following such redemption may be saved and applied towards a redemption on a Redemption Date falling on or after the date falling eighteen (18) months after the First Issue Date provided that the Bonds are redeemed in full);
- (b) not result in an outstanding total Nominal Amount below SEK 300,000,000 (unless the Bonds are redeemed in full); and
- (c) be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders and the Trustee, in which the Redemption Date(s) (which must occur on Interest Payment Date(s)) and the relevant Record Date(s) are stated and is irrevocable.

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

11.5.1 Upon a Change of Control Event or a De-listing Event occurring, each Holder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest; during a period of thirty (30) calendar days following a notice from the Issuer of the relevant event pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event or the De-listing Event (as applicable).

11.5.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.5.1.



11.5.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 11.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.

11.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.4, if a third party in connection with the occurrence of a Change of Control Event or a De-listing Event, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 11.4 (or on terms more favourable to the Holders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 11.4, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

11.5.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be retained or sold but not cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

## 12. Information undertakings

### 12.1 Financial Reports

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

- (a) as soon as they are available, but in any event within four (4) months after the end of each financial year:
  - (i) the audited consolidated financial statements of the Group for that financial year; and
  - (ii) the annual audited unconsolidated financial statements of the Issuer for that financial year;
- (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 years:
  - (i) the unaudited consolidated financial statements or year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Group for that financial quarter; and
  - (ii) the unaudited unconsolidated financial statements of the Issuer or year-end report (as applicable) for that financial quarter.

### 12.2 Requirements as to Financial Reports

12.2.1 The Issuer shall prepare the Financial Reports 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).

12.2.2 Each of the Financial Reports shall include a profit and loss account and a balance sheet. In addition, each of the consolidated Financial Reports shall include a cash flow statement and a management commentary or report from the Issuer's board of directors.

12.2.3 The Issuer shall make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Sustainability Bond Framework to the Trustee and on its website in connection with each publication of the audited consolidated annual financial statements of the Group.

### 12.3 Compliance Certificate

12.3.1 The Issuer shall issue a Compliance Certificate to the Trustee signed by the Issuer:

- (a) when consolidated Financial Reports are made available to the Trustee in accordance with paragraphs (a)(i) or (b)(i) of Clause 12.1 (*Financial Reports*);
- (b) in connection with an application of the Incurrence Test;
- (c) on the Redemption Date of any redemption made in accordance with Clause 11.4 (*Early voluntary partial and/or total redemption due to disposals*); and
- (d) at the Trustee's reasonable request, within twenty (20) calendar days from such request.

12.3.2 In each Compliance Certificate, the Issuer shall certify that:

- (a) so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it; and
- (b) if provided in connection with the delivery of a Financial Report, the Maintenance Test is met and including calculations and figures in respect of the Maintenance Test;
- (c) if provided in connection with the testing of the Incurrence Test, the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test; and

- (d) if provided in connection delivery in accordance with paragraph (c) of Clause 12.3.1, the redeemed Nominal Amount does not exceed the net proceeds from disposal of shares or other assets received by the Group (excluding any Investment SPV) not earlier than the date falling three (3) months prior to the relevant redemption notice and including calculations and figures in respect thereof.

12.3.3 Notwithstanding anything to the contrary in the Finance Documents, the Issuer may at its discretion delay the reporting of the Incurrence Test to the Trustee for any Share Buyback (being a Restricted Payment) made by the Issuer until a date which shall fall no later than the Reference Date immediately following such Share Buyback.

#### 12.4 Information: miscellaneous

The Issuer shall:

- (a) promptly notify:
- (i) the Trustee and the Holders upon becoming aware of the occurrence of a Change of Control Event or a De-listing Event; and
  - (ii) the Trustee upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default,

and shall provide the Trustee with such further information as it may reasonably request in writing following receipt of any such notice;

- (b) on its website keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions), the Sustainability Bond Framework available and the second opinion relating to the Sustainability Bond Framework; and
- (c) provide the Trustee with any information which the Trustee deems necessary (acting reasonably) relating to:
- (i) all disposals made pursuant to Clause 13.5 (*Disposal of assets*);
  - (ii) any merger or demerger of any Material Group Company/ies as stipulated in Clause 14.6 (*Mergers and demergers*); or
  - (iii) any cessation of business in relation to the Issuer or any Group Company/ies as stipulated in Clause 14.9 (*Cessation of business*).

### 13. Special undertakings

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 13.

#### 13.1 Distributions

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

- (a) pay any dividend in respect of its shares;
- (b) make any contribution (other than contributions to Subsidiaries or under any Investment SPV Commitment);
- (c) repurchase or redeem any of its own shares (“**Share Buyback**”);
- (d) redeem or reduce its share capital or other restricted equity with repayment to shareholders;
- (e) make any prepayments under any long-term debt ranking junior or *pari passu* with the Bonds (for the avoidance of doubt, other than in relation to any loans between Subsidiaries); or
- (f) make any other similar distribution or transfers of value to the Issuer’s, or the Subsidiaries’, direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (items (a) to (f) each being a “Restricted Payment”).

13.1.2 Notwithstanding Clause 13.1.1, if permitted by law and no Event of Default is continuing or would result from such Restricted Payment:

- (a) any Restricted Payment may be made by any Group Company if such Restricted Payment is made to another Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis in relation to the ownership (share capital) in the Group Company making the Restricted Payment;
- (b) any Restricted Payment may be made by any Group Company being an Investment SPV if such Restricted Payment is made on a *pro rata* basis in relation to the invested capital (share capital or other capital) in the Investment SPV making the Restricted Payment; and
- (c) any Restricted Payment may be made by the Issuer, provided that at the time of the payment the Incurrence Test is satisfied (calculated on a *pro forma* basis including the relevant payment).

#### 13.2 Nature of business

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

### 13.3 Financial Indebtedness

The Issuer shall not, and shall procure that none of the Subsidiaries will, incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain or prolong any Financial Indebtedness that constitutes Permitted Debt.

### 13.4 Negative Pledge

The Issuer shall not, and shall procure that none of the Subsidiaries, provide, prolong or renew any Security over any of its/their assets (present or future) to secure any loan or other indebtedness, provided however that the Group Companies have a right to provide, prolong and renew any Permitted Security.

### 13.5 Disposal of assets

The Issuer shall not, and shall procure that none of the Subsidiaries, sell or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or any Subsidiary's assets or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect. The Issuer shall notify the Trustee of any disposal of shares in a Material Group Company or of all or substantially all of the assets of a Material Group Company and, upon request by the Trustee, provide the Trustee with any information relating to the transaction which the Trustee deems necessary (acting reasonably), as further set out in paragraph (c) of Clause 12.4 (*Information: Miscellaneous*).

### 13.6 Dealings with related parties

The Issuer shall, and shall procure that the Subsidiaries will, conduct all dealings with the direct and indirect shareholders of the Group Companies and the interest holders of any Investment SPV (in each case excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders and/or interest holders (as applicable) at arm's length terms.

### 13.7 Compliance with laws etcetera

The Issuer shall, and shall procure that the Subsidiaries:

- (a) comply in all material respects with all laws and regulations applicable from time to time; and
- (b) obtain maintain and in all material respects comply with, the terms and conditions of any authorisation, approval, license or other permit required for the business carried out by the respective Group Company.

### 13.8 Admission to trading

The Issuer shall ensure that:

- (a) the Initial Bonds and any Subsequent Bonds are admitted to trading on Frankfurt Open Market (or any other relevant MTF) and Nasdaq Sustainable Debt Market (or any other relevant Regulated Market) not later than sixty (60) calendar days after the relevant Issue Date (and in each case with an intention to complete such listing within thirty (30) calendar days after the relevant Issue Date); and
- (b) the Bonds, if admitted to trading on a Regulated Market continue being listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

### 13.9 Maintenance Test

The Issuer shall ensure that the Maintenance Test is met for as long as any Bond is outstanding. The Maintenance Test shall be tested quarterly on the basis of the interim report for the period covered by the relevant Reference Date on the basis of the Compliance Certificate issued therewith. The first test date for the Maintenance Test shall be 31 December 2023.

### 13.10 Trustee Agreement

13.10.1 The Issuer shall, in accordance with the Trustee Agreement:

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

13.10.2 The Issuer and the Trustee shall not agree to amend any provisions of the Trustee Agreement without the prior consent of the Holders if the amendment would be detrimental to the interests of the Holders.

### 13.11 CSD related undertakings

The Issuer shall keep the Bonds affiliated with a CSD and comply with all CSD regulation applicable to the Issuer from time to time.

## 14. Termination of the Bonds

Each of the events or circumstances set out in this Clause 14 is an Event of Default (save for Clause 14.10 (*Termination*) and Clause 14.11 (*Distribution of proceeds*)).

#### 14.1 Non-payment

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

#### 14.2 Other obligations

- (a) The Issuer does not comply with any provision of these Terms and Conditions in any other way than a breach of the Sustainability Bond Framework or the use of Net Proceeds in breach of the Sustainability Bond Framework, or a breach of Clause 14.1 (*Non-payment*).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied and is remedied within fifteen (15) Business Days of the earlier of:
- (i) the Trustee giving notice to the Issuer; and
  - (ii) the Issuer becoming aware of the failure to comply,

provided that if the failure or violation is not capable of being remedied, the Trustee may declare the Bonds payable without such prior written notice.

#### 14.3 Cross-acceleration

- (a) Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described).
- (b) No Event of Default will occur under this Clause 14.3 if:
- (i) the Financial Indebtedness is owed by a Group Company to another Group Company; or
  - (ii) the aggregate amount of Financial Indebtedness falling within paragraph (a) above is equal to or less than SEK 15,000,000 (or its equivalent in other currencies).

#### 14.4 Insolvency

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

#### 14.5 Insolvency proceedings

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

#### 14.6 Mergers and demergers

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

#### 14.7 Creditors' process

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

#### 14.8 Impossibility or illegality

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

#### 14.9 Cessation of business

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



#### 14.10 Termination

14.10.1 If an Event of Default has occurred and is continuing, the Trustee is entitled to, and shall following a demand in writing from a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Holder on the second Business Day following the day on which the demand is received by the Trustee and shall, if made by several Holders, be made by them jointly) or following an instruction or decision pursuant to Clause 14.10.3 or Clause 14.10.5, on behalf of the Holders, terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Trustee determines (such later date not falling later than twenty (20) Business Days from the date on which the Trustee made such declaration).

14.10.2 The Trustee may not terminate the Bonds in accordance with Clause 14.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 14.10.1.

14.10.3 The Trustee shall notify the Holders of an Event of Default within five (5) Business Days of the date on which the Trustee received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Trustee may postpone a notification of an Event of Default (other than in relation to Clause 14.1 (*Non-payment*)) up until the time stipulated in Clause 14.10.4 for as long as, in the reasonable opinion of the Trustee, such postponement is in the interests of the Holders as a group. The Trustee shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.

14.10.4 The Trustee shall, within twenty (20) Business Days from the date on which the Trustee received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so terminated. If the Trustee has decided not to terminate the Bonds, the Trustee shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Clause 15 (*Decisions by Holders*). If the Holders vote in favour of termination and instruct the Trustee to terminate the Bonds, the Trustee shall promptly declare the Bonds terminated. However, if the cause for termination according to the Trustee's appraisal has ceased before the termination, the Trustee shall not terminate the Bonds. The Trustee shall in such case, at the earliest possible date, notify the Holders that the cause for

termination has ceased. The Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

14.10.5 If the Holders, without any prior initiative to decision from the Trustee or the Issuer, have made a decision regarding termination in accordance with Clause 15 (*Decisions by Holders*), the Trustee shall promptly declare the Bonds terminated. The Trustee is however not liable to take action if the Trustee considers cause for termination not to be at hand, unless the instructing Holders agree in writing to indemnify and hold the Trustee harmless from any loss or liability and, if requested by the Trustee in its discretion, grant sufficient security for such indemnity.

14.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 14, the Trustee shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.

14.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.

14.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 14 without relevant decision by the Trustee or following instructions from the Holders' pursuant to Clause 15 (*Decisions by Holders*).

14.10.9 If the Bonds are declared due and payable in accordance with this Clause 14, the Issuer shall redeem all Bonds with an amount per Bond as set forth in the applicable Call Option Amount for the relevant period (plus accrued but unpaid interest).

#### 14.11 Distribution of proceeds

14.11.1 If the Bonds have been declared due and payable in accordance with this Clause 14, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Trustee:

- (a) *first*, in or towards payment *pro rata* amounts owing to the Trustee under the Finance Documents, including all fees, costs and indemnities relating to the acceleration of the Bonds or the protection of the Holders' rights under the Finance Documents;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and



(d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions, including any default interest.

Any excess funds after the application of proceeds in accordance with this Clause 14.11.1 shall be paid to the Issuer. The application of proceeds in accordance with this Clause 14.11.1 shall, however, not restrict a Holders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

14.11.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14.11.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14.11.1.

14.11.3 Funds that the Trustee receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Holders and the other interested parties. The Trustee shall arrange for payments of such funds in accordance with this Clause 14.11 as soon as reasonably practicable.

14.11.4 If the Issuer or the Trustee shall make any payment under this Clause 14.11, the Issuer or the Trustee, as applicable, shall notify the Holders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

## 15. Decisions by Holders

### 15.1 Request for a decision

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

15.1.2 Any request from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Holder on the Business Day immediately following the day on which the request is received by the Trustee and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to these Terms and Conditions shall be directed to the Trustee and dealt with at a Holders' Meeting or by way of a Written Procedure, as determined by the Trustee. The Person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Holders' Meeting

than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.

15.1.3 The Trustee may refrain from convening a Holders' Meeting or instigating a Written Procedure if:

- (a) the suggested decision must be approved by any Person in addition to the Holders and such Person has informed the Trustee that an approval will not be given; or
- (b) the suggested decision is not in accordance with applicable laws.

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

15.1.5 Should the Trustee not convene a Holders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 15.1.3 being applicable, the Person requesting a decision by the Holders may convene such Holders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the Debt Register in order to convene and hold the Holders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Trustee to open the Holders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.

15.1.6 Should the Issuer want to replace the Trustee, it may convene a Holders' Meeting in accordance with Clause 15.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 15.3.1. After a request from the Holders pursuant to Clause 18.4.3, 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 Holders' Meeting in accordance with Clause 15.2.1.

### 15.2 Holders' Meeting

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

15.2.2 The notice pursuant to Clause 15.2.1 shall include:

- (a) time for the meeting;
- (b) place for the meeting;
- (c) agenda for the meeting (including each request for a decision by the Holders); and

(d) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.

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

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

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

### 15.3 Written Procedure

15.3.1 The Trustee shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(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 Holder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Holder(s), the Trustee shall send a copy of the communication to the Issuer.

15.3.2 A communication pursuant to Clause 15.3.1 shall include:

- (a) each request for a decision by the Holders;
- (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 Holder 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; and

(e) the stipulated time period within which the Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 15.3.1).

If the voting shall be made electronically, instructions for such voting shall be included in the communication.

15.3.3 When the requisite majority consents of the Adjusted Nominal Amount pursuant to Clauses 15.4.2 and 15.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.4.2 or 15.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

### 15.4 Majority, quorum and other provisions

15.4.1 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 Holder*) from a Person who is, registered as a Holder:

- (a) on the Record Date prior to the date of the Holders' Meeting, in respect of a Holders' Meeting; or
- (b) on the Business Day specified in the communication pursuant to Clause 15.3.1, in respect of a Written Procedure,

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

15.4.2 The following matters shall require consent of Holders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 15.3.2:

- (a) amend the status of the Bonds;
- (b) a mandatory exchange of Bonds for other securities;
- (c) a change of issuer of the Bonds;
- (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer (other than as a result of an application of Clause 12.3.3 (*Replacement of Base Rate*));
- (e) amend the provisions in Clause 14.11 (*Distribution of proceeds*);
- (f) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
- (g) amend the provisions in this Clause 15.4.2 or in Clause 15.4.3.

15.4.3 Any matter not covered by Clause 15.4.2 shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 15.3.2. 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 permitted pursuant to paragraphs (a), (b) or (c) of Clause 16.1) or a termination of the Bonds.

15.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Holders' Meeting or the Trustee in a Written Procedure, will prevail. The chairman at a Holders' Meeting shall be appointed by the Holders in accordance with Clause 15.4.3.

15.4.5 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount;

- (a) if at a Holders' 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.

15.4.6 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 15.2.1) or initiate a second Written Procedure (in accordance with Clause 15.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 15.4.5 shall not apply to such second Holders' Meeting or Written Procedure.

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

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

15.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that consent at the relevant Holders' 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.

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

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

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

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

## 16. Amendments and waivers

16.1 The Issuer and the Trustee (acting on behalf of the Holders) may agree to amend the Finance Documents or waive any provision in the Finance Documents, provided that:

- (a) such amendment or waiver is not detrimental to the interest of the Holders, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by applicable regulation, a court ruling or a decision by a relevant authority;
- (c) such amendment or waiver is necessary for the purpose of listing the Bonds on a Regulated Market provided that such amendment or waiver does not materially adversely affect the rights of the Holders;
- (d) is made pursuant to Clause 17 (*Replacement of Base Rate*); or

(e) such amendment or waiver has been duly approved by the Holders in accordance with Clause 15 (*Decisions by Holders*).

16.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to these Terms and Conditions. It is sufficient if such consent approves the substance of the amendment or waiver.

16.3 The Trustee shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 16.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Trustee. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

16.4 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Holders Meeting, in the Written Procedure or by the Trustee, as the case may be.

16.5 In addition to Clause 16.1, in connection with a full redemption of all outstanding Bonds and subject to the terms in this Clause 16.5, the Trustee may agree in writing to waive any or all provisions in these Terms and Conditions. Any waiver provided in accordance with this Clause 16.5 may be made at the Trustee's sole discretion (acting on behalf of the Holders) without having to obtain the consent of the Holders provided that:

- (a) at the latest on the date on which the waiver becomes effective, an amount corresponding to the total nominal amount outstanding under the Bonds as well as any applicable Call Option Amount and, any accrued but unpaid Interest and any other amounts due to be paid to the Trustee and/or the Holders under or in respect of the Finance Document until the relevant Redemption Date is transferred to a pledged account held by the Issuer with a reputable Swedish bank subject to duly perfected first ranking security in favour of the Trustee and the Holders;
- (b) the Issuer undertakes to redeem and/or repurchase and cancel all outstanding Bonds in full within four (4) months from the date on which the waiver becomes effective; and
- (c) the Issuer undertakes to not issue any Subsequent Bonds following the effectiveness of the waiver.

## 17. Replacement of Base Rate

### 17.1 General

17.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Holders in accordance with the provisions of this Clause 17 shall at all times be made by such Independent Adviser, the Issuer or the Holders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

17.1.2 If a Base Rate Event has occurred, this Clause 17 shall take precedent over the fallbacks set out in paragraphs (b) to (d) of the definition of STIBOR.

### 17.2 Definitions

In this Clause 17:

**"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 determined in accordance with Clause 17.3.4, to be applied to a Successor Base Rate or an Alternative Base Rate, the objective of which, in each case, shall be to reduce or eliminate, to the fullest extent reasonably practicable, any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

**"Alternative Base Rate"** means the reference rate that has replaced the Base Rate in customary market usage in the relevant debt capital markets for the purposes of determining rates of interest in respect of Bonds denominated in SEK or, if there is no such rate, such other rate as the Independent Adviser determines is most comparable to the Base Rate.

**"Base Rate Amendments"** has the meaning set forth in Clause 17.3.5.

**"Base Rate Event"** means that:

- (a) the Base Rate has:
  - (i) been permanently or indefinitely discontinued;
  - (ii) ceased to exist; or
  - (iii) ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate ceasing to be calculated or administered;
- (b) the Base Rate Administrator ceases to publish the applicable Base Rate permanently or indefinitely and, at that time, no successor administrator has been appointed to continue to publish the Base Rate;
- (c) the supervisor of the Base Rate Administrator:
  - (i) has made a public statement stating that the Base Rate is no longer representative of the underlying market; or
  - (ii) is recommending the usage of a Successor Base Rate for the applicable Base Rate;



- (d) the Base Rate Administrator or its supervisor announces that:
- (i) the Base Rate methodology has changed materially after the First Issue Date; or
  - (ii) the Base Rate may no longer be used, either generally or in respect of the Bonds; or
- (e) it has become unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Holder using the applicable Base Rate.

**“Base Rate Event Announcement”** means a public statement by the Base Rate Administrator or the supervisor of the Base Rate Administrator that any event or circumstance specified in the definition of Base Rate Event 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 any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee of any of them or the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*) or any part thereof.

**“Successor Base Rate”** means a screen or benchmark rate which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body.

### 17.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments

17.3.1 Without prejudice to Clause 17.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate or an Alternative 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 determine a Successor Base Rate or, if there is no Successor Base Rate, an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating 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 17.3.2.

17.3.2 If (i) a Base Rate Event has occurred or (ii) a Base Rate Event Announcement has been made and the announced Base Rate Event will occur within six (6) months, 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 determine, as soon as commercially reasonable, a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate.

17.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 17.3.2, the Holders shall, if so decided at a Holders’ 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 17.3.2.

17.3.4 The Adjustment Spread determined by the Independent Adviser in accordance with Clause 17.3.1 or 17.3.2, shall be the Adjustment Spread which:

- (a) is formally recommended in relation to the replacement of the Base Rate by any Relevant Nominating Body; or
- (b) if paragraph (a) above does not apply, the Independent Adviser determines is customarily applied to the relevant Successor Base Rate or Alternative Base Rate (as applicable), in comparable debt capital markets transactions.

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

17.3.6 Provided that a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the applicable Adjustment Spread and any Base Rate Amendments have been determined no later than ten (10) Business Days 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.

### 17.4 Interim measures

17.4.1 If Base Rate Event has occurred but no Successor Base Rate or Alternative Base Rate and Adjustment Spread have been determined at least ten (10) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period, 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.

17.4.2 For the avoidance of doubt, Clause 17.4.1 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 17.



### 17.5 Notices

The Issuer shall promptly following the determination by the Independent Adviser of any Successor Base Rate, Alternative Base Rate, Adjustment Spread and any Base Rate Amendments give notice thereof to the Trustee, the Issuing Agent and the Holders in accordance with Clause 23 (*Notices and press releases*) and the CSD.

### 17.6 Variation upon replacement of Base Rate

17.6.1 No later than giving the Trustee notice pursuant to Clause 17.5, the Issuer shall deliver to the Trustee a certificate signed by the Independent Adviser and a duly authorised signatory of the Issuer confirming the relevant Successor Base Rate or Alternative Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 17. The Successor Base Rate or Alternative 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 determination, be binding on the Issuer, the Trustee, the Issuing Agent and the Holders.

17.6.2 Subject to receipt by the Trustee of the certificate referred to in Clause 17.6.1, the Issuer and the Trustee shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Holders, 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 17.

17.6.3 The Trustee and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 17. Neither the Trustee nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Trustee 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 Trustee or the Issuing Agent in the Finance Documents.

### 17.7 Limitation of liability for the Independent Adviser

Any Independent Adviser appointed pursuant to Clause 17.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with the Finance Documents, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

## 18. The Trustee

### 18.1 Appointment of the Trustee

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

18.1.2 By acquiring Bonds, each subsequent Holder confirms the appointment and authorisation for the Trustee to act on its behalf, as set forth in Clause 18.1.1 above.

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

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

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

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

### 18.2 Duties of the Trustee

18.2.1 The Trustee shall represent the Holders in accordance with the Finance Documents. However, the Trustee is not responsible for the contents, execution, legal validity or enforceability of the Finance Documents. The Trustee shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Trustee.

18.2.2 The Trustee is not obliged to actively assess or monitor:

- (a) the financial condition of the Issuer or any Group Company;
- (b) the compliance by the Issuer of the Finance Documents (unless expressly set out in the Finance Documents); or
- (c) whether an Event of Default (or any event that may lead to an Event of Default) has occurred or not. Until it has actual knowledge to the contrary, the Trustee is entitled to assume that no Event of Default has occurred.

18.2.3 The Trustee may assume that any information, documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Trustee does not have to verify or assess the contents of any such information, documentation or evidence. The Trustee does not review any information, documents and evidence from a legal or commercial perspective of the Holders.

18.2.4 The Trustee shall upon request by a Holder disclose the identity of any other Holder who has consented to the Trustee in doing so.

18.2.5 When acting in accordance with the Finance Documents, the Trustee is always acting with binding effect on behalf of the Holders. The Trustee shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.

18.2.6 The Trustee is entitled to delegate its duties to other professional parties, but the Trustee shall remain liable for the actions of such parties under the Finance Documents.

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

18.2.8 The Trustee shall be entitled to disclose to the Holders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Trustee may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

18.2.9 The Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Trustee pay all costs for external experts engaged:

- (a) after the occurrence of an Event of Default;
- (b) for the purpose of investigating or considering an event which the Trustee reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Trustee reasonably believes may be detrimental to the interests of the Holders under the Finance Documents; or
- (c) when the Trustee is to make a determination under the Finance Documents. Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 14.11 (*Distribution of proceeds*).

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

18.2.11 The Trustee may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate restructuring of the Bonds or other situations.

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

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

18.2.14 The Trustee shall give a notice to the Holders:

- (a) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents; or
- (b) if it refrains from acting for any reason described in Clause 18.2.13.

18.2.15 The Trustee's duties under these Terms and Conditions are solely mechanical and administrative in nature and the Trustee only acts in accordance with these Terms and Conditions and upon instructions from the Holders, unless otherwise set out in the Finance Documents. In particular, the Trustee is not acting as advisors (whether legal, financial or otherwise) to the Holders or any other person.

### 18.3 Liability for the Trustee

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

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

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

18.3.4 The Trustee shall have no liability to the Holders for damage caused by the Trustee acting in accordance with instructions from the Holders given in accordance with Clause 15 (*Decisions by Holders*).

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

18.3.6 The Trustee is not liable for information provided to the Holders by or on behalf of the Issuer or by any other person.

### 18.4 Replacement of the Trustee

18.4.1 Subject to Clause 18.4.6, the Trustee may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Trustee at a Holders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.

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

18.4.3 A Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Holder on the Business Day immediately following the day on which the notice is

received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Holders that the Trustee be dismissed and a new Trustee appointed.

18.4.4 If the Holders have not appointed a successor Trustee within ninety (90) calendar days after:

- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
- (b) the Trustee was dismissed through a decision by the Holders, the Issuer shall appoint a successor Trustee which shall be an independent financial institution or the other reputable company which regularly acts as agent under debt issuances.

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

18.4.6 The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.

18.4.7 Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Trustee.

18.4.8 In the event that there is a change of the Trustee in accordance with this Clause 18.4, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents. Unless the Issuer and the new Trustee agrees otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee.

## 19. The Issuing Agent

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

19.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

19.3 The Issuing Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

## 20. The CSD

20.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.

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

## 21. No direct actions by Holders

21.1 A Holder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer or a Subsidiary 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 Trustee.

21.2 Clause 21.1 shall not apply if the Trustee has been instructed by the Holders 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 Holder to provide documents in accordance with Clause 18.1.3), such actions within a

reasonable period of time and such failure or inability is continuing, however, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or by any reason described in Clause 18.2.13, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.14 before a Holder may take any action referred to in Clause 21.1.

21.3 The provisions of Clause 21.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 11.4 (*Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option)*) or other payments which are due by the Issuer to some but not all Holders.

## 22. Time-bar

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

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

## 23. Notices and press releases

### 23.1 Notices

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

- (a) if to the Trustee, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such email address as notified by the Trustee to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address Mäster Samuelsgatan 1, 1st floor, 111 44 Stockholm, Sweden, or such address notified by the Issuer to the Trustee from time to time or, if sent by email by the Trustee, to such email address as notified by the Issuer to the Trustee from time to time; and



(c) if to the Holders, 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 Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Trustee.

23.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (and, if between the Trustee and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 23.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1.1 or, in case of email to the Trustee or the Issuer, when received in legible form by the email address specified in Clause 23.1.1.

23.1.3 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

### 23.2 Press releases

23.2.1 Any notice that the Issuer or the Trustee shall send to the Holders pursuant to Clause 11.3, Clause 11.4, paragraph (a)(i) of Clause 12.4, Clause 14.10.3, Clause 14.11.4, Clause 15.2.1, Clause 15.3.1, Clause 15.4.13, Clause 16.3, Clause 17.5, Clause 18.2.14 and Clause 18.4.1 shall also be published by way of press release by the Issuer or the Trustee, as applicable.

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

## 24. Force Majeure and limitation of liability

24.1 The Trustee and the Issuing Agent shall not be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Trustee or the Issuing Agent itself takes such measures, or is subject to such measures.

24.2 The Issuing Agent shall have no liability to the Holders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

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

24.4 The provisions in this Clause 24 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## 25. Governing law and jurisdiction

25.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.

25.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 25.3, be determined by Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

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





# Definitions

<b>AGM</b>	Annual general meeting.
<b>Bonds</b>	The bonds issued in the Bond Issue
<b>Bond Issue</b>	The issuance of the Bonds in an amount of SEK 500,000,000 on 8 December 2023 under the maximum SEK 1,000,000,000 senior unsecured callable floating rate sustainability bonds 2023/2026 with ISIN SE0021147675.
<b>Company or Issuer</b>	VEF AB (publ), reg. no. 559288-0362, Mäster Samuelsgatan 1, 1st floor, 111 44 Stockholm, Sweden.
<b>EUR</b>	Euro.
<b>Euroclear Sweden</b>	Euroclear Sweden AB, reg. no. 556112-8074, P.O. Box 191, SE 101 23 Stockholm, Sweden.
<b>IFRS</b>	International Financial Reporting Standards.
<b>Issue Date</b>	8 December 2023.
<b>LTIP</b>	Long-term incentive program.
<b>Nasdaq Stockholm</b>	The regulated market operated by Nasdaq Stockholm AB.
<b>NAV</b>	Net asset value.
<b>Prospectus</b>	This prospectus.
<b>SEK</b>	Swedish krona.
<b>SFSA</b>	The Swedish Financial Supervisory Authority.
<b>Subsequent Bond</b>	Any Bond issued after 8 December 2023.
<b>Subsequent Bond Issue</b>	Any issue of Subsequent Bonds.
<b>Trustee</b>	The bondholders' agent under the 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.
<b>USD</b>	U.S. dollar.

# Addresses

## COMPANY

### VEF AB (Publ)

Mäster Samuelsgatan 1, 1st floor  
SE-111 44 Stockholm, Sweden  
+46 (0)8 545 015 50  
[www.vef.vc](http://www.vef.vc)

## ISSUING AGENT AND JOINT BOOKRUNNER

### DNB Bank ASA, filial Sverige

Regeringsgatan 59  
SE-105 88 Stockholm Sweden  
[www.dnb.se](http://www.dnb.se)

## JOINT BOOKRUNNER

### Pareto Securities AB

P.O. Box 7415  
SE-103 91 Stockholm, Sweden  
[www.paretosec.com](http://www.paretosec.com)

## LEGAL ADVISOR

### Gernandt & Danielsson Advokatbyrå KB

P.O. Box 5747  
SE-114 87 Stockholm, Sweden  
[www.gda.se](http://www.gda.se)

## AUDITOR

### PricewaterhouseCoopers AB

Torsgatan 21  
SE-113 97 Stockholm, Sweden.  
[www.pwc.se](http://www.pwc.se)

## TRUSTEE

### Nordic Trustee & Agency AB (publ)

P.O. Box 7329  
SE-103 90 Stockholm, Sweden  
[www.nordictrustee.com](http://www.nordictrustee.com)

## CENTRAL SECURITIES DEPOSITORY

### Euroclear Sweden AB

Klarabergsviadukten 63  
P.O. Box 191  
SE-101 23 Stockholm, Sweden  
[www.euroclear.eu](http://www.euroclear.eu)

# VEF

VEF AB (publ)  
Mäster Samuelsgatan 1, 1st floor, SE-111 44 Stockholm, Sweden  
[www.vef.vc](http://www.vef.vc)