

This prospectus was approved by the Swedish Financial Supervisory Authority on 22 October 2021. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.

Valerum AB (publ)

**Prospectus for the admission to trading of SEK 710,000,000
Senior Secured Floating Rate Bonds**

ISIN: SE0015192190

Issuing Agent

ABG Sundal Collier ASA

22 October 2021

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Valerum AB (publ), Swedish reg. no. 559264-5385 (“**Valerum**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries, unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s SEK 710,000,000 senior secured floating rate bonds with ISIN SE0015192190 (the “**Bonds**”) issued on 30 October 2020 (the “**Issue Date**”), in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively), on the corporate bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). The Bonds have been issued under a framework of SEK 710,000,000, of which SEK 710,000,000 was issued on 30 October 2020. Concepts and terms defined in *Section Terms and Conditions for the Bonds* are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

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

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of admitting the Bonds to trading on Nasdaq Stockholm. This Prospectus may not be distributed in the US, Australia, Hong Kong, Japan, Canada, Switzerland, Singapore, South Africa or New Zealand or in any other jurisdiction where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the 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 are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act).

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

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

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

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

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RISK FACTORS

The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Bonds in order to make an informed investment decision. The risk factors set forth below are therefore limited to risks that are material and specific to the Company and the Group and the Bonds.

The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of "low", "medium" or "high". The assessment of the materiality of the risk factors have been based on the probability of their occurrence and the expected magnitude of their negative impact.

Regardless of whether the Company has estimated the risk rating as "low", "medium" or "high", all risk factors included in this section have been assessed to be material and specific to the Company and/or the Bonds in accordance with the Prospectus Regulation.

RISK FACTORS SPECIFIC AND MATERIAL TO THE COMPANY AND THE GROUP

Risks Related to the Company's Business Activities and Industry

Risks related to no due diligence of the contemplated acquisition or the Company

No due diligence has been carried out with respect to Valerum Fastighets AB, reg. no. 559172-3084 (the "Target") and its direct and indirect subsidiaries (the "Target Group"). There may be legal obstacles yet unknown which may affect the contemplated transaction and transaction security to be pledged in favour of the holders of the Bonds (the "Bondholders"). There may also be material risks relating to the Target Group which have not been identified by the Company. Further, there may be financial, insurance and tax implications yet unknown which may affect aspects of the transaction such as the purchase price, actual property value, projected revenues from the contemplated properties to be acquired, lengths of leasing agreements and tenancy levels (this is a non-exhaustive list and further factors and circumstances may apply) which ultimately could affect the financial position of the Company and its possibilities to generate revenue and is to be considered a medium risk.

Risks related to the net operating income guarantee provided by the seller of the Target Group

The share purchase agreement entered into between the Company and the seller of the Target Group, SBB i Norden AB (corporate identity number 559053-5174) (the "Seller"), includes a guarantee from the seller that the net operating income from the Target Group will amount to at least SEK 81,847,860 for the years 2021, 2022 and 2023 (the "Net Operating Income Guarantee Period"). Once the Net Operating Income Guarantee Period has expired, there is a risk that the vacancy levels will be higher or the rental levels will be lower than the vacancy and rental levels that have been calculated for when determining the amounts under the net operating income guarantee. Thus, there is a medium risk that the Group's operational income will decline once the Net Operating Income Guarantee Period has expired as a direct consequence of the expiration of the guarantee which would affect the financial position of the Company and the Company's ability to refinance the obligations under the Bonds. If any of the aforementioned risks would materialise, it would have a material adverse effect on the Group's earnings and financial position and its ability to refinance the obligations under the Bonds.

Furthermore, there is a risk that the seller will not be able to meet its obligations under the net operating income guarantee, which would adversely affect the financial position of the Issuer. This is deemed to be a low risk.

Macroeconomic and regional specific factors

The real estate business, and thus the Company's business, is to a large extent affected by macroeconomic factors such as the general economic trend, regional economic development, employment rate development, production rate of new residential units and premises, changes of infrastructure, population growth, structure

of the population, inflation, interest rates etc. The development of the economy affects the rate of employment, which is a material factor for supply and demand on the residential market and accordingly affects vacancy and rental rates, especially for commercial real estate. Expectations regarding the inflation affect the interest rate and therefore affect the Company's net financial income. The interest expense of debts to credit institutions will be one of the Company's main cost items. In the long term, changes in the interest rate could have a significant effect on the Company's result and cash flow. The inflation also affects the Company's costs. In addition, changes in the interest rate and the inflation also affect the yield requirements and thus the market value of the properties to be acquired. The Group's operations will mainly be located in the middle and south of Sweden, and accordingly the Group's property holdings will be especially risk exposed towards macroeconomic factors that affect those parts of the country. Furthermore, the supply and demand regarding real estate, and accordingly the yield on real estate investments differ between different geographical markets and may develop differently within different geographical markets. The demand for real estate may decrease in this geographical market even if the demand does not decrease in the rest of the country. This may lead to increased vacancies, lower future rental rates and/or decreasing market values of the properties to be acquired. If one or several of these factors would develop negatively, the Company considers that it could have a highly significant negative impact on the Company's operations, earnings and financial position.

Coronavirus disease (COVID-19) risks

The 2019 novel coronavirus ("COVID-19") outbreak is currently having an indeterminable adverse impact on the world economy. COVID-19 was reportedly first discovered in Wuhan, Hubei Province, China, in 2019, and the World Health Organization declared COVID-19 a pandemic on 11 March 2020. The COVID-19 outbreak has become a widespread health crisis, which may in turn result in protracted volatility in international markets and/or result in a global recession as a consequence of disruptions to travel and retail segments, tourism, and manufacturing supply chains. In particular, in February to April 2020 the COVID-19 outbreak caused stock markets worldwide to lose significant value and impacted economic activity worldwide. The trading price of the Bonds may therefore be adversely affected by the economic uncertainty caused by COVID-19. Furthermore, once the Target has been acquired, there is a risk that the Group's tenants' ability to pay rent will be adversely affected by the COVID-19 outbreak.

There is also a risk that the COVID-19 outbreak could have a negative effect on the value of the properties to be acquired by the Company. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations. The Company considers the probability of the risks related to COVID-19 to be medium.

Moreover, due to COVID-19, there is a risk that the Group's tenants following the Acquisition may choose not to enter into new leases or renew existing. There is also a risk that the global downturn could affect the liquidity position of existing tenants, which in turn may require such tenants to postpone rental payments or cause defaults under lease agreements. Accordingly, the COVID-19 crisis' impact on the Group's current and future tenants could lead to increased vacancies and a decrease in rental income for the Group, which would have a negative impact on the Group's operations, financial position and earnings.

Changes in value of the properties

Once the Target has been acquired, the Group's properties will be accounted for in the balance sheet at market value and the changes in value will be accounted for in the income statement. The value of the properties to be acquired are affected by a number of factors, partly property specific such as vacancy rate, the rental level and operating costs, partly market specific such as yield requirements and cost of capital derived from comparable transactions on the real estate market. Both property specific deteriorations such as lower rental levels and increased vacancy rate and market specific deteriorations such as higher yield requirements may cause the

Company to write-down the actual value of the acquired properties. Thus, there is a medium risk that the Group may be required to write-down the actual value of its properties which could have a material negative impact on the Group's financial position and the ability of the Company to fulfil its obligations under the Bonds.

Refinancing could turn out to be impossible or associated with heavily increased costs

Refinancing risk is the risk that financial costs could be higher and/or the refinancing possibilities could be limited or non-existent when the debt owed by the Company or any other Group company falls due and needs to be refinanced. The Group's business is partly financed by externally provided capital. The majority of the capital required to finance the development of the Group's existing properties and future acquisitions by the Group is and will be provided by banks, credit institutions or other lenders. There is a risk that lenders will not extend credit to the Group when the loans mature, that there are no alternative credit facilities available or that credit will be provided at a significantly higher cost than as at present. If the Group cannot refinance its debt or is only able to do so at much higher costs, this would have a material adverse effect on the Group's earnings and financial position and would affect the Company's ability to refinance the obligations under the Bonds. This is considered a medium risk.

Rental income and the development of rents

The property portfolio to be acquired accommodate a large number of tenants. The majority of the rental income derive from tenants that run a commercial business. Rental income for commercial properties is in the long term affected by, for example, supply and demand in the commercial property market. The economic occupancy rate, the agreed rent level and the tenant's ability to pay will affect the Company's rental income. If the economic occupancy rate or rent levels decline, for any reason, the Company's earnings will be adversely affected.

The risk of fluctuations in vacancies and loss of rental income increases with the more individual large tenants a property company has. The rental income from the ten largest tenants of the property portfolio corresponds to approximately 38.3 per cent of the total projected rental value of the Group post acquisition calculated on a pro-forma basis as included in this presentation. The lease agreements with the Company's to be largest tenants have differentiated durations and the agreements with the Company's ten largest tenants, post-acquisition, will have an average remaining duration of approximately 2.0 years (with portfolio average being 3.2 years adjusted for rental guarantees) calculated on a pro-forma basis as included in this presentation. There is a medium risk that one or more of the Company's to be most important tenants do not renew or extend their lease agreements after expiration, or cannot fulfil their obligations pursuant to the lease agreements due to for instance bankruptcy, liquidation proceedings or other unexpected events, which may lead to a decrease in rental income and an increase in vacancies, unless the Company is able to receive corresponding rental income from new tenants.

Rent-level risk is attributable to trends in current market rents. A long-term negative development of the market rents may have a negative impact on the Company. In addition, the Company is dependent on that its tenants pay the rents on time, and it is thus exposed to the risk that the tenants do not fulfil their obligations, which could lead to decreased rental income. If any of the above described risks would materialise, the Company considers that it could have a medium negative impact on the Company's earnings, cashflow, liquidity position and financial position.

Acquisitions, divestments and other transaction related risks

Other than the acquisition of the property portfolio described in this presentation, the Company may conduct additional acquisitions in the future and the Group may also divest properties. Acquisitions are inherently associated with risks connected to the acquired business. For example, tenants may leave, the accounting of the acquired business may be deficient and/or the operations may be subject to unforeseen environmental or tax

requirements. Furthermore, other circumstances which may affect the value negatively may materialise. The Company considers that there is a medium risk that any of the above described risks materialises, which could have a material negative impact on the value of the acquired property and therefore increase the Group's costs, which in turn may negatively affect the Company's operations, earnings and financial position.

Acquisitions may also be connected with risks associated with the seller. If a seller is, or ends up in, financial distress, the possibility to be successful with warranty claims may be limited. In addition, such possibility may be limited in time. This poses a medium risk to the Company and should the above risks related to the seller materialise, it could negatively affect the Company's ability to receive compensation from the seller, which could have a negative effect on the Company's earnings.

Selling properties involves uncertainties regarding, inter alia, achieving a reasonable sales price for the properties. Further, the Group may be subject to claims resulting from the sale or the condition of the sold properties. If the Group is unable to sell its properties on favourable terms or if claims are directed at the Group, this may lead to delays in projects as well as increased and unexpected costs for the properties and transactions. This poses a medium risk to the Company and if it materialise, it could negatively affect the Company's financial position.

If one or several of the abovementioned factors develops negatively, it could have a material negative impact on the Company's ability to generate revenue and make value creating property investments or divestments and therefore negatively effect the Company's financial position.

Operational and maintenance costs

Operational costs, which will be a material cost for the Company, will mainly consist of costs which are fare related, such as cost for electricity, cleaning, water and heating. Several of these goods and services can only be bought from a single operator on the market, which may affect the price. The operational costs are also subject to seasonal variations and weather conditions, such as prolonged colder periods resulting in increased costs for heating, as well as other similar unpredictable events entailing increased operational costs in relation to the Group's property portfolio. Thus, there is a medium risk that the Group will be subject to increased operational costs. To the extent any increase in costs cannot be compensated through regulation in lease agreements, or rental increases through renegotiations of lease agreements, there is a medium risk that it may have a negative impact on the Group's operations, earnings and financial position.

Maintenance costs are attributable to measures required to maintain the standard of the property to be acquired in the long term or to modernise it. The maintenance costs are also subject to seasonal variations and weather conditions, such as unexpected heavy rainfall resulting in flooding and/or water damages as well as other similar unpredictable events entailing increased maintenance costs in relation to the property portfolio to be acquired and operated by the Group. Thus, there is a medium risk that Group will be subject to increased maintenance costs. Such expenses may, in order to comply with market, governmental or other legal requirements, be substantial and unexpected, and as a consequence have a material negative impact on the Group's net operating income, which is affected negatively if operational and maintenance costs are increased.

Insurance risks

The Group will mainly hold the following types of insurance policies; real estate and property insurance, property owner's indemnity insurance, insurance for legal expenses, including cover for violation of applicable environmental laws and regulations as well as the Swedish Work Environment Act, business travel insurance and insurance for environmental and real estate remediation agreements. The Group will also hold a directors liability insurance policy. The Group's insurance cover may be inadequate to compensate for damages related to the Group's real property or other assets. In particular, certain types of risks may be, or may become, impossible or

too costly for the Group to insure. Once the Target has been acquired, should damages to the Group's real property occur, and subsequently lead to tenants terminating or not renewing their leases, there is a risk that the Group's insurance does not cover such loss of rental income. If an uninsured damage would occur, or if the damage exceeds the insurance cover, the Company may lose the capital invested in the property as well as future income from the property. The Company may also be held responsible for repairing damages caused by uninsured risks. Further, the Company may be held responsible for liabilities and other financial obligations in relation to damaged real property. Consequently, there is a medium risk that the Company is subject to uninsured losses or losses exceeding its insurance cover, which could have a negative impact on the Company's operations, earnings and financial position.

Ability to recruit and retain personnel

The organisation of the Company is of limited size, where, amongst other things, the current operational management team of the Target will join the Company. The further development of the Company is highly dependent on the knowledge, experience and commitment of the Company's management and other key personnel. The future success of the Company therefore, amongst other things, depends on the Company's ability to retain and motivate its key personnel. It also depends on the ability to recruit, retain and develop other qualified senior executives and key employees. There is a medium risk that key personnel may leave the Group and a subsequent failure of recruiting suitable successors could have material negative impact on the Group's operations, earnings and financial position.

Legal and regulatory risks

Changes in tax laws

Changes in legislation regarding company and property taxation, VAT, as well as other tax rules, government charges, contributions and subsidies, may affect the conditions for the Group's business activities. Since these rules have historically been subject to frequent changes, further changes are expected in the future, potentially with retroactive effect. Such changes may have a significant negative effect on the Group's earnings and financial position.

For example, as of 1 January 2019, a general limitation of interest deductions in the corporate sector was introduced by way of an EBITDA-rule. Under the EBITDA-rule, net interest expenses, i.e. the difference between the taxpayer's interest income and deductible interest expenses, is only deductible up to 30 per cent of the taxpayer's EBITDA for tax purposes. The interest deductibility limitation is applied for each legal entity separately, even though there are certain possibilities to consolidate within a group, and accordingly the rules apply to all Swedish entities within the Group. In connection with the changes in the interest deduction rules, the corporate tax rate was reduced from 22 per cent to 21.4 per cent and it will be further reduced in a second step from 21.4 per cent to 20.6 per cent (as of 1 January 2021). If the Swedish entities within the Group's net interest expenses represent a substantial portion in relation to their tax EBITDA, the Group's tax burden could, despite of the lowering of the corporate income tax rate, increase which would have a medium negative impact on the Group's operations, earnings and financial position.

Also, on 30 March 2017, a committee appointed by the Swedish government presented a law proposal that, if enacted, is likely to affect the future taxation of real estate investments. The proposal includes, inter alia, that the deferred tax liability related to the difference between tax residual value and market value on properties will be triggered upon a change of control of a real estate owning company and that such a change of control should also trigger a taxable notional income in the real estate owning company (to compensate for the fact that indirect sales of properties are not subject to stamp duty). The Swedish government has communicated that the law proposal is subject to further review and it is currently unclear if, and to what extent, the proposal will result in

new legislation. If the proposal is enacted, there is a highly risk that it could have a negative effect on the tax burden of the Group and therefore negatively affect its operations, earnings and financial position.

Environmental risks and requirements

Acquiring a property portfolio as contemplated by the Company and described in this presentation, entail the risk of acquisition of contaminated properties. The starting point for the responsibility with respect to contaminations and other environmental damage is, according to the current environmental laws, that the business operator, current and former, bears the responsibility. The Group will not conduct any business that requires a permit according to the Environmental Code, but may as such in certain circumstances be held liable. According to the Environmental Code, a person who has contributed to pollution has a responsibility for remediation. If the operator is unable to perform or defray post-treatment of a property, the party who acquired the property, and who at the time of the acquisition knew of or should have detected the pollution is to assume responsibility. This means that claims under certain circumstances may be directed at the Company for land remediation or post-treatment in the event of an occurrence or suspicion of contamination of land, catchment area or ground water for the purpose of returning the property to the condition required according to the Environmental Code. It cannot be ruled out that current or previously operated activities on the properties could incur environmental risks which would materially affect the Company negatively and also result in difficulties to divest such property. Thus, there is a medium risk that the Company would be imposed to pay for cleaning-up or after treatment, which could result in increased costs and therefore have an adverse negative impact on the Company's earnings and financial position.

Risks Related to the Company's internal control

Insufficient internal control

The Group's business activities are associated with a medium risk of incurring losses due to inadequate procedures and/or that irregularities or internal or external events cause disruption in or damages to the business operations. This requires operational security such as satisfactory internal control, appropriate administrative systems, skills development and access to reliable valuation and risk models to ensure the Group's security and control.

Further, the Group's ability to efficiently manage its operations and maintain satisfactory internal control is dependent on a well-functioning IT environment and IT operations as well as control systems that are integrated throughout the organisation. Errors or disturbances in the Group's IT system or control system may also affect the Company's ability to provide accurate financial reports or to provide such reports on time, internally as well as externally. Severe errors or disturbances in any of these systems or operational safety failures, including the performance by significant service providers, could result in economic losses and regulatory measures which could have a low negative impact on the Group's earnings, brand and reputation.

Risks related to the Company's financial situation

Interest rate risks

Interest rate risk refers to the risk of changes in the capital market that may affect the interest rate conditions and thus borrowing costs for the Group. Interest rate risk is expressed as the cost change for the interest-bearing liabilities, expressed in SEK. Projected at the successful issuance of the Bonds, the Group's interest-bearing liabilities is estimated to be in an amount of approximately SEK 940,000,000 including the Group's bank financing. If the interest rates on the Group's loans were to be increased by one per cent., the Group's interest expenses would increase by SEK 9,400,000 on an annual basis, albeit with a certain delay due to fixed interest periods. Since the majority of the Group's operations, post completion of the acquisition of the Target, relate to leasing

of commercial spaces in accordance with signed agreements it may cause difficulties for the Group to increase revenues to compensate for higher interest costs. A higher interest expense also risks having an effect on profitability, which can negatively affect both the Group's liquidity and interest coverage ratio. Consequently, this could lead to the Group having less opportunities to pay interest and amortisation, and there is a medium risk of the Group breaching the bond terms. Breach of financial conditions or covenants in the bond terms may lead to early repayment of the Bonds, and may force the Group to sell the future properties. If the prevailing interest rate levels were to change in a negative way for the Group, it could have a material adverse effect on the Group's operating income, balance sheet and cash flow.

Refinancing risks

Refinancing risk refers to the risk of not being able to obtain financing or only obtaining financing on terms that are disadvantageous for the Company. Property companies often have significant levels of indebtedness. The Company finances its business primarily through the Bonds and the bank financing as further described in the Presentation as well as shareholder's equity. Upon a successful bond issuance, the Company's interest-bearing net debt will amount to approximately SEK 940,000,000 including the Group's bank financing and the Bonds, amounting to SEK 710,000,000, will fall due within two and a half years.

There is a medium risk that the Company cannot secure sufficient funds to refinance its debts that are due, or that such refinancing can only be obtained on terms that are disadvantageous to the Company. Should the Company fail to obtain necessary capital in the future, it could increase the Group's costs and therefore have a medium negative impact on the Company's earnings and financial position.

Liquidity risks

Liquidity risk refers to the risk that the Company does not have cash or credit facilities to cover their payment commitments, including interest payments, without the cost of obtaining cash increasing significantly. The Company's liquidity will after the acquisition mainly come from rent payments, and if rents are not paid when due there is a medium risk that the Company's liquidity sources prove to be insufficient, which would have a material negative impact on the Company's financial position and its ability to fulfill its obligations under the Bonds.

Credits risks

The Company carries a credit risk that its counterparties cannot fulfil their obligations vis-a-vis the Company (including under the rental guarantee agreement). In addition to the Group's tenants (post completion of the acquisition of the Target), such counterparties may exist in connection with placement of excess liquidity, interest swap arrangements, issuing of buyer promissory notes and short term and long term credit facility arrangements. If the Company cannot successfully mitigate its credit risk or if its counterparties cannot fulfill their obligations towards the Group this could negatively affect the Company's liquidity and therefore increase the Group's need for financing. There is a medium risk that the Group's counterparties cannot fulfil its financial obligations vis-a-vis the Company, which could have a negative impact on the Company's earnings and financial position.

Financial covenants in loan agreements

The Group's indebtedness will primarily consist of the issued Bonds, but some of the Property Companies will be financed with bank loans as further described in the Presentation in an aggregate amount of approximately SEK 230,000,000 (the "Loan Agreements"). If the any member of the Group is in breach of any of its covenants (e.g. financial covenants) in its Loan Agreements in breach of any of its covenants (e.g. financial covenants) in its loan agreements or terms and conditions of debt instruments, it could lead to loans or debt instruments being accelerated, leading to immediate repayment or the creditor taking possession of security. Further, certain loan

agreements and terms and conditions of debt instruments contain cross-default provisions which could trigger the acceleration of other payment obligations within the Group. A breach of any covenant would have a material adverse effect on the Group's operations, earnings and financial position. This is considered a medium risk.

RISKS RELATING TO THE BONDS

Financial risks and risks relating to transaction security

The Bonds carry credit risks

An investment in the Bonds carries a credit risk relating to the Company and the Group. The investor's ability to receive payment under the Terms and Conditions is therefore dependent upon the Company's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's operations and financial position are in turn affected by several factors, a number of which have been discussed above. An increased credit risk is likely to cause the market to charge the Bonds a higher risk premium which would have an adverse effect on the market value of the Bonds. Another aspect of the credit risk is that any deterioration in the financial position of the Company may entail a lower credit-worthiness and the possibility for the Company to receive financing at the maturity of the Bonds may be impaired. There is a low risk that the Group's financial position and the market value of the Bonds is affected by aforementioned factors, some of which are outside of the Group's control.

Ability to service debt under the Bonds

The Company's ability to service its debt under the Bonds will depend upon, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which have been discussed above, or which are outside of the Group's control. It should be noted that, according to the Terms and Conditions, as long as the Bond are outstanding the Group's Net Interest Bearing Debt to Property Value (as defined in the Terms and Conditions) must not exceed 75.00 per cent for any financial quarter and the Group's Interest Coverage Ratio (as defined in the Terms and Conditions) must be 1.50 or greater.

It is uncertain whether the Group's operating income will be sufficient to service its current or future indebtedness. If the Group's operating income will not be sufficient to service its current or future indebtedness, there is a low risk that the Group will be forced to take actions such as reducing or delaying its business activities, make acquisitions, investments or capital expenditures, sell assets, or restructure or refinance its debt and/or seek additional equity capital, and that the Group will not be able to affect any of these remedies on satisfactory terms, or at all.

Dependence on subsidiaries to make payments under the Bonds

A significant part of the Group's assets and revenues will relate to the Company's wholly-owned subsidiaries. Accordingly, the Company will be dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable it to make payments under the Bonds. The Company's subsidiaries will be legally separate and distinct from the Company and have no obligation to pay amounts due with respect to the Company's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the Company's subsidiaries to make such payments to the Company is subject to, among other things, the availability of funds. Should the Company not receive sufficient income from its subsidiaries, the Company's ability to make payments under the Terms and Conditions would be adversely affected.

The Bonds are structurally subordinated in the event of insolvency of subsidiaries

All assets will be owned by, and all revenues will be generated in, the subsidiaries of the Company. The subsidiaries will be legally distinct from the Company and have no obligation to make payments to the Company of any profits generated from their business. The ability of the subsidiaries to make payments to the Company is restricted by, among other things, the availability of funds, corporate restrictions and legal restrictions (e.g. limitations on value transfers).

If the Company is not able to receive funds by way of dividends or value transfer from one or more subsidiary, this could affect the Company's ability to service its payment obligations under the Bonds which poses a low risk and would have a material adverse effect on the Company's business, financial position, earnings and result.

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Company may result in the obligation of the Company to make payments under guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group.

Risks relating to the transaction security and enforcement of the transaction security

Although the Company's obligations towards the Investors under the Bonds will be secured by pledges over (i) material intercompany loans, (ii) the Deposit Account (as defined in the Term Sheet), (iii) the Company's rights under a rental guarantee agreement, (iv) the Company's rights under a share purchase agreement, (v) the shares in the Company and the relevant property companies and (vi) the mortgage certificates issued in the relevant property companies, it is not certain that the proceeds of any enforcement sale of the security assets would be sufficient to satisfy all amounts then owed to the Investors which poses a medium risk to investors.

The Bondholders will be represented by Intertrust (Sweden) AB as security agent (the "Security Agent") in all matters relating to the transaction security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security. Further, the transaction security is subject to certain hardening periods during which times the Bondholders do not fully, or at all, benefit from the transaction security.

The Security Agent is entitled to enter into agreements with members of the Group or third parties or to take any other action necessary for the purpose of maintaining, releasing or enforcing the transaction security or for the purpose of settling, among other things, the Bondholders' rights to the security.

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

If the proceeds of an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the Bondholders will only have an unsecured claim against the Company and its remaining assets (if any) for the amounts which remain outstanding under or in respect of the Bonds.

Security over assets granted to third parties

Subject to certain limitations from time to time, the Company may incur additional financial indebtedness and provide additional security for such indebtedness. If security is granted in favour of a third party debt provider, the Bondholders will, in the event of bankruptcy, re-organisation or winding-up of the Company, be subordinated

in right of payment out of the assets being subject to security provided to such third party debt provider. In addition, if any such third party debt provider holding security provided by the Group were to enforce such security due to a default by any company within the Group under the relevant finance documents, there is a low risk that such enforcement could have a material adverse effect on the Group's assets, operations and, ultimately, the financial position of the Bondholders.

Risks related to the guarantees

Although the Group's obligations towards the Bondholders under the Bonds to a limited extent will be guaranteed, there is risk that any enforcement of claims under the guarantees would be insufficient to satisfy all amounts owed to the Bondholders at the time of enforcement. Furthermore, guarantors are not completely restricted from granting any additional guarantees. If the guarantors were to guarantee any other obligations, there is a risk that guarantees granted towards the current Bondholders would be impaired.

Any guarantees of the Company's obligations under the Bonds from the Company's future subsidiaries are limited by relevant financial assistance rules and corporate benefit principles.

If the Company were to be unable to make repayment under the Bonds, there is a risk that the Bondholders would find it difficult or impossible to recover the amounts owed to them under the Bonds. There is a risk that the guarantees granted in respect of the Bonds will be insufficient in respect of any of the Company's obligations under the Bonds in the event the Company becomes insolvent.

The payment obligations of the Company under the Bonds will be structurally subordinated to payment obligations owed to creditors of the subsidiaries of the Company and the subsidiaries of such subsidiaries. The guarantors will unconditionally and irrevocably guarantee the payment obligations of the Company under the Bonds. The Bonds will accordingly have the benefit of a direct claim on the guarantors but not on all members of the Group.

There is a risk that guarantees granted under the Bonds could be unenforceable or that enforcement of the claims under the guarantees could be delayed according to Swedish law. Should claims be unenforceable, delayed or subject to a certain degree of uncertainty, there is a medium risk that this would have a significant negative effect on the likelihood of the Bondholders receiving the amounts owed to them under the Bonds.

Risks related to the default put option guarantee provided by Samhällsbyggnadsbolaget i Norden AB

In accordance with the terms of the Bonds, Samhällsbyggnadsbolaget i Norden AB ("SBB") will grant a guarantee to each Bondholder, pursuant to the default put option guarantee agreement, whereby SBB undertakes to purchase Bonds from any Bondholder that exercise the Default Put Option (as defined in the Term Sheet). There is a risk that the Default Put Option Guarantee (as defined in the Term Sheet) granted under the Bonds could be unenforceable or that enforcement of the claims under the Default Put Option Guarantee could be delayed according to Swedish law. Should claims be unenforceable, delayed or subject to a certain degree of uncertainty, there is a medium risk that this would have a significant negative effect on the likelihood of the Bondholders receiving the amounts owed to them under the Bonds.

Risks related to SBB in its capacity as guarantor under the default put option guarantee

The ability of Bondholders receiving payment when exercising the Default Put Option is dependent on the financial condition of SBB. SBB is a publicly traded limited liability company with operations in the real estate sector where it develops, owns and operates properties. SBB's operations and financial condition is subject to:

- general macro-economic risks, such as a general deteriorating economy;

- real estate related risks such as decreases in vacancy levels, tenant's inability to pay rent, increased maintenance costs, property development and construction related risks (including environmental related risks), decreased property values or inability to successfully sell part or all of its property portfolio;
- risks relating to mergers and acquisitions and divestments, such as failure to integrate acquired companies into the SBB's group or liability under share purchase agreements;
- risks relating to key personnel, such as ability to retain talented key persons and hire new personnel;
- risks relating to the SBB's financial position and financial arrangements, such as the SBB's liquidity position to make the necessary payments under the Default Put Option Guarantee, current debt position and ability to make payments under its financial arrangements including risks related to interest fluctuations, credit ratings, cost of borrowings, foreign exchange related risks and sufficient cash flow from its subsidiaries; and
- risks relating to legal compliance (including tax) and disputes, such as fines and other legal administrative fees relating to non-compliance and unfavourable outcomes of any legal disputes.

There is a low risk that any of the above-mentioned factors should materialise in respect of SBB causing it to not being able to fulfil its obligations under the Default Put Option Guarantee (as defined in the Term Sheet). Should SBB not be able to fulfil said obligations it would have a materially adverse effect on the Bondholders ability to receive payment under the Default Put Option Guarantee.

Risks related to the default call option

Pursuant to the terms of the Bonds, if Bondholders holding more than 80 per cent. of the outstanding Nominal Amount (excluding the Nominal Amount of any Bonds held by SBB (if any)) exercise the Default Put Option, SBB will have a right to purchase the remaining outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. There is a medium risk that the market value of the Bonds at the time that SBB exercises the default call option will exceed 100 per cent. of the Nominal Amount. This would mean that Bondholders would not receive repayment at market value for its Bonds nor would they be able to hold the Bonds for the remainder of the Bonds tenor as expected which could have a material negative effect on the Bondholders investment compared to its expectations.

Corporate benefit limitations and prohibition of certain financial support in providing security to the Bondholders

In general, if a limited liability company provides security for another party's obligations without deriving sufficient corporate benefit therefrom, the granting of security will require the consent of all shareholders of the grantor and will only be valid up to the amount the company could have distributed as dividend to its shareholders at the time the security was provided. If no corporate benefit is derived from the security provided, the security will be limited in validity. Consequently, any security granted by a subsidiary of the Company could therefore be limited which would have an adverse effect on the Bondholders' security position and poses a low risk to investors. Furthermore, to the extent proceeds from the Bonds are used to acquire the Target Group and not refinance existing debt in the Target Group, the security and/or guarantees will not secure the obligations under the Bonds, which could have an adverse effect on the Bondholders' security position and poses a medium risk to investors.

Risks relating to the value of the Bonds and the bond market

Risk related to the Bonds floating rate structure

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest rate. The market interest may be subject to significant fluctuations. The degree to which such interest rates may vary is uncertain and presents a medium risk to the value of the Bonds. Investments in Bonds involve a risk that the market value of the Bonds may be adversely affected by changes in market interest rates or interest rate expectations. The Bonds have a floating rate structure based on STIBOR (3 months) plus a fixed margin per annum. Thus, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a medium risk that an increase of the general interest rate level will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the Swedish and the international financial development and is therefore outside the Group's control.

Further, the process for determining STIBOR is subject to a relatively new EU-regulation; the Benchmark Regulation (Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds) (the "BMR"). The BMR regulates the provision of benchmarks, such as STIBOR, the contribution of input data to benchmarks and the use of benchmarks within the EU. The effects of the BMR cannot be fully assessed. Although the effects are currently uncertain, the Group considers that there is a low risk that the BMR may affect the determination and development of STIBOR which, in turn, could lead to an increased volatility in relation to STIBOR, and thus, in relation to the interest rate of the Bonds. In addition, the increased administrative requirements and the associated regulatory risks may decrease the willingness of some parties to participate in the determination of interest rate benchmarks such as STIBOR and/or may result in certain interest rate benchmarks will cease to be published. If this is the case for STIBOR, and e.g. the relevant fall-back solution evident from the Terms and Conditions should not work properly or negatively for either or both of the Company or the Bondholders, this may e.g. lead to difficulties with determining and calculating interest which in turn could lead to costly and time consuming discussions (and maybe even disputes) in respect of the matter, which in each case could have a low adverse effect on the Bonds, the Company and/or the Bondholders.

Risks relating to the listing and the liquidity, including the market value of the Bonds

The Company has undertaken to ensure that the Bonds are listed on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another regulated market, within 12 months after the issue date of the Bonds. Further, each Bondholder has a put option in relation to its Bonds if the Bonds are not listed within 12 months after the issue date of the Bonds. However, there is a low risk that the Bonds will not be admitted to trading. Further, even if securities, including the Bonds, are admitted to trading on a regulated market, there is not always active trading in the securities. In general, trading volumes may be low in respect of securities, such as the Bonds, with a nominal value of SEK 1,250,000. Thus there is a medium risk that there will not be a liquid market for trading in the Bonds or that this market will be maintained even if the Bonds are listed. This may result in that the Bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds.

Furthermore, the market value of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors, some of which have been discussed. In addition, in recent years the global financial markets have

experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market value of the Bonds without regard to the Group's operating results, financial position or prospects. In addition, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if they are admitted for trading on Nasdaq Stockholm or another regulated market. Thus, there is a low risk that the market value of the Bonds will be affected by any of the foregoing factors, if they were to materialise.

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

Risks relating to certain limitations of the Bondholders' rights

Risks related to early redemption and put options of the Bonds

As stipulated in the Terms and Conditions, the Company has reserved the possibility to redeem all outstanding Bonds on any business day falling on or after the date falling 15 months before the final redemption date. If the Bonds are redeemed before the final redemption date, the Bondholders have the right to receive an amount equal to the applicable call option amount (together with accrued but unpaid interest). However, there is a medium risk that the market value of the Bonds, at the time of the redemption, is higher than the redemption amount and/or that it may not be possible for Bondholders to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds and will only be able to do so at a significantly lower rate. It is also a risk, in the event of redemption by issuance of a new market loan, that any Bondholder is not able to reinvest the redemption proceeds in the new market loan since such new market loan is subject to the Company's discretionary allocation.

According to the Terms and Conditions, the Bonds are subject to repurchase at the option of each Bondholder (put options) upon a Change of Control Event or a Listing Failure Event (as defined in the Term Sheet). Furthermore, the Bonds are subject to repurchase at the option of each Bondholder (put option) upon the occurrence of an Event of Default. There is, however, a medium risk that the Company will not have sufficient funds at the time of such repurchase to make the required repurchase of the Bonds which could adversely affect the Company and thus all Bondholders and not only those that choose to exercise the option.

Risks related to the Security Agent and the Bondholders' representation

No action against the Company and Bondholders' representation

In accordance with the Term Sheet, the Agent will represent all Bondholders in all matters relating to the Bonds and the Bondholders are prevented from taking actions on their own against the Company. Consequently, individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Company and may therefore lack effective remedies unless and until a requisite majority of the Bondholders agree to take such action. However, there is a risk that an individual Bondholder, in certain situations, could bring its own action against the Company (in breach of the Term Sheet), which could negatively impact an acceleration of the Bonds or other action against the Company.

To enable the Agent to represent Bondholders in court, the Bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all Bondholders to submit such a power of attorney could have a negative effect on the legal proceedings as for instance the requisite quorum or majority for taking such legal proceedings may not be obtained.

The Agent may further be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor

Agent with commercially acceptable terms or at all. Further, there is a risk that that the successor Agent would breach its obligations under the Terms and Conditions or that insolvency proceedings would be initiated against it.

Under certain circumstances the Agent and the Security Agent, from time to time, may be exposed to the low risk of insolvency or other proceedings that could affect the performance of its duties as the Agent or Security Agent (as applicable).

Bondholders' meetings

The Term Sheet for the Bonds include certain provisions regarding bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the Bondholders' interests. The Term Sheet for the Bonds allow for stated majorities to bind all Bondholders, including Bondholders who have not taken part in the meeting and those who have voted differently from the required majority at a duly convened and conducted bondholders' meeting. A Bondholder may, for instance, be bound by a majority's decision to accept a change of the interest rate, decision to accept a change of the final maturity date or decision to accept a change of the transaction security and/or guarantees. Consequently, there is a low risk that the actions of the majority in such matters will impact certain Bondholders' rights in a manner that is undesirable for some of the Bondholders.

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 the documents incorporated by reference, and the full Terms and Conditions for the Bonds included under Section “*Terms and Conditions for the Bonds*”, before a decision is made to invest in the Bonds.

General

Issuer: Valerum AB (publ), Swedish reg. no. 559264-5385.

Resolutions, authorisations and approvals: The Issuer’s board of directors resolved to issue the Bonds on 14 October 2020.

The Bonds offered: Senior secured callable floating rate bonds in an aggregate principal amount of SEK 710,000,000 due 30 April 2023.

Nature of the Bonds: The Bonds constitute debt instruments (*Sw. skuldförbindelser*), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (*Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

Number of Bonds: In total, 568 Bonds will be admitted to trading on the corporate bond list of Nasdaq Stockholm.

ISIN: SE0015192190

Issue Date: 30 October 2020.

Price: All Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Initial Nominal Amount.

Interest Rate: Interest on the Bonds is paid at a rate equal to the sum of (i) 3 month STIBOR, plus (ii) 4.00 per cent. *per annum*, provided that if STIBOR is less than zero, it shall be deemed to be zero. Interest will accrue from, but excluding, the Issue Date.

Use of benchmark: Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR. As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) does not appear in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the regulation (EU) 2016/1011 (the Benchmark Regulation).

Interest Payment Dates: Quarterly in arrears on 5 January, 5 April, 5 July, and 5 October each year (with the first Interest Payment Date being on 5 January 2021 and the last Interest Payment Date being the Final Maturity Date, 30 April 2023), provided that if any such day is not a Business Day, the Interest Payment Date shall be 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.

Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

Final Maturity Date: 30 April 2023.

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

Denomination: The Bonds are denominated in SEK.

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

Use of Proceeds: The proceeds from the Bond Issue shall be used to (i) finance the Acquisition, (ii) on lending to each Restricted Company for repayment of the Refinancing Debt and (iii) finance Transaction Costs.

Call Option

Call option: The Issuer may redeem all of the Bonds in full on any Business Day before (i) the First Call Date, at an amount per Bond equal to 100.80 per cent. of the Nominal Amount plus the remaining interest payments, on or after the Issue Date to, but not including, the date falling 27 months after the Issue Date; and (ii) any time from and including the first Business Day falling 27 Months after the issue Date to, but not including, the Final Maturity Date, at an amount per Bond equal to 100.80 per cent. of the Nominal Amount, in accordance with Clause 9.3 (*Voluntary Total Redemption (call option)*) of the Terms and Conditions.

Put Option

Put option: Upon the occurrence of a Change of Control Event or Listing Failure Event each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of thirty (30) calendar

days following a notice from the Issuer of the relevant event, in accordance with Clause 9.5 (*Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)*) of the Terms and Conditions.

Change of Control Event:

A Change of Control Event means the occurrence of an event or series of events whereby one or more Persons, not being a shareholder of the Issuer as at the Issue Date (or an Affiliate of such shareholder), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

Listing Failure Event:

A "Listing Failure Event" means:

(a) that the Bonds have not been admitted to listing on Nasdaq Stockholm (or another Regulated Market) within 12 months after the Issue Date; and

(b) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Regulated Market) without being admitted to trading on another Regulated Market.

Default Put Option

Pursuant to the Default Put Option Agreement, upon the occurrence of an Event of Default, each Bondholder shall have the right to sell (and SBB shall have an obligation to purchase) Bonds held by such Bondholder to SBB at a price of 100.00% of the Nominal Amount (plus accrued and unpaid interest) during a period of 30 calendar days following the notice of such Event of Default (such notice shall include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased), in accordance with Clause 9.6 (*Default Put Option*) of the Terms and Conditions.

Undertakings

Certain undertakings:

The Terms and Conditions contain a number of undertakings that restrict the ability of the Issuer and other Group Companies, including, among others:

- restrictions on making distributions;
- undertaking to have the Bonds admitted to trading on a regulated market within twelve (12) months after the Issue Date;
- restrictions on incurring Financial Indebtedness;
- restrictions on disposal of assets;
- restrictions on provide, prolong or renew any security over any of its assets (present or future) to secure any loan or other indebtedness;
- undertaking to at all times meet the Maintenance Test;
- undertaking to maintaining adequate insurances; and
- restrictions on dealings with related parties.

Each of these covenants is subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for more information.

Security

Transaction security: The Bonds are secured by first ranking security interests over the shares and partitions of certain Group Companies, rights under certain loans, over bank accounts, mortgages in certain Properties and rights under share purchase agreement. Please refer to the definition of “*Transaction Security*” in Clause 1.1 of the Terms and Conditions for further information on the transaction security.

Miscellaneous

Transfer restrictions: The Bonds are freely transferable. 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.

Credit rating: No credit rating has been assigned to the Bonds.

Admission to trading: Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm, a Regulated Market, will be filed in connection with the SFSA’s approval of this Prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 29 October 2021. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 600 000.

Representation of the Bondholders: Intertrust (Sweden) AB, Swedish reg. no. 556625-5476, is acting as Agent for the Bondholders in relation to the Bonds and any other matter within its authority or duty in accordance with the Terms and Conditions.

By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the Agent, set out in the Terms and Conditions. The Terms and Conditions are available at the Agent’s office address, Sveavägen 9, SE-111 57 Stockholm, Sweden, during normal business hours as well as at the Agent’s website, www.intertrustgroup.com/our-locations/europe/Sweden.

Governing law: The Bonds are governed by Swedish law.

Time-bar: The right to receive repayment of the principal of the Bonds shall be timebarred 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 3 years from the relevant due date for payment.

Clearing and settlement: The Bonds are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. *VP-konto*). No physical Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB’s book-entry system.

Risk factors:

Investing in the Bonds involves substantial risks and prospective investors should refer to Section *Risk Factors* for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

DESCRIPTION OF THE ISSUER AND THE GROUP

Overview of the Issuer

Legal and commercial name: Valerum AB

Corporate reg. no.: 559264-5385

LEI-code: 549300B601M3BFGZRY87

Date and place of registration: The Issuer was registered with the Swedish Companies Registration Office on 22 July 2020, the country of registration is Sweden

Date of incorporation: 18 February 2020

Legal form: Swedish public limited liability company

Jurisdiction and laws: The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*)

Registered office: Stockholm, Sweden

Head office and visiting address: Linnégatan 2, SE-102 43 Stockholm, Sweden

Phone number: +46 8 510 607 70

Website: <http://www.valerum.se/> (the information provided at the Issuer's website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)

Objects of the Issuer: In accordance with the article of association, the object of the company's business shall be to, directly or indirectly, own and manage chattels, and to acquire, own, manage, develop, and sell properties and to carry out any other business incidental or related to the foregoing activities

History and development

Valerum was founded in 2020, and it performed the acquisition of its existing property portfolio later the same year.

Business and operations

Valerum manage a property portfolio comprising of 37 commercial properties valued at MSEK 1,585 as of 30 June 2021. The property portfolio consists of offices retail, light industry and warehouses, hotels and homes. The property portfolio is concentrated in central and southern Sweden, mainly located in Eskilstuna, Helsingborg, Höganäs, Karlskrona, Motala, Oskarshamn, Skövde and Västervik. The ten largest tenants in the portfolio are Telefonaktiebolaget LM Eriksson in Karlskrona, Arbetsförmedlingen in Helsingborg, Region Dalarna in Hedemora, Lager 157 AB in Höganäs, Aktiebolaget Motala Stadshotell in Motala, Nordea Bank in Skövde, Garden Store Nordic in Eskilstuna, Fiskars Sweden AB in Höganäs, Int. Aluminum Casting, Gredby AB in Eskilstuna and Topbrands Scandinavia AB in Höganäs.

Material agreements

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

Overview of the Group

The Issuer is the parent company of the Group. The Group's operations are conducted through, and the majority of revenues of the Company emanates from, the Company's operational subsidiaries. The Company is thus dependent on its subsidiaries and associated entities in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions. As of 30 June 2021 the Issuer had 39 subsidiaries. The Issuer's ultimate parent company is Oscar Properties Holding AB (publ), org.nr 556870-4521.

Recent events particular to the Issuer

There have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

Material adverse changes, significant changes and trend information

There has been no material adverse change in the prospects of the Issuer since the end of the last financial period for which the Group has published annual financial information, being the consolidated audited annual report for the period 22 July to 31 December 2020, to the date of this Prospectus.

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which the Group has published interim financial information, being the interim financial report for the period 1 January to 30 June 2021, to the date of this Prospectus.

There have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Group has published interim financial information, being the interim financial report for the period 1 January to 30 June 2021, to the date of this Prospectus.

There has been no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for the current financial year.

Governmental, legal or arbitration proceedings

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

Credit rating

No credit rating has been assigned to the Issuer.

OWNERSHIP STRUCTURE

Ownership structure

There is one shareholder in the Company as set out below.

Shareholder	Number of shares	Share capital (%)
Valerum Holding AB	500,000	100.00

The indirect holder of all shares in the Issuer is Oscar Properties Holding AB.

The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). In addition, the Issuer will act in compliance with the rules of Nasdaq Stockholm following the admission to trading of the Bonds.

Shareholders' agreements

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

THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

General

According to the Issuer's articles of association, the board of directors should consist of at least three (3) and not more than ten (10) members, and not more than ten (10) deputies. The board of directors of the Issuer currently consists of three (3) board members and no deputy board member.

The CEO is responsible for the Issuer's ongoing management and operations, reports to the board of directors and is required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The division of duties between the board of directors and the CEO follows from Swedish law.

The board of directors and the executive management may be contacted through the Issuer at its head office at Linnégatan 2, SE-114 47 Stockholm, Sweden.

Board of directors

Information on the members of the board of directors of the Issuer, including significant assignments outside of the Group that are relevant for the Issuer, is set forth below.

Peter Norman

Born 1958 • Chairman since 2020 • Current assignments outside the Company include chairman of Oscar Properties Holding AB, Quartile Fonder AB, Transportstyrelsen, Nasdaq Nordic Oy, Entropics Asset Management AB and Kungliga Musikhögskolan, and board member of Peter Norman finanskonsult AB.

Oscar Engelbert

Born 1976 • Board member since 2020 • Current assignments outside the Company include chairman and CEO of Oscar Properties Holding AB, chairman of Aktiebolaget Heribert Engelbert, Heribert Produktion AB, board member of Pressology AB and Parkgate AB, and deputy board member of Hammarby Sjöstad Fastighets AB.

Per Axel Sundström

Born 1956 • CEO and board member since 2020 • Current assignments outside the Company include board member of PAX Consulting AB, KEPRI Aktiebolag, Foret Aktiebolag, Bostadsrättsföreningen Röda Lacket and Bostadsrättsföreningen Formannen 13 & 14, and CFO of Oscar Properties Holding AB.

Executive management

Per Axel Sundström

See section "*Board of directors*" above.

Conflicts of interests within administrative, management and control bodies

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.

Although there are currently no conflicts of interest, it cannot be excluded that conflicts of interest may come to arise between companies in which members of the board of directors and members of the senior management have duties, as described above, and the Company.

Financial interests

Several members of the board of directors and the senior management have a financial interest in the Company through their, direct and indirect, holdings of shares in the Company.

Auditor

Öhrlings PricewaterhouseCoopers AB, with Johan Rippe as the auditor-in-charge, is the Company's auditor from 8 July 2021. Johan Rippe is a member of FAR. The business address to Öhrlings PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

Ernst & Young Aktiebolag, with Gabriel Novella as the auditor-in-charge, was the Company's auditor from October 2020 until 8 July 2021. Gabriel Novella is a member of FAR. The business address to Ernst & Young Aktiebolag is Hamngatan 26, SE-111 47 Stockholm, Sweden.

Mattias Eriksson was the Company's auditor until October 2020. Mattias Eriksson is a member of FAR. The business address to Mattias Eriksson is c/o Ernst & Young AB, P.O. Box 205, SE-851 04 Sundsvall.

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

SUPPLEMENTARY INFORMATION

Information about the Prospectus

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

Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 30 October 2020 was resolved upon by the board of directors of the Issuer on 14 October 2020.

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

Information from third parties

Any information in this Prospectus which has been sourced from a third party has been accurately reproduced and, as far as the Issuer 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.

Interest of natural and legal persons involved in the bond issue

ABG Sundal Collier and their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of ABG Sundal Collier and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Documents available for inspection

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

- The Issuer's articles of association.
- The Issuer's certificate of registration.
- The Group's consolidated and audited annual report for the period 22 July to 31 December 2020.
- The Group's consolidated and unaudited interim financial report for the period 1 January to 30 June 2021.

FINANCIAL INFORMATION

Historical financial information

The Group's consolidated and audited annual report for the period 22 July to 31 December 2020 and the Group's consolidated and unaudited interim financial report for the period 1 January to 30 June 2021 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the financial period 22 July to 31 December 2020, or as of 31 December 2020, derives from the Group's consolidated and audited annual report for the financial period 22 July to 31 December 2020. All financial information in this Prospectus relating to the financial period 1 January to 30 June 2021, or as of 30 June 2021, derives from the Group's consolidated and unaudited interim report for the financial period 1 January to 30 June 2021.

Accounting standards

The Issuer's financial information has been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the European Union.

Auditing of the historical financial information

The Group's consolidated and audited annual report for the financial period 22 July to 31 December 2020 has been audited by Öhrlings PricewaterhouseCoopers AB, with Johan Rippe as the auditor-in-charge. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

Incorporation by reference

The following information in the Group's consolidated and unaudited interim report for the financial period 1 January to 30 June 2021 and in the consolidated and audited annual report for the period 22 July to 31 December 2020 is incorporated in this Prospectus by reference and is available at the Issuer's website, www.valerum.se.

Reference	Page
<u>The Group's consolidated annual report 22 July – 31 December 2020</u>	
Consolidated statement of comprehensive income	2
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Consolidated changes in equity	4
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TERMS AND CONDITIONS FOR THE BONDS

Terms and Conditions

Goldcup 100593 AB (under change of name to Valerum AB (publ))

SEK 710,000,000

Senior Secured Floating Rate Bonds

ISIN: SE0015192190

Originally dated 28 October 2020 and as amended and restated by an amendment and restatement agreement dated 30 December 2020

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

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PRIVACY NOTICE

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

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

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

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

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

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

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1. Definitions and Construction

1.1 Definitions

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

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

"**Accounting Principles**" means (i) until the Bonds are listed on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), the generally accepted local accounting principles, standards and practices in Sweden and (ii) once the Bonds are listed on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time/as in force on the Issue Date).

"**Acquisition**" means the acquisition by the Issuer of all of the shares in the Target, including all of its direct and indirect Subsidiaries.

"**Adjusted Nominal Amount**" means the Total Nominal Amount less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate (other than SBB), irrespective of whether such Person is directly registered as owner of such Bonds.

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than 90 calendar days after the date of supply, or (b) any other trade credit incurred in the ordinary course of business.

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

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

"**Agent**" means Intertrust (Sweden) AB, reg. no. 556625-5476, P.O. Box 16285, SE-103 25 Stockholm, Sweden or another party replacing it, as Agent, in accordance with these Terms and Conditions.

"**Annual Valuation Report**" means a report regarding the market value of the Properties which shall be prepared in connection with the expiry of each financial year by Newsec or any other reputable independent property advisor acceptable to the Agent.

"**Bank**" means DNB Bank ASA, filial Sverige.

"**Bond**" means a debt instrument (*Sw. skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions.

"**Bondholder**" 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.

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 17 (*Bondholders' Meeting*).

"**Bond Issue**" means the issuance of the Bonds.

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

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

"Call Option Amount" mean the amount set out in Clause 9.3 (*Voluntary Total Redemption (call option)*), as applicable.

"Cash and Cash Equivalents" means cash and cash equivalents in accordance with the Accounting Principles.

"Change of Control Event" means the occurrence of an event or series of events whereby one or more Persons, not being a shareholder of the Issuer as at the Issue Date (or an Affiliate of such shareholder), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

"Closing Date" means the date when the Acquisition is completed.

"Compliance Certificate" means a certificate to the Agent, in the agreed form between the Agent and the Issuer, signed by the CFO, the CEO or an authorised signatory of the Issuer, certifying (as applicable):

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that an Event of Default is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if the Compliance Certificate is provided in connection with a Financial Report is made available, that the Maintenance Covenants are met (including figures in respect of the relevant financial tests and the basis on which they have been calculated (including calculations setting out an Equity Cure (if applicable)); and/or
- (c) if provided in connection with the release of any Prepayment Amount for property acquisitions, confirming that all conditions precedents for Replacement Properties set out in Clause 9.4(b) have been fulfilled or will, immediately in connection with the transfer of the relevant Prepayment Amount from the Deposit Account, be fulfilled.

"CSD" means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden.

"Cure Amount" has the meaning set forth in Clause 12.3(a).

"Debt Instruments" means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

"Default Call Option" means the call option pursuant to Clause 9.6(b).

"Default Put Option" means the put option pursuant to Clause 9.6(a).

"Default Put Option Agreement" means the agreement between the Agent, the Issuer and SBB where SBB undertakes to purchase Bonds from Bondholders who exercise the Default Put Option.

"Deposit Account" means the bank account of the Issuer held with the Bank, into which any Prepayment Amount shall be transferred and which has been pledged in favour of the Agent and the bondholders (represented by the Agent) under the Deposit Account Pledge Agreement.

"Deposit Account Pledge Agreement" means the pledge agreement entered into between the Issuer and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the

bondholders) on or before the Issue Date in respect of a first priority pledge over the Deposit Account and all funds credited to the Deposit Account from time to time, granted in favour of the Agent and the bondholders (as represented by the Agent).

"**Equity Cure**" has the meaning set forth in Clause 12.3(a).

"**Equity Injection**" means the injection of cash in the form of a share issue, an unconditional shareholder contribution or Shareholder Loans.

"**Event of Default**" means an event or circumstance specified in any of the Clauses 14.1 (*Non-Payment*) to and including Clause 14.12 (*Continuation of the Business*).

"**Existing Security and Guarantees**" means all security and any guarantees provided in relation to the Refinancing Debt.

"**Final Maturity Date**" means 30 April 2023.

"**Finance Documents**" means:

- (a) these Terms and Conditions;
- (b) the Agency Agreement;
- (c) the Proceeds Account Pledge Agreement;
- (d) the Security Documents;
- (e) the Guarantee and Adherence Agreement;
- (f) the Default Put Option Agreement; and
- (g) any other document designated by the Issuer and the Agent or the Security Agent as a Finance Document.

"**Financial Indebtedness**" means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is or would have been treated as a finance lease in accordance with the Accounting Principles applicable on the Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability) and for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles applicable on the Issue Date shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as a 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);
- (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)-(f).

"Financial Instruments Accounts Act" means the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

"Financial Report" means the Issuer's and the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according to Clauses 11.1(a)(i) and 11.1(a)(ii).

"First Call Date" means the date falling 3 months prior to the Final Maturity Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

"Floating Rate Margin" means 4.00 per cent. *per annum*.

"Force Majeure Event" has the meaning set forth in Clause 26(a).

"Funds Flow Statement" means the description of flow of funds disbursed from the Proceeds Account for payment of the purchase price under the share purchase agreement, the repayment of the Refinancing Debt and any other payment to be made on the Closing Date.

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

"Guarantee and Adherence Agreement" means the guarantee and adherence agreement pursuant to which the Guarantors shall, amongst other, (i) guarantee all amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, (ii) agree to subordinate all subrogation claims, and (iii) undertake to adhere to the terms of the Finance Documents.

"Guarantees" means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

"Guarantors" means each Restricted Company.

"Initial Nominal Amount" has the meaning set forth in Clause 2(c).

"Initial Valuation" means the initial valuation for each Property pursuant to Valuation Reports delivered to the Agent under Clause 4.1 (*Conditions Precedent for Disbursement*).

"Insolvent" means, in respect of a relevant Person, that it is deemed to be insolvent, within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), admits inability to pay its debts as they fall due, suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

"Intercompany Loans" means the intercompany loans which shall be entered into on or about the Issue Date between the Issuer and any Subsidiary and between a Subsidiary and another Subsidiary, pursuant to which part of the proceeds from the Bond Issue will be on lent. Such Intercompany Loans shall be pledged pursuant to the Intercompany Loans Pledge Agreements.

"Intercompany Loans Pledge Agreements" means each of the pledge agreements entered into between the Issuer or a Subsidiary and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the bondholders) regarding a first priority pledge of all the Issuer's or the Subsidiary's (as applicable) present and future money claims under the Intercompany Loans including an assignment of the security granted for the Issuer or any Subsidiary as security for the Intercompany Loans.

"Interest" means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

"Interest Coverage Ratio" means the ratio of Net Operating Income to Net Interest Expense.

"Interest Expense" means, for the Reference Period, the aggregate amount of the accrued interest in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Report(s) (calculated on a consolidated basis).

"Interest Payment Date" means 5 January, 5 April, 5 July, and 5 October each year. The first Interest Payment Date shall be 5 January 2021. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a Business Day, the Business Day following from an application of the Business Day Convention.

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

"Interest Rate" STIBOR (3 months) plus the Floating Rate Margin.

"Interim Valuation Report" means a report to be prepared in accordance with the principles applied in the preparation of the Annual Valuation Reports to be delivered in accordance with Clause 11.1(g).

"Issue Date" means 30 October 2020.

"Issuer" means Goldcup 100593 AB (under change of name to Valerum AB (publ), a public limited liability company incorporated in Sweden with reg. no. 559264-5385.

"Issuer Share Pledge Agreement" means the pledge agreement regarding a first priority pledge over all of the shares in the Issuer entered into between the Parent and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the bondholders).

"Issuing Agent" means ABG Sundal Collier Norge ASA, reg. no. 883 603 362, Munkedamsveien 45, 0205 Oslo, Norway., or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

"Lead Manager" means ABG Sundal Collier AB, reg. no. 556538-8674, P.O. Box 7269, 103 89 Stockholm, Sweden.

"Lease Agreements" means any agreement entered into by a Group Company as lessor regarding the letting of premises on the Properties.

"Listing Failure Event" means:

- (a) that the Bonds have not been admitted to listing on Nasdaq Stockholm (or another Regulated Market) within 12 months after the Issue Date; and
- (b) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Regulated Market) without being admitted to trading on another Regulated Market.

"Maintenance Covenants" means the maintenance covenants set out in Clause 12.1 (*Maintenance Covenants*).

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

"Material Adverse Effect" means a material adverse effect on:

- (a) the business, financial condition or operations of the Group taken as a whole;

- (b) the ability of the Issuer to comply with its payment and other undertakings under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

"Mortgage Certificates" means each of the mortgage certificates (Sw. pantbrev) issued in the Restricted Properties.

"Mortgage Certificates Pledge Agreement" means the pledge agreement regarding a first priority pledge over the Mortgage Certificates as security for the obligations under the Bonds and the Intercompany Loans entered into between certain members of the Restricted Group and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the bondholders).

"Nasdaq Stockholm" means Nasdaq Stockholm AB (reg. no. 556420-8394, 105 78 Stockholm, Sweden).

"Net Interest Bearing Debt" means the aggregate interest bearing debt (excluding any Shareholder Loans and interest bearing debt borrowed from any Group Company) less Cash and Cash Equivalents, including funds held on the Deposit Account and the Proceeds Account, of the Group according to the relevant latest Financial Report, in accordance with the Accounting Principles, provided that any leases treated as operational leases on the Issue Date shall not, regardless of any subsequent changes or amendments to the Accounting Principles, be considered a finance lease.

"Net Interest Expense" means, for the Reference Period, the Interest Expense according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any Group Company and any interest income relating to Cash and Cash Equivalents investments of the Group (and excluding any payment-in-kind interest capitalised on Shareholder Loans).

"Net Operating Income" means, for the Reference Period, the Rental Income allocated to such Reference Period less the Operating Costs allocated to such Reference Period, as stated in the relevant latest Financial Report(s).

"Net Proceeds" means the proceeds from the Bond Issue which, after deduction has been made for the Transaction Costs payable by the Issuer to the Lead Manager and Issuing Agent for the services provided in relation to the placement and issuance of the Bonds, shall be transferred to the Proceeds Account.

"New Property" means any property acquired by an Unrestricted Company after the Issue Date.

"Nominal Amount" means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which that Bond has been redeemed in part pursuant to Clause 9.4 (*Mandatory Partial Redemption*).

"Obligors" means the Issuer and each Guarantor.

"Operating Costs" means, for the Reference Period, the following costs in relation to all Properties, as stated in the relevant latest Financial Report(s):

- (a) utilities charges relating to the Properties (such as electricity, water heating, oil, gas, sewerage, cleaning, snow clearance, sanding and other similar costs);
- (b) costs for repair and maintenance (excluding, for the avoidance of doubt, all capital expenditures);
- (c) taxes attributable to the Properties (including non-refundable VAT and excluding, for the avoidance of doubt, any taxes on the net profit of the Issuer);
- (d) insurance premiums; and
- (e) any other operating costs relating to the day-to-day business of the Properties and incurred in accordance with prudent real property management.

"Parent" means Goldcup 26296 AB (under change of name to Valerum Holding AB), reg. no. 559274-6985.

Partial Divestment Profit Amount" means the profit made in connection with a Permitted Partial Divestment (calculated based on the net proceeds received in connection with the Permitted Partial Divestment and the Initial Valuation of the Property being disposed pursuant to the Permitted Partial Divestment).

"Participation Pledge Agreement" means the pledge agreement regarding a first priority pledge over all of the participations and interests in Dalklockan 3 Kommanditbolag (969676-4332) entered into between Valreum Fastighets 2 AB (559172-3118), Valerum Fastighets AB (559172-3084) and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the Bondholders).

"Permitted Debt" means any Financial Indebtedness:

- (a) incurred under the Bonds;
- (b) taken up from a Group Company;
- (c) incurred under a Shareholder Loan;
- (d) under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions or pursuant to cash management purposes (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes) (a **"Derivative Transaction"**);
- (e) incurred in the ordinary course of business under Advance Purchase Agreements;
- (f) incurred by a member of the Unrestricted Group under any Permitted Propco Financing; and
- (g) not covered under paragraphs (a)-(f) above in an aggregate maximum amount of SEK 10,000,000 (the **"Permitted Basket"**).

"Permitted Partial Divestment" means a disposal at arm's length terms, such disposal to be by way of sale of a Restricted Property or part of a Restricted Property or by way of sale of all of the shares of a Subsidiary holding such Restricted Property or part of such Restricted Property (where an internal sale to a wholly owned Subsidiary of a Restricted Property or part of a Restricted Property is made in connection to a Permitted Partial Divestment), where the disposal together with any other Permitted Partial Divestment, does not generate a gross income which exceeds in aggregate SEK 500,000,000 during the term of the Bonds.

"Permitted Propco Financing" means the financing to be provided by any reputable bank to members of the Unrestricted Group, provided that the ratio of Net Interest Bearing Debt to Property Value (calculated based on the Net Interest Bearing Debt of such Unrestricted Company and the Property Value of any Property held by such Unrestricted Company) is not greater than 0.70.

"Permitted Security" means any Security:

- (a) provided under the Finance Documents;
- (b) arising by operation of law or in the ordinary course of business (including setoff under standard terms for bank accounts or 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);
- (c) provided for any Permitted Propco Financing by a member of the Unrestricted Group;

- (d) provided or arising in relation to any Derivative Transaction in the form of guarantees from other Group Companies or Cash or Cash Equivalents; and
- (e) provided in relation to the Permitted Basket.

"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.

"Pledged Company" means each member of the Restricted Group.

"Prepaid Rent" means any rent received from tenants that in accordance with the terms of the respective tenancy agreements have been paid in advance and where the periods for which the payments relate have not yet occurred.

"Proceeds Account" means a bank account of the Issuer, into which the Net Proceeds from the Bond Issue will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Proceeds Account Pledge Agreement.

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

"Properties" means the real estate Helsingborg Danmark 29, Karlskrona Psilander 60, Höganäs Noshörningen 2, 12, 21, Västervik Paradiset 18, Motala Basaren 7, Skövde Heimdal 17, Karlskrona Skeppsbron 3, Motala Platen 8, Oskarshamn Lejonet 15, Oskarshamn Lejonet 16, Höganäs Tjöröd 6:8, Nyköping Brovakten 4, Eskilstuna Vintergatan 22, Eskilstuna Litografen 7, Höganäs Jaguaren 4, Jönköping RogbergaVissmålen 1:9, Hedemora Långsbyn 6:9, Oskarshamn Elefanten 29, Västervik Västerås 9, Oskarshamn Myran 24, Karlstad Alstrum 6:3, Oskarshamn Frej 1, Höganäs Tjöröd 6:10, Söderhamn Björnänge 6:3, Karlskrona Skeppsbron 2, Nässjö Direktören 9, Oskarshamn Biet 16, Flen Städet 16, Torsby Västanvik 1:690, Höganäs Jaguaren 3, Oskarshamn Lejonet 11, Oskarshamn Svalan 11 och 15, Oskarshamn Bryggaren 14, Oskarshamn Ratten 9, Hedemora Älgen 1, Hagfors Sörby 1:169, Oskarshamn Vesta 12 and any New Property.

"Property Company" means Valerum Danmarkshuset AB (corporate identity number 556742-3438), Valerum Psilander AB (corporate identity number 559115-3142), Valerum Basaren AB (corporate identity number 556284-1592), Valerum Västervik 18 AB (corporate identity number 5591786149), Valerum Heimdal AB (corporate identity number 556650-6399), Valerum Turism AB (corporate identity number 556385-6938), SBB Anis AB (corporate identity number 556777-8047), Valerum Höganäs 12 AB (corporate identity number 556709-8404), Valerum Oskarshamn 15 16 AB (corporate identity number 556874-4741), Dalklockan 3 Kommanditbolag (corporate identity number 969676-4332), Valerum Brovakten AB (corporate identity number 556946-4265), Valerum Huskvarna AB (corporate identity number 559082-8439), Valerum Litografen 7 AB (corporate identity number 5590919337), Valerum Vintergatan 22 AB (corporate identity number 559091-9329), Valerum Höganäs 4 AB (corporate identity number 556709-8388), Valerum Elefanten AB (corporate identity number 559178-6123), Valerum Västerås AB (corporate identity number 559178-6115), Valerum Tedäts AB (corporate identity number 556751-8500), Valerum Fastighets Propco 1 AB (corporate identity number 559166-0567), Valerum Fastighets 11 AB (corporate identity number 559114-8563), Valerum Söderhamn AB (corporate identity number 556716-4099), Valerum Fastighets 20 AB (corporate identity number 559230-1039), Valerum Frej AB (corporate identity number 559178-6180), Valerum Nässjö AB (corporate identity number 556067-5760), Valerum Oskarshamn 16 AB (corporate identity number 559179-2816), Valerum Älgen AB (corporate identity number 559196-6055) and Valerum Vesta AB (corporate identity number 559178-6172).

"Property Value" means the value of the Properties as set out in the most recent Valuation Report.

"Quotation Day" means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

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

"Redemption Date" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*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 12 consecutive calendar months.

"Refinancing Debt" means the loans to be refinanced on the Closing Date in the Restricted Companies in an aggregate amount of up to SEK 414,055,914.

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

"Rental Income" means the aggregate of all amounts paid or payable for the account of a Group Company in connection with the letting of any of the Properties.

"Restricted Company" means any company being part of the Restricted Group.

"Restricted Group" means the Group other than the Unrestricted Group.

"Restricted Payment" has the meaning set forth in Clause 13.2 (*Distributions*).

"Restricted Property" means each Property (other than the Unrestricted Properties).

"SBB" means Samhällsbyggnadsbolaget i Norden AB (corporate identity number 556981-7660).

"Secured Obligations" means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards the Secured Parties outstanding from time to time under the Finance Documents.

"Secured Parties" means, the Security Agent, the Bondholders and the Agent (including in its capacity as Agent under the Agency Agreement).

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

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

"Security Agent" means the security agent, holding the Transaction Security on behalf of the Secured Parties, being Intertrust (Sweden) AB on the Issue Date.

"Security Documents" means the security documents pursuant to which the Transaction Security is created and any other document designated as a Security Document by the Issuer and the Security Agent.

"Share Pledge Agreements" means each of the Subsidiary Share Pledge Agreement and the Issuer Share Pledge Agreement.

"Share Purchase Agreement" means the share purchase agreement between the Ultimate Parent and the Vendor dated 7 October 2020.

"Shareholder Loans" means any loan raised by the Issuer or any of the Subsidiaries from current or previous direct or indirect shareholders (excluding other Group Companies), if such shareholder loan:

- (a) according to its terms and pursuant to a subordination agreement or similar agreement satisfactory to the Agent (acting reasonably) between the relevant creditor and the Agent, is subordinated to the obligations of the Issuer under the Finance Documents;
- (b) according to its terms have a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
- (c) according to its terms yield only payment-in-kind interest.

"SPA Assignment Agreement" means an assignment agreement where the Issuer assigns its rights under the Share Purchase Agreement entered into between the Issuer and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the bondholders), including the rights under the net operating income guarantee provided by the Vendor.

"STIBOR" means:

- (a) the applicable percentage rate *per annum* displayed on Nasdaq Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period; or
- (b) 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
- (c) if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period; and if any such rate is below zero, STIBOR will be deemed to be zero.

"Subsidiary" means, in respect of which such Person, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners;
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or
- (d) exercises control as determined in accordance with the Accounting Principles.

"Subsidiary Share Pledge Agreement" means the pledge agreement regarding a first priority pledge over all of the shares in each Pledged Company (other than the Issuer and Dalklockan 3 Kommanditbolag (969676-4332)) entered into between the Issuer and certain of its Subsidiaries and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the bondholders).

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

"Target" means Valerum Fastighets AB, a limited liability company incorporated in Sweden with reg. no. 559172-3084.

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

"Transaction Costs" means all fees, costs and expenses incurred by a Group Company in connection with (i) the Bond Issue, (ii) the repayment of the Refinancing Debt and/or the release of the Existing Security and Guarantees, (iii) the listing of Bonds and (iv) the Acquisition.

"Transaction Security" means the Security provided for the Secured Obligations pursuant to the Security Documents, initially being:

- (a) the Intercompany Loans Pledge Agreements;
- (b) the Deposit Account Pledge Agreement;
- (c) the Issuer Share Pledge Agreement;
- (d) the Subsidiary Share Pledge Agreement;
- (e) the Participation Pledge Agreement;
- (f) the Mortgage Certificates Pledge Agreement; and
- (g) the SPA Assignment Agreement.

"Ultimate Parent" means Oscar Properties Holding AB (publ), reg. no. 556870-4521, Box 5123, 102 43 Stockholm, Sweden.

"Unrestricted Group" means SBB Anis AB (corporate identity number 556777-8047), Valerum Psilander AB (corporate identity number 559115-3142) Valerum Västervik 18 AB (corporate identity number 559178-6149), Valerum Heimdal AB (corporate identity number 556650-6399) and any Unrestricted Newco.

"Unrestricted Newco" means any company acquired or established by a member of the Group after the Issue Date which directly or indirectly holds any Unrestricted Property or New Property provided that such company does not directly or indirectly hold any Restricted Property.

"Unrestricted Property" means each of Karlskrona Psilander 60, Skövde Heimdal 17, Karlskrona Skeppsbron 3, Karlskrona Skeppsbron 2, Västervik Paradiset 18 and any New Property.

"Unrestricted Property Loan Amount" means the loan amount allocated to each Unrestricted Property as set out in the list provided to the Agent pursuant to item (xiii) of Clause 4.1(b).

"Unrestricted Property Disposal Profit" means, in relation to any Unrestricted Property (or Unrestricted Company), the net proceeds (after payment of transaction costs and repayment of the Unrestricted Property Loan Amount for such Unrestricted Property (or the aggregate Unrestricted Property Loan Amount of any Unrestricted Property held by such Unrestricted Company)) received by the Group in connection with the disposal of such Unrestricted Property (or Unrestricted Company) less the Unrestricted Property Initial Equity Amount of such Restricted Property (or the Unrestricted Property Initial Equity Amount of any Unrestricted Property held by such Unrestricted Company).

"Unrestricted Property Initial Equity Amount" means, in relation to each Unrestricted Property, the Valuation of such Unrestricted Property pursuant to the Initial Valuations minus the Unrestricted Property Loan Amount of such Unrestricted Property.

"Valuation Report" means an Annual Valuation Report or an Interim Valuation Report.

"Vendor" means SBB i Norden AB (corporate identity number 559053-5174).

"Vendor Loan" means the loan provided from the Vendor to the Parent on the Closing Date in an amount to be determined in accordance with the Share Purchase Agreement.

"Vendor Loan Note" means the vendor note to be issued by the Parent to the Vendor on the Closing Date relating to the Vendor Loan.

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18 (*Written Procedure*).

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
 - (i) "assets" includes present and future properties, revenues and rights of every description;
 - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (iii) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (iv) an Event of Default is continuing if it has not been remedied or waived;
 - (v) a provision of law is a reference to that provision as amended or reenacted; and
 - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.
- (c) 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.
- (d) No delay or omission of the Agent, the Security Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

2. Status of the Bonds

- (a) The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Bond is SEK 1,250,000 (the "**Initial Nominal Amount**"). The maximum total nominal amount of the Bonds is SEK 710,000,000. All Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Initial Nominal Amount.
- (d) The minimum permissible investment in a Bond Issue is SEK 1,250,000.
- (e) The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law.

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

3. Use of Proceeds

The proceeds from the Bond Issue shall be used to (i) finance the Acquisition, (ii) on lending to each Restricted Company for repayment of the Refinancing Debt and (iii) finance Transaction Costs.

4. Conditions Precedent and Conditions Subsequent

4.1 Conditions Precedent Bond Issue

- (a) The payment of the Net Proceeds from the Bond Issue to the Proceeds Account is subject to the Agent having received documents and evidence of the Proceeds Account Pledge Agreement being duly executed and perfected and that the Agency Agreement have been duly executed.
- (b) The Issuer shall provide, or procure the provision of, to the satisfaction of the Agent:
 - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer and the Parent, together constituting evidence that the Finance Documents have been duly executed;
 - (ii) a copy of the Terms and Conditions, duly executed;
 - (iii) a Funds Flow Statement duly executed by the Issuer;
 - (iv) duly executed release letters from the lenders under the Refinancing Debt confirming that all Existing Security and Guarantees will be released upon repayment of the Refinancing Debt;
 - (v) a copy of the duly executed Issuer Share Pledge Agreement over all of the shares in the Issuer together with (A) a copy of a duly signed notice to the Issuer, (B) a copy of a duly signed acknowledgement of receipt of the notice set out in (A), (C) a certified copy of the share register of the Issuer setting out the pledge over the shares and (D) duly endorsed in blank original share certificate(s);
 - (vi) copies of Valuation Reports for each Property dated no more than three (3) months prior to the Closing Date;
 - (vii) a copy of the Share Purchase Agreement duly signed by the parties thereto and evidence that the Ultimate Parent's rights thereunder (including the rights under the net operating income guarantee provided by the Vendor) have been assigned to the Issuer;
 - (viii) evidence that the Vendor Loan Note has been duly issued by the Parent in accordance with the Share Purchase Agreement;
 - (ix) a copy of the Default Put Option Agreement in form satisfactory to the Agent duly signed by the parties thereto;

- (x) a copy of the duly executed Deposit Account Pledge Agreement together with (A) a copy of a duly signed notice to be provided by the Issuer to the Bank and (B) a copy of a duly signed acknowledgement of receipt of the notice set out in (A);
 - (xi) a copy of the duly executed the SPA Assignment Agreement together with (A) a copy of a duly signed notice to the Vendor, (B) a copy of a duly signed acknowledgement of receipt of the notice set out in (A);
 - (xii) evidence that the Parent made an Equity Injection in cash of at least SEK 360,000,000 to the Issuer;
 - (xiii) a list of the Unrestricted Property Loan Amount;
 - (xiv) drafts of the Transaction Security documents, in agreed form, which shall be entered into pursuant to Clause 4.2 (*Conditions Subsequent*); and
 - (xv) a closing certificate signed by the Issuer confirming that all closing conditions for the acquisition of the Target (except for the payment of the purchase price) have been satisfied or waived and that the acquisition will be consummated immediately upon disbursement of funds from the Proceeds Account.
- (c) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.1(b) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4.1(b) above from a legal or commercial perspective of the Bondholders.
- (d) When the conditions precedent for disbursement set out in Clause 4.1(b) have been received to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Proceeds Account) to transfer the funds from the Proceeds Account for the purpose set out in Clause 3 (*Use of Proceeds*), and the Agent shall thereafter or in connection therewith release the pledge over the Proceeds Account.
- (e) If the conditions precedent for disbursement set out in Clause 4.1(b) have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within ninety (90) days from the Issue Date, the Issuer shall repurchase all Bonds at a price equal to 101 per cent. of the Initial Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with the Proceeds Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4.1(e). Any shortfall shall be covered by the Issuer. The repurchase date shall fall no later than thirty (30) Business Days after the ending of the ninety (90) days period referred to above.

4.2 Conditions Subsequent

The Issuer shall immediately following disbursement from the Proceeds Account provide the Agent with evidence that the following events have occurred:

- (a) constitutional documents for each member of the Group (other than the Issuer and the Parent), including any applications filed with the Swedish Companies Registration Office and partnership agreement relating to Dalklockan 3 Kommanditbolag (969676-4332);
- (b) corporate authorisation documents for each Restricted Company (other than the Issuer) approving the relevant Finance Documents;
- (c) evidence that all outstanding amounts under the Refinancing Debt have been fully repaid;
- (d) evidence that all Existing Security and Guarantees in relation to the Refinancing Debt have been released with no remaining obligations of any of the Group Companies;

- (e) a copy of the duly executed Intercompany Loans Pledge Agreements relating to any existing or future Intercompany Loans provided by the Issuer to any of the Subsidiaries or by any Subsidiary to another Subsidiary together with (i) a copy of a duly signed notice to be provided by the relevant pledgor to the relevant Subsidiary and (ii) a copy of a duly signed acknowledgement of receipt of the notice set out in (i);
- (f) a copy of the duly executed Guarantee and Adherence Agreement executed by each Guarantor and the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the bondholders);
- (g) a copy of the duly executed Subsidiary Share Pledge Agreement over all of the shares in the Pledged Companies (other than the Issuer) together with (i) a copy of a duly signed notice to each Pledged Company (other than the Issuer), (ii) a copy of a duly signed acknowledgement of receipt of the notice set out in (i), (iii) a certified copy of the share register of each Pledged Company (other than the Issuer) setting out the pledge over the shares and (iv) duly endorsed in blank original share certificate(s) issued by each Pledged Company (other than the Issuer); and
- (h) a copy of the duly executed Mortgage Certificates Pledge Agreement together with (i) the original Mortgage Certificates and (ii) a notice to the Swedish Land Registration Authority (Sw. *Lantmäteriet*) instructing it to update the Mortgage Certificate Register (Sw. *Pantbrevsregistret*) setting out the Security Agent (acting on its own behalf and in its capacity as agent and security agent representing the bondholders and the Issuer) as the holder of the pledged Mortgage Certificates.

5. Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes 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.
- (b) 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.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such Persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

6. Right to Act on Behalf of a Bondholder

- (a) If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a

successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.

- (b) A Bondholder may issue one or several powers of attorney or other authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) 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.

7. Payments in Respect of the Bonds

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due 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.
- (b) If a Bondholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) 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 without any default interest in accordance with Clause 8(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.

8. Interest

- (a) Each Bond carries Interest at the Interest Rate from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it 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 (2) per cent. 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 Agent or the CSD, in which case the Interest Rate shall apply instead.

9. Redemption and Repurchase of the Bonds

9.1 Redemption at Maturity

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

9.2 Issuer's Purchase of Bonds

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer may at the Issuer's discretion be retained or sold.

9.3 Voluntary Total Redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full:
- (i) any time prior to the First Call Date, at an amount per Bond equal to 100.80 per cent. of the Nominal Amount plus the remaining interest payments, calculated in accordance with Clause 9.3(c), on or after the Issue Date to, but not including, the date falling 27 months after the Issue Date; and
 - (ii) any time from and including the first Business Day falling 27 Months after the issue Date to, but not including, the Final Maturity Date, at an amount per Bond equal to 100.80 per cent. of the Nominal Amount.
- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.
- (c) For the purpose of calculating the remaining interest payments pursuant to Clause 9.3(a)(i) it shall be assumed that the Interest Rate for the period from the relevant Record Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant Record Date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

9.4 Mandatory Partial Redemption

- (a) The Issuer shall ensure that upon a Permitted Partial Divestment, the net proceeds from such divestment (less the Partial Divestment Profit Amount) (the "**Prepayment Amount**") are transferred to the Deposit Account. When the Prepayment Amount has been transferred to the Deposit Account, the Agent shall, where applicable, release the security interest over the divested Property. The Prepayment Amount shall remain on the Deposit Account until either (i) the Issuer utilizes the Prepayment Amount for property acquisitions by delivering to the Agent a Compliance Certificate confirming that all conditions precedents for Replacement Properties set out in paragraph (b) below have been fulfilled or will, immediately in connection with the transfer of the relevant Prepayment Amount from the Deposit Account, be fulfilled, or (ii) the Agent instructs the Bank to transfer such amount for the purpose of partial prepayment of the Bonds in accordance with below.
- (b) Following a Permitted Partial Divestment of one or several properties (the "**Disposed Properties**") the Issuer retains the right for four (4) months (the "**Replacement Period**") to utilize any proceeds from such Permitted Partial Divestment to acquire new properties (the "**Replacement Properties**") subject to the following conditions being met:

- (i) security is granted over (A) the mortgage certificates issued in the Replacement Properties in an amount of no less than its Property Value on substantially the same terms as the security granted over the Disposed Properties, (B) the shares in any company directly or indirectly holding the Replacement Properties, and (C) any intercompany loans granted by any member of the Group to any company directly or indirectly holding such Replacement Properties; and
 - (ii) no less than 90 per cent. of the financial value of all lettable space in the Replacement Properties is let out to external tenants under rental agreements having a remaining term ending no earlier than six (6) months after the Final Maturity Date unless the seller of such property issues a rental guarantee on customary terms with a term ending no earlier than six (6) months after the Final Maturity Date (other than in the case of any residential property where the rental agreements shall be on customary terms).
- (c) If the Issuer does not utilize any part of the Prepayment Amount to acquire Replacement Properties in accordance with the above, the Issuer shall ensure that the remaining Prepayment Amount is used to partially prepay the Bonds by applying the Prepayment Amount towards reduction of the Nominal Amount of each Bond *pro rata* at a price equal to 103.00% of the Nominal Amount which, for the avoidance of doubt, shall mean that the prepayments shall be made at a premium. The amount to be prepaid shall be rounded down to the nearest SEK 1,000 per Bond and the requirement for the Issuer to mandatorily prepay should not apply until the aggregate remaining Prepayment Amount exceeds SEK 10,000,000.
- (d) The prepayment of the Bonds pursuant to paragraph (c) above shall (i) be irrevocable, (ii) be executed on the first Interest Payment Date (taking into account the rules and regulations of the CSD) falling after the end of the Replacement Period, (iii) include accrued but unpaid interest and (iv) be made by the Issuer giving not less than 15 Business Days' notice to the bondholders and the Agent, where such notice shall state the relevant Interest Payment Date on which the prepayment shall be made, the Prepayment Amount and the relevant record date.

9.5 Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)

- (a) Upon the occurrence of a Change of Control Event or Listing Failure Event each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control Event or Listing Failure Event pursuant to Clause 11.1(e) (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event or Listing Failure Event.
- (b) The notice from the Issuer pursuant to Clause 11.1(e) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1(e). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 9.5(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.
- (d) Any Bonds repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained or sold, but not cancelled.

9.6 Default Put Option

- (a) Pursuant to the Default Put Option Agreement, upon the occurrence of an Event of Default, each Bondholder shall have the right to sell (and SBB shall have an obligation to purchase) Bonds held by such Bondholder to SBB at a price of 100.00% of the Nominal Amount (plus accrued and unpaid interest) during a period of 30 calendar days following the notice of such Event of Default (such notice shall include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased). The settlement date of the put option pursuant to this Clause 9.6 (*Default Put Option*) shall occur within 20 Business Days after the ending of the exercise period (provided that if SBB exercises its Default Call Option pursuant to (b) below, the settlement date for all Bonds shall be the settlement date elected by SBB in accordance with (b) below).
- (b) Pursuant to the Default Put Option Agreement, if any Bondholder exercises the Default Put Option under paragraph (a) above, SBB shall, during a period of 35 calendar days following the first date when any Bondholder provides notice that such Bondholder wants to exercise its Default Put Option, have a right to purchase the remaining Bonds outstanding at a price of 100.00% of the Nominal Amount (plus accrued and unpaid interest). The settlement date of the Default Call Option shall occur on a date elected by SBB (being a date falling no less than 3 Business Days and no more than 15 Business Days after the date when SBB exercises the Default Call Option).

10. Transaction Security and Guarantees

- (a) As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer, the Guarantors and each Group Company party to any Security Document and/or the Guarantee and Adherence Agreement grants the Transaction Security and the Guarantees (as applicable) to the Secured Parties as represented by the Security Agent on the terms set out in the Security Documents and the Guarantee and Adherence Agreement (as applicable).
- (b) The Security Agent shall hold the Transaction Security and the Guarantees on behalf of the Secured Parties in accordance with the Security Documents and the Guarantee and Adherence Agreement (as applicable). The Issuer shall, and shall procure that the Guarantors and each Group Company party to any Security Document and/or the Guarantee and Adherence Agreement (as applicable) will, enter into the Security Documents and/or the Guarantee and Adherence Agreement (as applicable) and perfect the Transaction Security in accordance with the Security Documents.
- (c) Unless and until the Security Agent has received instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interest of the Bondholders.

11. Information to Bondholders

11.1 Information From the Issuer

- (a) The Issuer shall make the following information available in the English language by publication on the website of the Issuer:
 - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year (for the first time in connection with the Financial Report relating to the financial period ending on 31 December 2020), the annual audited consolidated financial statements of the Group and the annual audited unconsolidated

financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;

- (ii) starting from 1 January 2021, as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly unaudited consolidated reports or the yearend report (Sw. *bokslutskommuniké*) (as applicable) of the Group and the quarterly unaudited reports or the year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors; and
 - (iii) as soon as practicable following an acquisition or disposal of Bonds by a Group Company, the aggregate Nominal Amount held by Group Companies.
- (b) Any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- (c) When the Bonds have been listed on a Regulated Market:
- (i) the information set out in Clause 11.1(a) shall also be made available by way of press release; and
 - (ii) the reports referred to in Clause 11.1(a)(i) and Clause 11.1(a)(ii) shall be prepared in accordance with IFRS.
- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- (e) The Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event or a Listing Failure Event, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- (f) The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of (i) the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, (ii) the occurrence of a Permitted Partial Divestment, or (iii) that the Property Value is likely to have essentially deteriorated, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (g) If the Agent (acting on behalf of the Bondholders) reasonably suspects an Event of Default is continuing or may have occurred or may occur, the Issuer shall, if requested by the Agent (acting on behalf of the Bondholders) provide to the Agent Interim Valuation Reports for each Property.
- (h) The Issuer shall submit a duly executed Compliance Certificate to the Agent:
- (i) in connection with that a Financial Report is made available; and

- (ii) at the Agent's request, within 20 days from such request.
- (i) The Issuer shall provide to the Agent a Valuation Report not later than the earlier of (i) 2 months after the expiry of each financial year and (ii) when an annual Financial Report is made available, and, in addition, within 20 calendar days from the Agent's request thereof, if the Property Value, in the reasonable opinion of the Agent, is likely to have essentially deteriorated.
- (j) Upon an Event of Default, the Issuer shall inform the Bondholders in accordance with Clause 9.6(a).
- (k) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph (f) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
- (l) The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.

11.2 Information From the Agent

- (a) Subject to applicable laws, regulations and the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 11.2(b), the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

11.3 Publication of Finance Documents

- (a) The latest version of these Terms and Conditions (including any documents amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.
- (b) The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

12. Financial Undertakings

12.1 Maintenance Covenants

The Issuer shall ensure that:

- (a) the ratio of Net Interest Bearing Debt to Property Value is not greater than 0.75; and
- (b) the Interest Coverage Ratio exceeds 1.50.

12.2 Testing of the Maintenance Covenants

The Maintenance Covenants shall be calculated in accordance with the Accounting Principles applicable to the Issuer and tested by reference to each of the Financial Reports on each Reference Date with respect to the Reference Period ending on such Reference Date. The first test date shall be 31 March 2021.

12.3 Equity Cure

- (a) For the purpose of curing a deficiency in the ratio referred to under Clause 12.1(b), the Issuer shall after the expiry of each Reference Period have the right to reduce the Interest Expense for the purpose of the calculation of the ratio of the Interest Coverage Ratio for such Reference Period (an "**Equity Cure**"), provided that (i) prior to the Equity Cure, the Interest Coverage Ratio is not below 1.0 and (ii) the amount used to reduce the Interest Expense is at least SEK 10,000,000 (the "**Cure Amount**") and shall be obtained in cash by the Issuer:
- (i) before the delivery of the Compliance Certificate relating to the expired Reference Period; and
 - (ii) as a new Equity Injection.
- (b) When re-calculating the Interest Expense in relation to the Interest Coverage Ratio pursuant to an Equity Cure, the Interest Expense shall be reduced by an amount corresponding to the amount with which the Interest Expense would have been reduced if the Cure Amount was applied towards a SEK by SEK reduction of the Net Interest Bearing Debt for the entire Reference Period calculated *pro forma* and, when making the SEK by SEK reduction, based on the weighted average (blended rate) Interest Expense for the Net Interest Bearing Debt for such period. For the avoidance of doubt, such *pro forma* calculation may be included when calculating the Interest Expense for subsequent Reference Periods having overlapping interim periods with the Reference Period which first included the *pro forma* calculation, however only taking into account such overlapping interim periods.
- (c) The Cure Amount shall be applied towards repayment of the Bonds. Such repayment shall be at the Nominal Amount *pro rata* to each Bond and shall be made at the nearest Interest Payment Date after which the Cure Amount has been obtained by the Issuer. The repayment of the Bonds shall be made by the Issuer giving not less than 15 Business Days' notice to the Bondholders and the Agent, where such notice shall state the relevant Interest Payment Date on which the repayment shall be made, the repayment amount and the relevant Record Date.
- (d) Only one Equity Cure is allowed during a 12 month period and only two (2) Equity Cures may occur in aggregate prior to the Final Maturity Date.

13. General Undertakings

13.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will and shall procure that each Obligor (pursuant to the Guarantee and Adherence Agreement) undertakes to) comply with the undertakings set out in this Clause 13 for as long as any Bonds remain outstanding.

13.2 Distributions

- (a) No Obligor shall, and shall procure that none of its Subsidiaries will:
- (i) pay any dividend in respect of its shares;
 - (ii) repurchase or redeem any of its own shares;

- (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
 - (iv) repay any Shareholder Loans or pay any interest thereon;
 - (v) grant any loans or enter into any exposures except to, or with, Restricted Companies; or
 - (vi) make any other similar distribution or transfers of value (Sw. *värdeöverföringar*) to the Issuer's, or the Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders
- (items (i)-(vi) above are together and individually referred to as a "**Restricted Payment**").
- (b) Notwithstanding the above, a Restricted Payment may be made:
- (i) if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment:
 - (A) by any Group Company if such Restricted Payment is made to a Restricted Company and, if made by any of the Subsidiaries which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis;
 - (B) by a Restricted Company to an Unrestricted Newco (or an Unrestricted Company) for the purpose of financing an acquisition of a New Property (or an Unrestricted Newco) provided that the aggregate amount of such Restricted Payments may not (other than to the extent funded with an Equity Injection) exceed 30 per. cent of the Property Value of such New Property or the New Property held by such Unrestricted Newco (based on a Valuation Report dated no more than three (3) months prior to such acquisition);
 - (C) in connection with a Permitted Partial Divestment, by any Group Company to the Parent in an amount not exceeding the relevant Partial Divestment Profit Amount provided that the ratio of Net Interest Bearing Debt to Property Value is less than 0.675 (calculated on a consolidated basis for the Group);
 - (D) in connection with the disposal of an Unrestricted Property or an Unrestricted Company, in an amount not exceeding the relevant Unrestricted Property Disposal Profit; or
 - (E) at the time of the payment, the aggregate amount of all Restricted Payments of the Group pursuant to this paragraph (E) in that fiscal year (including the Restricted Payment in question) does not exceed SEK 40,000,000.

13.3 Listing

The Issuer shall ensure that:

- (a) the Bonds are listed on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market, not later than 12 months after the Issue Date; and
- (b) the Bonds, once admitted to trading on the corporate bond list of the relevant Regulated Market, continue to be 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).

13.4 Nature of Business

Each Obligor shall procure that no substantial change is made to the general nature of the business as carried on by the Group as of the Issue Date.

13.5 Financial Indebtedness

No Obligor shall, and shall procure that none of its Subsidiaries will, incur any Financial Indebtedness, other than Permitted Debt.

13.6 Disposal of Assets

- (a) No Obligor shall, and shall procure that no Group Company will, sell or otherwise dispose of all or some of the shares in any Group Company or of all or substantially all of its or a Group Company's assets or operations, including, for the avoidance of doubt, any Property or any part of any Property, to any person not being the Issuer or any of its wholly-owned Subsidiaries unless such disposal is made on customary arm's length terms at fair market value which does not have a Material Adverse Effect and either:
 - (i) constitutes a Permitted Partial Divestment; or
 - (ii) relates to an Unrestricted Property or an Unrestricted Company.
- (b) Other than in connection with a Permitted Partial Divestment, the shares in any of the Pledged Companies may at no point be disposed of unless such disposal would take the form of a merger between any of the Issuer and the Pledged Companies and provided that:
 - (i) such merger would not result in an Event of Default; and
 - (ii) if such merger involves the Issuer, the Issuer is the surviving entity.

13.7 Negative Pledge

No Obligor shall, and shall procure that none of the Subsidiaries, create or allow to subsist, retain, provide, prolong or renew any guarantee or 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 retain, provide, prolong and renew any Permitted Security.

13.8 Maintenance Test

The Issuer shall procure that the Maintenance Test is met.

13.9 Lease Agreements

The Issuer shall ensure that each Property Company:

- (a) complies with its material obligations under the Lease Agreement(s) to which it is a party; and
- (b) takes all reasonable steps to preserve and enforce its material rights and pursue any material claims and remedies arising under the Lease Agreement(s) to which it is a party that are deemed commercially reasonable to pursue.

13.10 Inspections and General Access

The Issuer shall, and shall ensure that the Property Companies will, grant the Agent and/or any person appointed by the Agent, after the occurrence of an Event of Default and at the reasonable expense of the Issuer:

- (a) the possibility to inspect the Properties; and
- (b) reasonable access to staff, inventory and documentation relating to the Group's on-going operations, subject to reasonable prior notice and provided that such inspection can be conducted without breaching the quiet enjoyment rights of the relevant tenants in the Properties.

13.11 Maintenance, Operations, and Management of the Properties

Each Obligor shall, and shall ensure that the Property Companies will, procure that the Properties and all inventory are kept in a state of good and safe condition and state of repair consistent with good industry standard, law and the relevant Lease Agreement.

13.12 Insurance of the Properties

- (a) Each Obligor shall procure that:
 - (i) the Properties are insured by a full value insurance (*Sw. fullvärdesförsäkring*) in line with industry standard which covers such risks, and is for such amounts and on such terms as reasonably required in relation to losses payable thereunder and with well reputed insurers; and
 - (ii) the Properties are in conformity with the terms of the instruments of insurance (including any expressed or implied warranties) and shall comply with such requirements as to extra premium or otherwise as the insurers may prescribe.
- (b) If the Issuer fails to pay any premium for any insurance policy or to comply with any of its obligations in relation thereto, the Agent may, at the expense of the Issuer, effect any insurance and take such other action as the Agent may reasonably consider necessary to prevent or remedy any breach of the Issuer's obligation.

13.13 Dealings with Related Parties

The Issuer shall, and shall procure that the Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms. The Issuer shall, and shall procure that the Restricted Companies, conduct all dealings with any Unrestricted Company at arm's length terms.

13.14 Compliance with Laws

Each Obligor shall, and shall procure that the Subsidiaries will:

- (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, licence or other permit required for the business carried out by a Group Company.

14. Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.13 (*Acceleration of the Bonds*)) is an Event of Default.

14.1 Non-Payment

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless:

- (a) its failure to pay is caused by administrative or technical error; and

(b) payment is made within five (5) Business Days of the due date.

14.2 Conditions Subsequent

The Issuer has not provided the Agent with evidence, in form and substance satisfactory to the Agent (acting reasonably), showing that each of the actions described under Clause 4.2 (*Conditions Subsequent*) has been taken or that the events described therein have occurred at the times set out therein.

14.3 Maintenance Covenants

The Issuer has failed to comply with any of the Maintenance Covenants and such failure has not been cured in accordance with provisions for an Equity Cure in Clause 12.3 (*Equity Cure*).

14.4 Other Obligations

The Issuer and/or any Subsidiaries and/or (in relation to the Default Put Option Agreement only) SBB do not comply with the Finance Documents in any other way than as set out under Clauses 14.1 (*Non-Payment*), 14.2 (*Conditions Subsequent*) or 14.3 (*Maintenance Covenants*) above or Clause 13.3 (*Listing*), unless the non-compliance:

- (a) is capable of being remedied; and
- (b) is remedied within 15 Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

14.5 Cross-Acceleration

Any Financial Indebtedness of a Group Company is:

- (a) not paid when due as extended by any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (howsoever described) under any document relating to Financial Indebtedness of any Group Company; or
- (b) any security interest securing Financial Indebtedness over any asset of any Group Company is enforced,

provided however that the amount of Financial Indebtedness referred to under item (a) and/or (b) above, individually or in the aggregate exceeds an amount corresponding to SEK 5,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

14.6 Parent Cross-Default

Any Financial Indebtedness of the Ultimate Parent or the Parent is:

- (a) not paid when due nor within any originally applicable grace period, any Financial Indebtedness of the Ultimate Parent or the Parent is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (b) any creditor of the Ultimate Parent or the Parent becomes entitled to declare any Financial Indebtedness of the Ultimate Parent or the Parent due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur if the amount of such Financial Indebtedness is less than SEK 15,000,000.

14.7 Insolvency

- (a) Any Group Company, the Ultimate Parent, SBB or the Parent 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 the Bonds) with a view to rescheduling its Financial Indebtedness.
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Group Company, the Ultimate Parent, SBB or the Parent.

14.8 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 calendar days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to the Subsidiaries, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Group Company, the Ultimate Parent, the Parent or SBB;
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Group Company, the Ultimate Parent, the Parent or SBB or any of their assets; or
- (c) any analogous procedure or step is taken in any jurisdiction in respect of any Group Company, the Ultimate Parent, the Parent or SBB.

14.9 Mergers and Demergers

- (a) A decision is made that any Group Company shall be merged or demerged into a company which is not a Group Company, unless the Agent has given its consent (not to be unreasonably withheld or delayed) in writing prior to the merger and/or demerger (where consent is not to be understood as a waiver of the rights that applicable law at the time assigns the concerned creditors).
- (b) The Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity.

14.10 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company, the Ultimate Parent, the Parent or SBB having an aggregate value equal to or exceeding SEK 5,000,000 and is not discharged within 30 calendar days

14.11 Impossibility or Illegality

It is or becomes impossible or unlawful for any Group Company or SBB to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

14.12 Continuation of the Business

The Issuer or any other Group Company, the Ultimate Parent or the Parent ceases to carry on its business (except if due to (i) a permitted merger or demerger as stipulated in Clause 14.9 (*Mergers and Demergers*) above or (ii) a permitted disposal in accordance with Clause 13.6 (*Disposal of Assets*)).

14.13 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall following an instruction given pursuant to Clause 14.13(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 14.13(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) In the event of an acceleration of the Bonds in accordance with this Clause 14.13, the Issuer shall up to, but excluding, the First Call Date redeem all Bonds at an amount per Bond equal to 105.00 per cent of the Nominal Amount or, if the Bonds are accelerated on or after the First Call Date, at the applicable Call Option Amount in accordance with Clause 9.3 (Voluntary Total Redemption).

15. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the below) shall be distributed in the following order of priority:
 - (i) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the Guarantees or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2(g), and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16(m);
 - (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
 - (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and

- (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (i) to (iv) above shall be paid to the Issuer (or the Guarantors, as applicable).

16. Decisions by Bondholders

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a Person who is, or who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a Person who is, registered as a Bondholder:
 - (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
 - (ii) on the Business Day specified in the communication pursuant to Clause 18(c), in respect of a Written Procedure,may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c):
 - (i) the issue of any Bonds after the Issue Date, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, SEK 710,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Bonds are issued);
 - (ii) a change to the terms of any of Clause 2(a), and Clauses 2(e) to 2(g);
 - (iii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);

- (iv) a change to the Interest Rate or the Nominal Amount (other than as a result of an application of Clause 9.4 (*Mandatory Partial Redemption*));
 - (v) waive a breach of or amend an undertaking set out in Clause 13 (*General Undertakings*);
 - (vi) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of Proceeds*);
 - (vii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16;
 - (viii) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
 - (ix) a release of the Transaction Security or the Guarantees , except in accordance with the terms of the Security Documents and/or the Guarantee and Adherence Agreement (as applicable);
 - (x) a mandatory exchange of the Bonds for other securities; and
 - (xi) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- (f) Any matter not covered by Clause 16(e) shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19(a)(i) or 19(a)(ii)), an acceleration of the Bonds, or the enforcement of any Transaction Security or Guarantees.
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (ii) if in respect of a Written Procedure, reply to the request.
- If a quorum exists for some, but not all, of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.

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

17. Bondholders' Meeting

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 20.4(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17(a).
- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may

deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

18. Written Procedure

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically) no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 18(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) 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 (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days and no more than thirty (30) Business Days from the communication pursuant to Clause 18(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16(e) and 16(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(e) or 16(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

19. Amendments and Waivers

- (a) The Issuer and the Agent and/or the Security Agent (as applicable) (in each case acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible with the rules of the relevant CSD.

- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

20. Appointment and Replacement of the Agent and the Security Agent

20.1 Appointment of Agent and the Security Agent

- (a) By subscribing for Bonds, each initial Bondholder appoints the Agent and the Security Agent to act as its agent and security agent (as applicable) in all matters relating to the Bonds and the Finance Documents, and authorises each of the Agent and the Security Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 20.1(a).
- (c) Each Bondholder shall immediately upon request provide the Agent and the Security Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. Neither the Agent nor the Security Agent is under any obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Agent and the Security Agent with any documents and other assistance (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) Each of the Agent and the Security Agent is entitled to fees for its respective work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's and the Security Agent's respective obligations as Agent and Security Agent (as applicable) under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) Each of the Agent and the Security Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

20.2 Duties of the Agent and the Security Agent

- (a) Each of the Agent and the Security Agent shall represent the Bondholders subject to and in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents and the Guarantees pursuant to the Guarantee and Adherence Agreement on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. Neither the Agent nor the Security Agent is responsible for the content, valid execution, legal validity or enforceability of the Finance Documents or the perfection of the Transaction Security.
- (b) When acting in accordance with the Finance Documents, each of the Agent and the Security Agent is always acting with binding effect on behalf of the Bondholders. Each of the Agent and the Security Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) Each of the Agent's and the Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent and the Security Agent only acts in

accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, neither the Agent nor the Security Agent is acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.

- (d) Neither the Agent nor the Security Agent is obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, each of the Agent and the Security Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) Each of the Agent and the Security Agent is entitled to delegate its duties to other professional parties, but each of them shall remain liable for the actions of such parties under the Finance Documents.
- (f) Each of the Agent and the Security Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders 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.
- (g) Each of the Agent and the Security Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent and/or the Security Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer or the Finance Documents which the Agent and/or the Security Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents, (iii) in connection with any Bondholders' Meeting or Written Procedure, (iv) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents or (v) as otherwise agreed between the Agent and/or the Security Agent and the Issuer. Any compensation for damages or other recoveries received by the Agent and/or the Security Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, neither the Agent nor the Security Agent is 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.
- (i) If in the Agent's or Security Agent's (as applicable) reasonable opinion the cost, loss or liability which it may incur (including its respective reasonable fees) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent or the Security Agent (as applicable) 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.
- (j) Unless it has actual knowledge to the contrary, each of the Agent and the Security Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) Each of the Agent and the Security Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent or the Security Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 20.2(i).

20.3 Limited liability for the Agent and the Security Agent

- (a) Neither the Agent nor the Security Agent will be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. Neither the Agent nor the Security Agent shall be responsible for indirect loss.
- (b) Neither the Agent nor the Security Agent shall be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if it has acted with reasonable care in a situation when it considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) Neither the Agent nor the Security Agent shall 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 it to the Bondholders, provided that it 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 it for that purpose.
- (d) Neither the Agent nor the Security Agent shall have any liability to the Bondholders for damage caused by it acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the Agent or the Security Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or any other Person.

20.4 Replacement of the Agent and the Security Agent

- (a) Subject to Clause 20.4(f), each of the Agent and the Security Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent and/or the Security Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 20.4(f), if the Agent and/or the Security Agent is Insolvent, the Agent and/or the Security Agent (as applicable) shall be deemed to resign as Agent and/or the Security Agent (as applicable) and the Issuer shall within ten (10) Business Days appoint a successor Agent and/or a successor Security Agent (as applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) 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 Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and/or the Security Agent and appointing a new Agent and/or the new Security Agent (as applicable). The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent and/or the Security Agent be dismissed and a new Agent and/or a new Security Agent (as applicable) be appointed.
- (d) If the Bondholders have not appointed a successor Agent and/or successor Security Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent and/or the Security Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent and/or successor Security Agent (as

applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- (e) The retiring Agent and/or the retiring Security Agent (as applicable) shall, at its own cost, make available to the successor Agent and/or the successor Security Agent (as applicable) such documents and records and provide such assistance as the successor Agent and/or successor Security Agent may reasonably request for the purposes of performing its functions as Agent and/or the Security Agent (as applicable) under the Finance Documents.
- (f) The Agent's and the Security Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and/or the successor Security Agent (as applicable) and acceptance by such successor Agent and/or the successor Security Agent (as applicable) of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent and/or the retiring Security Agent (as applicable).
- (g) Upon the appointment of a successor, the retiring Agent and/or the retiring Security Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent and/or the Security Agent (as applicable). Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent and/or the Security Agent.
- (h) In the event that there is a change of the Agent and/or the Security Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent and/or the new Security Agent may reasonably require for the purpose of vesting in such new Agent and/or the new Security Agent (as applicable) the rights, powers and obligation of the Agent and/or the Security Agent and releasing the retiring Agent and/or the retiring Security Agent (as applicable) from its respective further obligations under the Finance Documents. Unless the Issuer and the new Agent and/or the new Security Agent agrees otherwise, the new Agent and/or the new Security Agent shall be entitled to the same fees and the same indemnities as the retiring Agent and/or the retiring Security Agent (as applicable).

21. Appointment and Replacement of the CSD

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

22. Appointment and Replacement of the Issuing Agent

- (a) 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.
- (b) 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.

23. No Direct Actions by Bondholders

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security or the Guarantees to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 23(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1(c)), 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 nonpayment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 20.2(i), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2(k) before a Bondholder may take any action referred to in Clause 23(a).
- (c) The provisions of Clause 23(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

24. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- (b) 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 receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

25. Notices and Press Releases

25.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
 - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
 - (ii) if to the Issuer, shall be given at the address registered with Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or if sent by

email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and

- (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practically possible) or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- (b) Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or if between the Issuer and the Agent, by email, and will only be effective:
 - (i) in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1(a);
 - (ii) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1(a); or
 - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.
- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

25.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary Total Redemption (call option)*), 9.4 (*Mandatory Partial Redemption*), 9.6 (*Default Put Option*), 11.1(e), 11.1(j), 14.13(c), 16(o), 17(a), 18(a) and 19(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause 25.2(a), if any information relating to the Bonds or the Issuer contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

26. Force Majeure and Limitation of Liability

- (a) None of the Agent, the Security Agent or the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent, the Security Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

- (c) Should a Force Majeure Event arise which prevents the Agent, the Security Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

27. Governing Law and Jurisdiction

- (a) 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.
 - (b) The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).
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ADDRESSES

ISSUER

Valerum AB (publ)

Visiting adress: Linnégatan 2, SE-114 47 Stockholm
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ISSUING AGENT

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(www.)abgsc.com

AGENT

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(www.)intertrustgroup.com/our-locations/europe/Sweden

AUDITOR

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Mailing address: Öhrlings
PricewaterhouseCoopers AB,
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Telephone: +46 (0)10-213 30 00
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LEGAL COUNSEL

Advokatfirman Glimstedt Stockholm KB

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Telephone: +46 (0)8-566 119 00
(www.)glimstedt.se

CENTRAL SECURITIES DEPOSITORY

Euroclear Sweden AB

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