



OFFENTLIGA HUS I NORDEN AB (PUBL)

**PROSPECTUS REGARDING THE ADMISSION TO TRADING OF
SEK 200,000,000
SENIOR UNSECURED CALLABLE FLOATING RATE GREEN BONDS
2019/2023
ISIN: SE0013042611**

28 November 2019

*Amounts payable under the Bonds (as defined herein) are calculated by reference to STIBOR, which is provided by Financial Benchmarks Sweden AB. As of the date of this Prospectus (as defined herein), the Swedish Banker's Association does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) ("**BMR**"). As far as the Issuer is aware, the transitional provisions in Article 51 of the BMR apply, such that the Swedish Banker's Association is not currently required to obtain authorisation or registration.*

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Offentliga Hus i Norden AB (publ) (reg. no. 556824-2696) (“**Offentliga Hus**”, “**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 bonds issued under the Company’s maximum SEK 750,000,000 senior unsecured callable floating rate green bonds 2019/2023 with ISIN SE0013042611 (the “**Bonds**”), of which SEK 500,000,000 was issued on 27 September 2019 (the “**First Issue Date**”, which Bonds are referred to as “**Initial Bonds**”) and of which SEK 200 million was issued on 20 November 2019 (“**Subsequent Issue Date**”, which Bonds are referred to as “**First Subsequent Bonds**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”), on the sustainable bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). The Company may at one or more occasions after the First Issue Date or Subsequent Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under any Subsequent Bond Issue(s) and the Initial Bond Issue (including the First Subsequent Bonds) equals SEK 750,000,000. For the avoidance of doubt, this Prospectus has not been prepared for the purpose of any Subsequent Bond Issue other than the issue of the First Subsequent Bonds. Nordea Bank Abp (reg. no. 2858394-9), and Swedbank AB (publ) (reg. no. 502017-7753) have acted as joint bookrunners (together the “**Joint Bookrunners**”) and Swedbank AB (publ) (reg. no. 502017-7753) has acted as issuing agent (the “**Issuing Agent**”).

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 any country 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).

Solely for the purposes of each Joint Bookrunner’s (for the purposes of this paragraph, the “manufacturers”) product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Bonds to eligible counterparties, professional clients and retail clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. In this Prospectus, 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 Company’s management or are assumptions based on information available to the Group. The words “considers”, “intends”, “deems”, “expects”, “anticipates”, “plans” and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Although the Company believes that the forecasts or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the 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 Company’s website (www.offentligahus.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 below risk factors are therefore limited to risks that, in the meaning of Regulation (EU) 2017/1129, are material and specific, to Offentliga Hus i Norden AB (publ) (the “**Issuer**” and together with its direct and indirect subsidiaries, the “**Group**”) and the Bonds and which are corroborated by the content of this Prospectus.*

The manner in which the Issuer and the Bonds are affected by each risk factor is illustrated by way of an evaluation of the materiality of the relevant risk factor based on the probability of it occurring and the expected magnitude of its negative impact, for the purpose of which the probability is estimated as “low”, “medium” or “high” and the magnitude of negative impact if it would occur as “low”, “medium” or “high”. The most material risk factor in a category is presented first under that category, whereas subsequent risk factors in the same category are not ranked in order of materiality.

Risk factors specific and material to the Issuer and the Group

I. Risks related to the Group’s financial situation

Changes in value of Properties

The Group’s Properties are reported at fair value (Sw. *verkligt värde*) in the balance sheet and with changes in value in the profit and loss account. At present, valuation of the Group’s property assets is carried out on annual basis in relation to 100 per cent. of the property portfolio. Various factors may cause the Group to write down the fair value of its Properties, which may negatively affect the Group’s operations and financial position. Furthermore, the valuation frequency and coverage may change in the future which could result in that the value becomes more difficult to estimate for an investor, a financing counterparty or any third party interested in the valuation of the Group’s properties.

If the value of the Properties decreases, causing the Group to write down their value, it could result in a number of consequences, such as a breach of the covenants of the loans owed by the Group from time to time, which in turn could result in such loans being accelerated prior to maturity and consequently affecting the liquidity of the Group. A material decrease of the market value of the Properties would also have a negative impact on the Group’s possibilities to dispose of its Properties without incurring losses, which may negatively affect the Group’s operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of a decrease in value of its Properties occurring is *medium*. If the risks would materialise, even if temporary, the Issuer considers the potential negative impact to be *medium*.

Operating and maintenance costs

Tenants leasing community service properties usually have a relatively extensive liability for operations and maintenance. Operating costs are mainly costs that are tariff-based, such as costs for electricity, cleaning, water and heating. Several of these goods and services can only be bought from one provider, which may also affect the price. When a cost increase is not compensated through regulation of the lease, or an increase in rent by renegotiation of the lease agreement, it may have a negative effect on the Group's financial position and results. In the event of vacancies, the Group's result may be affected mainly by loss of revenue.

Maintenance costs include costs that are necessary in order to maintain the standard of Properties in the long term. The occurrence of unforeseen and extensive renovation needs on Properties may negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds, as such costs constitute a main cost item in relation to administration of the Issuer's Properties through property management providers.

The Issuer considers that the probability of such unexpected increase in costs occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

Interest-rate risk

Other than equity, the Group's operations are mainly financed by loans, *inter alia*, from credit institutions and by way of outstanding corporate bonds. Interest expenses are therefore one of the Group's main cost items and the Group's loan to value ratio as of 30 September 2019 amounted to 62 per cent (net interest-bearing debt divided by book value of properties). Interest rate risk is described as the risk that changes in interest rates affect the Group's interest expense. Interest expenses are mainly affected by, besides the extent of interest-bearing debt, the level of current market interest rates, credit institutions' margins and the Group's strategy regarding interest rate fixation periods. The Group enters into hedging agreements on current basis and a considerable share of the Group's financing arrangements are hedged by way of interest rate derivatives with various maturities. As the levels of interest bearing debt increases and insofar fluctuations in market interest rate is not stabilised by the Group's hedging arrangements, adverse changes of interest rates would negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of unexpected increases in interest rate costs occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

Covenants in financing agreements

The Group's external financing agreements may contain terms and conditions, which impose restrictions on the Group's business. If a Group company is in breach of any of its covenants (e.g. financial covenants) in its loan agreements, it could lead to loans being accelerated, leading to immediate repayment or the creditor's enforcement of security. Further, certain loan agreements contain cross-default provisions which could trigger the acceleration of other payment obligations within the Group. A breach of any covenant could negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

Some of the Group's credit arrangements as well as the terms and conditions for the Bonds (the "**Terms and Conditions**") contain provisions that restrict the possibility to pay dividends (within the Group) or incur or extend certain financial indebtedness, for example, that Group Companies may not incur or extend certain financial indebtedness if certain financial covenants are not met after such incurrence and/or extension. There is a risk that such provisions restrict the possibilities to move and obtain funds within and to the Group and thus impede the execution of scheduled acquisitions, renovations or other forms of maintenance of the Properties. If the Group's Properties cannot be renovated as scheduled or if certain transactions cannot be executed as a result of inadequate financing, this could have a materially adverse effect on the Issuer's and the Group's business, financial position and result.

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

Ownership risk

The Issuer is currently owned in equal parts by two entities, Offentliga Nordic Property Holding SARL and Aktiebolaget Fastator (publ) ("**Fastator**"), through the joint holding company Nordact AB (publ) ("**Nordact**"). The direct parent company of the Issuer, Nordact, is partly financed with capital provided by its shareholders in the form of interest-bearing shareholder loans that mature prior to the Bonds. If the shareholders of the Issuer cannot refinance themselves or only may refinance themselves at much higher costs, this could negatively affect the Group's access to further funding from its current owners.

Fastator is an investment company that partly finances its investments through public bonds and loans with current assets as security. Should either owner default on their

loans, pledged assets could be taken over by its lenders. In the event that certain pledged assets of the owners are taken over by its lenders, there is a risk that the Issuer will ultimately have access to less further funding from the owners which in turn may negatively affect the Issuer's financial position.

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

II. Risks related to the Group's business activities and industry

Rental income and rental development

Rental income is the Group's main source of income. The Group's rental income is affected by the vacancies of the Properties, contracted rental rates and the tenants paying their rents on time. Rental rates are affected by, *inter alia*, the supply and demand on the market and the level of the market rental rates.

Increased vacancies and/or decreased rental rates will negatively affect the Group's earnings, as rental income represents the Group's main source of income. The risk of fluctuations in vacancies increases with more single large tenants. The ten largest tenants as of 30 June 2019 accounted for approximately 55 per cent. of the total contracted rental income. There is a risk that the Group's larger tenants do not renew or extend their lease agreements upon expiry and that the Group does not find new tenants, which in the long term could lead to a decrease in rental income and an increase in vacancies. Further, there is a risk that lease agreements adhering to newly acquired properties are short-term lease agreements that require the Issuer or a Group company to re-negotiate and renew or extend the term of the lease agreements. Should such negotiations not result in renewal or extension of the lease agreements, there is a risk that the vacancy rate of the Group increases and that the rental income of the Group will decrease. Such risks will be especially prolific in times when the Issuer plans on concluding a large number of property acquisitions. The leases entered into with the Group's ten largest tenants are of different duration. As of 30 September 2019, the average remaining term of these leases was 5 years. Furthermore, as the Group focuses on properties with public sector tenants, its rental income and vacancy rates are dependent on, *inter alia*, municipal budgets and the development of the local public sector.

The Issuer considers that the probability of large fluctuations and increases in vacancies, decreases in market rental rates or any other loss of rental income is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

Acquisitions and disposals of assets

The Group's property portfolio constitute the main assets of the Group. The acquisition and sale of Properties or property owning subsidiaries may lead to that attractive directly or indirectly owned property assets are disposed of and less attractive directly or indirectly owned property assets are acquired, leading to a decrease in the market value of the Group's property portfolios. Furthermore, if Properties are sold at a lower price than expected or if the market value of the Properties decreases, this could negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

Furthermore, acquisitions and divestments of real estate are associated with risks and uncertainties such as future loss of tenants including contractual requirements on occupancy rates, potential environmental impact from activities carried out on the property as well as decisions from authorities. When acquiring real estate companies, there are risks relating to, *inter alia*, tax, environmental issues and disputes.

As the Group is continually acquiring companies, the Group is exposed to the risk of unexpectedly increasing transaction costs due to, for example, cancelled acquisitions. In acquiring companies, the Group is also exposed to integration risks, related to increased merging costs, organisational costs including personnel and unexpected costs related to management of new tenants, unexpected environmental clean-up costs or costs related to unexpected real estate property condition.

Increased costs related to misjudgements in relation to acquisitions and disposals, the materialisation of inherent risks and increased transaction and/or integration costs would negatively affect the Group's financial position and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of increased costs as described above, materialisation of inherent risks and other risks described above occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

Technical risks

Real estate investments involve technical risks. A technical risk can be described as the risk related to the technical operations of the relevant property, such as the risk of defects relating to the construction, other inherent shortcomings or deficiencies, damages (for instance due to fire or other forces of nature) and environmental hazards. If any technical problems should occur, such occurrence may result in significantly increased costs for the Properties which may negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of any such above described issues occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

III. Legal and regulatory risk

Holding company risks

The Issuer is a holding company and the Group's operations are mainly run through its subsidiaries. The Issuer's ability to make required payments of interest on its debts and funding is affected by the ability of its subsidiaries to transfer available funds to it, and hence the Issuer is dependent on its subsidiaries to fulfil its obligations under the Bonds. The Group intends to provide the Issuer with liquidity by way of intra-group loans, dividends or other transfers of value in order for the Issuer to fulfil its obligations under the Bonds. The transfer of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiary, including the relevant subsidiaries' financing arrangements. Furthermore, the Group companies are legally separate entities and distinct from the Company, and have no obligation to fulfil the Issuer's obligations vis-à-vis its creditors. If the subsidiaries do not provide liquidity, or due to other circumstances, conditions, laws or regulations are prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Bonds.

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

Taxation risks

A change in the current tax legislation could result in the Group facing an increased tax burden which could affect its result and financial position.

On 30 March 2017, the Swedish government presented a law proposal (SOU 2017:27) that, if enacted, would 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 would be triggered upon a change of control of a real estate owning company and that indirect sales of properties would be subject to stamp duty. The proposal has remained unchanged but would, if implement, impact tax payable upon all of the Group's future disposals of property owning companies.

On 1 January 2019, a new tax legislation with regard to, *inter alia*, interest deduction limitations and corporate taxation entered into force. The new legislation implies, *inter alia*, a general interest deduction limitation rule in the corporate sector meaning that net interest expenses is deductible only up to 30 per cent. of the taxpayer's

EBITDA for tax purposes, subject to certain deviations. The new rules apply to any financial year starting on or after 1 January 2019 and the manner in which the new legislation will be interpreted and applied is still uncertain

If the Group's net interest expenses represent a substantial portion in relation to its tax EBIT or tax EBITDA, the Group's tax burden could increase significantly which would negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of increases in its tax burden and other tax related risks occurring, due to above described legislative changes is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

IV. Environmental and social risks

Reputational risk

The Group is dependent on its good reputation, particularly in relation to new and current tenants. As an example, technical issues, maintenance problems or adverse reporting or failures in relation to the Group's sustainability profile could damage the Group's reputation, resulting in, for example, difficulties in attracting or retaining tenants or access to debt or other financing which could impair the Group's growth potential. Furthermore, the Group could be negatively exposed in public media, with a limited ability to anticipate or respond to such publications, making it more difficult to remedy impaired reputation. Damage to the Group's reputation could lead to loss of income or loss of growth potential, which may negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of impaired reputation occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

Environmental risks

Property management includes environmental risks. The Swedish Environmental Code (Sw. *miljöbalken (1998:808)*) states that business operators that have contributed to pollution are responsible for remediation of the relevant polluted property. If the responsible person or entity is unable to remediate a polluted property, the person or entity acquiring the property, under certain circumstances, is liable for remediation. This means that claims for remediation of polluted or environmentally damaged property could be directed at the Group for remediation. Furthermore, changed laws, regulations and requirements from authorities in the environmental area could result in increased costs for the Group with respect to sanitation or remediation regarding currently held or future acquired properties.

The Issuer considers that the probability of above costs being incurred and above risks occurring and is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

Risk factors specific and material to the Bonds

I. Risks related to the nature of the Bonds

Ability to service debt

The Issuer's ability to service its debt under the Bonds will depend on, 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 are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be enforced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital.

The Issuer considers that the probability of the risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all, is *medium*. If the risks would occur, the Issuer considers the potential negative impact to be *high*.

Refinancing risk

The Group finances its business by way of equity, bank loan financing and corporate bond loan financing. As of 30 September 2019, the Issuer's equity amounted to MSEK 2,000 whereas the bank loan financing, by way of bilateral credit agreements, amounted to MSEK 2,253. The outstanding amount under the Issuer's bond loans amounted to MSEK 1,039.

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations and access to additional debt and equity financing. The Group's ability to refinance the Bonds or other debt is also restricted by that the Terms and Conditions allow incurrence of additional debt only provided that certain covenants are met (incurrence test). In addition, the Terms and Conditions impose restrictions in relation to the Group's debt financing arrangements, as certain covenants must be met when tested quarterly (maintenance test). Such restrictions as well as adverse developments in the credit markets and other future adverse developments, such as the further deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow funds as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at

all and consequently there can be no assurance that the Group will be able to refinance the Bonds when they mature.

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

Credit risks

Due to the nature of the Bonds as a financial instrument, investors in the Bonds carry a credit risk towards the Group. The investor's ability to receive payment under the Bonds is therefore dependent on the Issuer's ability to have liquid funds in order to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors of which some have been mentioned above.

An increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds, as it may cause the Issuer's credit rating to decrease, and consequently the Issuer's ability to repay the Bonds and maturity.

The Issuer considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact as *medium*.

II. Risks related to the admission of the Bonds to trading on a regulated market

Risks related to the labelling of the Bonds

The Issuer intends to use the Net Proceeds of the issue of the Bonds and any Subsequent Bonds in accordance with the Issuer's green finance framework (the "**Green Finance Framework**") in force as at the relevant Issue Date. There is currently no clear definition of, whether legal or otherwise, or market consensus as to what constitutes, a "green" or an equivalently-labelled project or what is precisely required for that a particular project may be defined as "green" or equivalently labelled. Accordingly, there is a risk that any projects, asset or uses defined in the Green Finance Framework will not meet current or future investor expectations regarding such "green" or other equivalently-labelled performance objectives, in particular as future developments or legal requirements as to the definitions of "green" render the eligible projects for the Bonds, as described in the Green Finance Framework, obsolete.

The proceeds from the issue of Bonds are to be applied in accordance with the Green Finance Framework. There is a risk that such use of proceeds cannot satisfy present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor is required to comply, whether according to applicable law or regulations or by such investor's own by-laws, other governing rules or investment portfolio mandates.

A failure by the Issuer to meet the Green Finance Framework does not give the holders of Bonds ("**Bondholders**") a right to require that the Issuer shall repurchase any of their Bonds and does not constitute an event of default under the Terms and Conditions. Should the Issuer fail to apply the net proceeds in accordance with the Green Finance Framework, there is a risk that the expectations of investors, insofar such expectations are related to compliance with the Green Finance Framework, are not met, and that investors consequently would be in breach of any investment criteria or guidelines with which an investor is required to comply. Consequently, a failure to apply the Bond proceeds in accordance with the Green Finance Framework could result in remedies under the relevant investment criteria or guidelines (as applicable, depending on its nature), which could result in investors facing, *inter alia*, claims or reputational damage.

There is also a risk that the use of proceeds cannot satisfy present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor is required to comply, whether according to applicable law or regulations or by such investor's own by-laws, other governing rules or investment portfolio mandates. The Issuer has appointed CICERO Center for International Climate Research ("**CICERO**") for an independent, research-based evaluation of the Issuer's Green Finance Framework to determine its environmental robustness. The evaluation has resulted in a second opinion dated on 3 September 2019 (the "**Second Opinion**"). CICERO is neither responsible for how the Green Finance Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is CICERO responsible for the outcome of investments in projects described as eligible projects in the Green Finance Framework. There is a risk that the suitability or reliability of any opinions issued by CICERO or any other third party, made available in connection with the issue of Bonds or Subsequent Bonds are challenged by the Issuer, a potential investor, the Bondholder, or any third party. Furthermore, the providers of such opinions and certifications are currently not, but may in the future be, subject to any specific regulatory or other regime or oversight, and there is a risk that such providers will be deemed as not being reliable or objective in the future.

Due to the rapidly changing market conditions for green bonds, there is a risk that current or future investor expectations will not be met which could negatively affect

the secondary trading of the Bonds. Furthermore, should such market conditions significantly change, there is a risk that a Bondholder cannot trade its Bonds at attractive terms, or at all, or that the possession of Bonds is connected to reputation damage.

The Issuer considers that the probability of the Issuer facing adverse effects relating to the labelling of the Bonds as “green” is *low*. If the effects would materialise, the Issuer considers the potential negative impact as *medium*.

Risks related to admission to trading

The Issuer has undertaken to ensure that the Bonds are listed on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within certain stipulated time periods, as defined in the Terms and Conditions, and the failure to do so provides each Bondholder with a right of prepayment (put option) of its Bonds. There is a risk that the Bonds will not be admitted to trading on the relevant market place within the intended time frames or at all. If the Issuer fails to procure listing in time, investors holding Bonds on an investment savings account (Sw. *ISK or IS-konto*) will no longer be able to hold the Bonds on such account, thus affecting such investor’s tax situation.

In order to be eligible for listing on the Sustainable Bond List of Nasdaq Stockholm, certain commercial criteria have to be met, including the filing of the Green Finance Framework and any external review, such as the Second Opinion. The Bonds are not de-listed if such requirements are not met, but there is a risk that the Bonds are removed from the Sustainable Bond List of Nasdaq Stockholm and are instead listed on the Corporate Bond List of Nasdaq Stockholm. Should such removal of the Bonds occur, there is a risk that the expectations of investors, insofar such expectations are related to the listing on the Sustainable Bond List of Nasdaq Stockholm, are not met, which in turn could impair the secondary trading in the Bonds, since certain investors may not allocate investments to non-green investments.

The Issuer considers that the probability of the secondary trading in the Bonds being impacted as described above is *low*. If the effects would materialise, the Issuer considers the potential negative impact as *low*.

III. Risks related to the Bondholders’ rights and representation

Risks related to acceleration of the Bonds and put options

Upon the occurrence of an Event of Default (as specified in the Terms and Conditions), the Bonds may be accelerated at the terms and price set out in the Terms and Conditions. Furthermore, upon the occurrence of a Change of Control, a De-listing or Listing Failure (as defined in the Terms and Conditions), the Bonds will be

subject to prepayment at the option of each Bondholder (put option) at the terms and price set out in the Terms and Conditions. There can be no assurance that the Issuer will have sufficient funds at the time of such prepayment or acceleration to make the required redemption of, or payment in respect of, the Bonds. Apart from that an investor could lose part of, or its entire investment, this could in turn adversely affect the Issuer, *e.g.* by causing illiquidity, insolvency or an event of default under the Terms and Conditions, and consequently adversely affect all holders of Bonds, and not only those that choose to exercise the option.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact as *medium*.

Financing, structural subordination and priority rights

The Group has, as part of its financing, incurred debts to credit institutions and other lenders. Certain real estate and share certificates in the Issuer's real estate owning subsidiaries as well as certain intra-group loans have in connection therewith been pledged as security. Such secured loans normally constitute a preferential claim on the Issuer. Subject to the provisions set out in the Terms and Conditions for the Bonds, the Issuer intends to continue seeking appropriate and profitable financing in which case further pledges, as part of such new loans, may be provided. In addition, subject to the provisions set out in the Terms and Conditions for the Bonds, the Issuer may retain, provide or renew security over certain of its current or future assets to secure, *inter alia*, bank loans, either via the Issuer itself or any other Group company, with security interests normally constituting a preferential claim on the borrower. In addition, certain of the Group's operating companies may enter into financing arrangements which are guaranteed by the Issuer. No present or future shareholder or subsidiary of the Issuer will guarantee the Issuer's obligations under the Bonds.

Furthermore, the Terms and Conditions for the Bonds allow the Group to incur certain additional debt. If the Issuer's subsidiaries incur debt, the right to payment under the Bonds will be structurally subordinated to the right of payment relating to debt incurred by subsidiaries of the Issuer, which could have a negative impact on the Bondholders' recovery under the Bonds.

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law. A Bondholder will normally receive payment after any prioritised creditors in the event of the Issuer's liquidation, company reorganisation or bankruptcy. There is a risk that a potential investor in the

Bonds lose the entire, or parts of, its investment in the event of the Issuer's liquidation, bankruptcy or company reorganisation.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact as *medium*.

Voluntary early redemption

In certain cases, the Issuer has pursuant to the terms and conditions for the Bonds a right to redeem the Bonds prior to its final maturity date. The Issuer has reserved the possibility to, under certain circumstances, redeem all outstanding Bonds during the period from the date falling 39 months after the first issue date.

Such a right for the Issuer could affect the market value of the Bonds. During a period when the Issuer is entitled to voluntarily redeem the Bonds, the market value of the Bonds will most likely not be significantly higher than the redemption price set out in the Terms and Conditions. Such effects could also arise prior to the actual redemption period.

If the Issuer exercises its right to early redemption of the Bonds when the market value of the Bonds is higher than the relevant redemption price, it could affect the investor's possibilities to re-invest the repaid amount on the same terms as the terms of the redeemed Bonds. It is further possible that the Issuer will not have sufficient funds at the time of the mandatory prepayment to carry out the required redemption of Bonds.

The Issuer considers that the probability of the above risks occurring in relation to the Bonds *low*. If the risks would materialise, the Issuer considers the potential negative impact as *low*.

RESPONSIBLE FOR THE INFORMATION IN THE PROSPECTUS

The Company has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Bonds and the performance of its obligations relating thereto. The issuance of the Initial Bonds on 27 September 2019 was authorised by resolutions taken by the board of directors of the Company on 11 September 2019. The issuance the First Subsequent Bonds was authorised by resolutions taken by the board of directors of the Company on 8 November 2019.

The board of directors of the Company is responsible for the information contained in this Prospectus. The board of directors confirms that, to the best of its knowledge and having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The board of directors of the Company is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law.

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

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

Stockholm on 28 November 2019

Offentliga Hus i Norden AB (publ)

The board of directors

THE BONDS IN BRIEF

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

Concepts and terms defined in Section *Terms and Conditions for the Bonds* are used with the same meaning in this section unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

General

Issuer	Offentliga Hus i Norden AB (publ) (reg. no. 556824-2696).
Resolutions, authorisations and approvals	The Company's board of directors resolved to issue the First Subsequent Bonds on 8 November 2019.
The Bonds offered.....	Up to SEK 750,000,000 in an aggregate principal amount of senior unsecured callable floating rate green bonds due 27 March 2023. As at the date of this Prospectus, SEK 700,000,000 of the Bonds have been issued.
Nature of the Bonds	The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i>), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act.
Number of Bonds	Maximum 600. As of the date of this Prospectus, 560 Bonds have been issued.
ISIN	SE0013042611.
Subsequent Issue Date.....	20 November 2019.
Price.....	All bonds issued on the First Issue Date have been issued at an issue price of 100 per cent. of the Nominal Amount. All bonds issued on the Subsequent Issue Date have been issued at an issue price of 101.750 per cent. of the Nominal Amount.
Interest Rate	Interest on the Bonds is paid at a floating rate of STIBOR (3 months) + 4.40 per cent. <i>per annum</i> ,

	provided that if the Interest Rate is less than zero, it shall be deemed to be zero.
Interest Payment Dates.....	Quarterly in arrears on 27 March, 27 June, 27 September and 27 December each year, commencing on 27 December 2019. Interest will accrue from, but excluding, the First Issue Date.
Final Redemption Date.....	27 March 2023.
Initial Nominal Amount	The Bonds have a nominal amount of SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds is SEK 1,250,000.
Denomination.....	The Bonds are denominated in SEK.
Status of the Bonds.....	The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them, except for obligations mandatorily preferred by law applying to companies generally.
Use of Proceeds.....	The proceeds of the Initial Bond Issue shall be used in accordance with the Issuer's Green Finance Framework and partial repayment of Existing Bonds (as defined in the Terms and Conditions). The Net Proceeds of any Subsequent Bonds shall be used in accordance with the Issuer's Green Finance Framework.
Call Option	
Call Option.....	The Issuer has, subject to refinancing the Bond with a new market loan, the right to redeem outstanding Bonds in full on any Business Day falling on or after the date falling 39 months after the First Issue Date up to (but excluding) the Final Redemption Date at a price equal to the Nominal Amount together with accrued but unpaid interest, in accordance with Clause 11.3 (<i>Early Voluntary Redemption by the Issuer (Call Option)</i>) of the Terms and Conditions.

Put Option

Put Option	Upon a Change of Control, De-listing or Listing Failure occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price of 101 per cent. of the Nominal Amount together with accrued but unpaid interest, during a period of 30 calendar days following the notice of the Change of Control, De-listing or Listing Failure, in accordance with Clause 11.4 (<i>Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)</i>) of the Terms and Conditions.
Change of Control	A Change of Control means the occurrence of an event or series of events whereby one or more Persons (other than a Main Shareholder) acting together, acquire control over the Issuer and where “control” means (i) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.
De-listing.....	Either: <ul style="list-style-type: none"> a) following an initial public offering of the common shares of the Issuer or another Group Company, a situation where: (i) the shares of that Group Company listed on the relevant Regulated Market or recognised unregulated market place cease to be listed on such market; or (ii) trading of the Group Company’s listed ordinary shares on the aforementioned stock exchange(s) is suspended for a period of 15 consecutive Business Days; or (b) once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other

	Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).
Listing Failure	The occurrence of the situation where the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within 60 calendar days after the First Issue Date or where any Subsequent Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within 60 calendar days after the Issue Date in respect of such Subsequent Bonds.

Covenants

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:
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- restrictions on making certain distributions;
- the Issuer shall ensure that the Bonds are admitted to trading within 12 months after the First Issue Date;
- restrictions in relation to incurring and providing certain loans (including so called Equity Bridge Loans, as defined in the Terms and Conditions);
- obligation to meet the Maintenance Test,
- restrictions on making any material changes to the general nature of the business carried on by the Group;
- obligation to keep the Group's Properties in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice;
- obligation to procure certain Property valuations; and
- restrictions on the disposal of assets.

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

Miscellaneous

Transfer restrictions	The Bonds are freely transferable. The Holders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which a Holder may be subject. The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.
Admission to trading	Application for admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm will be filed in immediate connection with the SFSA's approval of this Prospectus. Additional Subsequent Bonds may be admitted to trading as a result of a Subsequent Bond Issue and following the approval of a new prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 3 December 2019. The total expenses of the admission to trading of the Subsequent Bonds are estimated to amount to approximately SEK 100,000.
Agent	Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden.
Governing law of the Bonds.....	Swedish law.
Time-bar	The right to receive repayment of the principal of the Bonds shall be time-barred and become void 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.
Risk factors.....	Investing in the Bonds involves substantial risks and prospective investors should refer to Section <i>Risk Factors</i> for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

DESCRIPTION OF THE COMPANY AND THE GROUP

History and development of the Company

Offentliga Hus was formed in 2011. The Company is a public limited liability company registered in Sweden and is governed by Swedish law including, but not limited to, the Swedish Companies Act and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).

Overview of the Company

<i>Legal form</i>	Public limited liability company
<i>Corporate registration number</i>	556824-2696
<i>LEI-code</i>	549300DW54NOXRJXTR48
<i>Incorporated</i>	On 8 November 2010
<i>Head office</i>	Municipality of Stockholm
<i>Address</i>	Nybrogatan 3, 114 34 Stockholm, Sweden
<i>Visitors address</i>	Nybrogatan 3, 114 34 Stockholm, Sweden
<i>Phone number</i>	+46 (0)708-97 44 09
<i>Website</i>	www.offentligahus.se (the information provided at the Issuer's website does not constitute part of this Prospectus unless explicitly incorporated by reference)
<i>Company/trade name</i>	Offentliga Hus i Norden AB (publ) (registered on 31 October 2017)
<i>Operational objective</i>	The company shall manage and conduct business with real property, along with activities related to such operations.

Overview of the Group

Offentliga Hus is a real estate company and the Group's operations is focused on owning and managing community service properties. The rental income is primarily derived from public sector operators with long-term lease agreements. As a parent company of the Group, the Company's business focus is primarily on owning and managing the Group's properties which are owned through the Company's directly and indirectly owned subsidiaries.

Since Offentliga Hus's operations are mainly carried out through its subsidiaries, Offentliga Hus is dependent on its subsidiaries in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

Organisational structure

As of the date of this Prospectus, all the shares in the Company are held by Nordact AB (publ) (“**Nordact**”), Reg. No. 556971-0113. The shareholders in Nordact are Vivskä AB, Reg. No. 556848-4603, and Offentliga Nordic Property Holding SARL, both with 50 per cent. of the share capital and the votes. Vivskä AB is a wholly owned subsidiary of Aktiebolaget Fastator (publ) (“**Fastator**”), which is a company listed on Nasdaq First North.

Offentliga Hus is the parent company of 51 directly or indirectly owned subsidiaries, as listed below.

COMPANY, CORPORATE REGISTRATION NUMBER, REGISTERED OFFICE	NUMBER OF SHARES	PARTICIPATIONS (%)
Nordact AB (publ), 556971-0113, Stockholm	1,000	100
<i>Offentliga Hus i Norden AB (publ), 556824-2696, Stockholm</i>	5,000	100
OH Bunge AB, 556872-0964, Stockholm	500	100
OH Lödöse AB, 556852-1560, Stockholm	1,000	100
Lödösehus 3 KB, 916896-0210, Stockholm	-	100
Lödösehus 4 KB, 916896-0228, Stockholm	-	100
Limestone Fastigheter på Gotland AB, 556741-2746, Stockholm	100,000	100
OH Fyllinge AB, 556435-6102, Stockholm	1,000	100
AB Trygghetsboendet 1 i Värmland, 556876-2537, Stockholm	500	100
OH Årjäng AB, 556892-6041, Stockholm	50,000	100
OH Landskrona Fastigheter AB, 556872-0956, Stockholm	500	100
OH Bagg AB, 556981-3974, Stockholm	500	100
OH Borås AB, 556982-9632, Stockholm	500	100
KB Fastigheten Liljedal, 969622-2760, Borås	-	100
KB Fjolner 21, 969621-9501, Ulricehamn	-	100
KB Grönfinken 1, 969621-5954, Borås	-	100
OH Nya Torg AB, 556981-3982, Stockholm	500	100
OH Karlsvik AB, 556983-1349, Stockholm	500	100
OH Träffpunkten AB, 556993-3418, Stockholm	1,000	100
OH Jungfrun 3 AB, 556993-3434, Stockholm	1,000	100
OH Jungfrun 2 AB, 559004-1785, Stockholm	1,000	100
OH Hallsta AB, 559004-1702, Stockholm	1,000	100
OH Tynnered AB, 559075-5129, Stockholm	1,000	100
OH Höör AB, 559075-5137, Stockholm	1,000	100
OH Kiruna AB, 559090-0055, Stockholm	50,000	100
OH Karesuando AB, 559089-7905, Stockholm	50,000	100
OH Ackjan 1 AB, 559089-7913, Stockholm	50,000	100
OH Jokkmokk AB, 559089-7921, Stockholm	50,000	100
OH Storuman AB, 559089-7939, Stockholm	50,000	100
OHNYAB 24 AB, 559089-7947, Stockholm	50,000	100
OHNYAB 25 AB, 559089-7954, Stockholm	50,000	100
OH Havsbadshotellet 1 AB, 559089-7962, Stockholm	50,000	100
OH Rosenknoppen AB, 559089-7970, Stockholm	50,000	100

COMPANY, CORPORATE REGISTRATION NUMBER, REGISTERED OFFICE	NUMBER OF SHARES	PARTICIPATIONS (%)
OHNYAB 28 AB, 559087-6628, Stockholm	50,000	100
OHNYAB 30 AB, 559082-7811, Stockholm	50,000	100
OH Nynäs AB, 556887-6626, Stockholm	1,000	100
OH Västervik AB, 556903-1015, Stockholm	1,000	100
OHNYAB 33 AB, 559163-9629, Stockholm	50,000	100
OHNYAB 34 AB, 559163-9652, Stockholm	50,000	100
OHNYAB 35 AB, 559169-8542, Stockholm	50,000	100
OH Timrå 2, 556730-5775, Stockholm	1,000	100
OH Timrå 4 AB, 556730-3101, Stockholm	1,000	100
OH Väg Nord AB, 559122-7599, Stockholm	500	100
OH Väg Syd AB, 559102-9789, Stockholm	1,000	100
OH Västberga AB, 556760-9465, Stockholm	100,000	100
OH Iris AB, 559033-4339, Stockholm	500	100
OH Hässleholm AB, 556466-5452, Stockholm	100	100
OH Skåne AB, 559163-0198, Stockholm	500	100
OH P20 AB, 556910-5496, Stockholm	150,000	100
NSH Holding AB, 559017-4073, Stockholm	1,000	100
OH Hedemora AB, 559087-6719, Stockholm	50,000	100
OH Vinstra KB, 969676-4340,		100
Studentbostäder i Sverige AB, 559163-0727, Stockholm	715,975	34.39

Business operations

Business concept and operations

The Group is operational within the real estate industry. The Company's business concept consists of acquiring and refining local environments and properties, with the aim of achieving long-term, stable development in municipalities. The Company focuses on properties with public sector tenants and ideally with longer rental agreements. The Company undertakes acquisitions for long-term ownership.

The Group consists of property owning companies and as of 30 September 2019, the Group's property portfolio consisted of 213 Properties in 137 Swedish municipalities.¹ The Company's property portfolio consists of, *inter alia*, retirement homes, schools, county council buildings, student flats, healthcare centres, residential care homes, day centres, theatres, etc. As of 30 September 2019, the Group's total property value amounted to around SEK 4,735 million.² The Group's tenants consisted to 90 per cent. of publicly financed operations with

¹ The information is derived from the Company's unaudited interim report for the period ended 30 September 2019.

² The information is derived from the Company's unaudited interim report for the period ended 30 September 2019.

long average lease term of 5 years. The Company actively works with digitalisation and CSR.

Business strategy and sustainability

The Company aims to be the top of mind partner and landlord for municipalities, county councils and The Swedish government and to have a stable cash flow from low credit risk tenants. In order to maintain high retention rates and increase the profits over time, the Company is focusing on providing a high service level to the tenants as well as focusing on controlling/lowering financial and property related costs.

Offentliga Hus has never divested any of its community service properties, emphasizing its focus on long term and active ownership and providing reliable premises. Public services need to be operated in a long-term and sustainable manner. Offentliga Hus is Committed towards evolving its sustainability work and makes energy efficiency improvements and will continuously find clever ways of being more resource intelligent.

In conjunction with the Bond Issue, Offentliga Hus has drafted and published a Green Finance Framework at the Company's website, www.offentligahus.se. The initial focus of the selection of eligible projects identified in the Green Finance Framework will be on energy efficiency, verified through third party labelling, such as Leed, BREEAM or Miljöbyggnad, or, in relation to new constructions, requirements that such new constructions will have an energy consumption that is 25 per cent. lower than the national building standards, or either has or will receive an energy performance certificate of level A or B. Renovations will reduce energy consumption by at least 25%.

Share capital, shares and ownership structure

The Company's shares are denominated in SEK. As of the date of this Prospectus, the Company had an issued share capital of SEK 500,000 divided into 5,000 shares. Each share carries one vote and has equal rights on distribution of income and capital. As described in Section *Organisational structure* above, Offentliga Hus is a wholly owned by Nordact, which in turn is owned to 50 per cent. by Fastator through a wholly-owned subsidiary, and to 50 per cent. by Offentliga Nordic Property Holding SARL. Fastator's shares are listed on Nasdaq First North Stockholm since 24 September 2015. Offentliga Nordic Property Holding SARL is owned to 25 per cent. by Pierre Ladow who is a member of the board of directors in the Company.

To ensure that the control over the Company is not abused, the Company complies with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). In addition, the Company acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Company.

Recent events

Except for the issuance of the Bonds and as set out below, there have been no recent events particular to the Company, which are to a material extent relevant to the evaluation of the Company's solvency.

Adverse changes and trend information

There has been no material adverse change in the prospects of the Company since the date of publication of its last audited financial report. Furthermore, except for the issuance of the Bonds and the events made public by press release, as set out below, there have been no significant changes in the financial performance of the Group since the last financial period for which the Group has published its quarterly report.

As announced by way of press release on 27 November 2019, the Company has completed its last outstanding acquisition of six properties in five municipalities in Mälardalen, Dalarna and Småland, which was announced on 1 July 2019. The acquisition was financed by way of cash and bank loan.

As announced by way of press release on 26 November 2019, and subject to the approval of Fastator's extraordinary general meeting, the Company will acquire six properties from Fastator at a total value of MSEK 1,228 and Fastator will acquire 30 properties from the Company at a total value of MSEK 118. The Company will also sell its share in Studentbostäder i Sverige AB to Fastator at an estimated share value of MSEK 222. The transactions are carried out at market value based on external valuation and is estimated to have a positive net effect on the Company's results of operations.

On 13 November 2019, the Company announced its successful issue of SEK 75 million subsequent capital securities under a total framework of SEK 750 million. The hybrid bonds carry a floating interest at 3 months STIBOR plus 685 bps with the first possible call date in January 2025

As announced by way of press release on 15 October 2019, and as set out in Section Board of directors and senior management below, the extra general meeting held on 15 October 2019 elected a new board of directors.

On 30 September 2019, the Company announced its successful issue of SEK 500 million capital securities under a total framework of SEK 750 million. The capital securities carry a floating interest at 3 months STIBOR plus 685 bps with the first possible call date in January 2025.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

According to the Company's articles of association, the board of directors should consist of at least one and not more than seven members, with a maximum of seven deputies. The board of directors currently consists of five (5) board members, and no deputy board member. A new board of directors was elected by the extra general meeting held on 15 October 2019.

The Company currently has two senior management positions, the role as CEO and the role as CFO. The CEO and the CFO are responsible for the Company's ongoing management and operations, reports to the board of directors and are 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 and is set out in the rules of procedure for the board of directors and instructions for the CEO. On 9 September 2019, the Company announced that it had recruited a new senior management and, as a result, the current management will resign. The new senior management will consist of Fredrik Brodin as CEO, Magnus Sundell as CFO and Johan Bråkenhielm as chief transactions officer. As announced by way of press release on 9 September 2019, the new senior management Group will accede its positions as of the first quarter 2020.

The Company's primary support functions are outsourced and include accounting, marketing, IT and property management. Currently, the CEO and the CFO are the Company's only employees, as all administrative services are purchased from OH Management AB, Reg. No. 556969-0562, and Nordic PM AB, Reg. No. 556970-9727 (for a more detailed description of terms the agreements, please refer to Section *Material Agreements* below).

The board of directors and the senior management may be contacted through the Company at its head office at Nybrogatan 3, 114 34 Stockholm. Information regarding the members of the board of directors and the senior management, including significant commitments outside the Company, which are relevant for the Company, is set out below.

The board of directors of the Company

Björn Rosengren, chairman of the board since 2019.

Current significant commitments outside the Group:

Chairman of the board in Priority Group, the Norwegian-Swedish Chamber of Commerce and Aktiebolaget Fastator (publ). Member of the board in Cellcomb AB.

Carl Bildt, member of the board since 2019.

Current commitments outside the Group: Member of the board in Aktiebolaget Fastator (publ), Magnora AB and the international foundation Crisis Group.

Pierre Ladow, member of the board since 2014.

Current commitments outside the Group: -

Svante Bengtsson, member of the board since 2017.

Current commitments outside the Group: COO and Deputy CEO of Aktiebolaget Fastator (publ).

Jacqueline Winberg, member of the board since 2017.

Current commitments outside the Group: Board member and CEO of Stanton Chase International AB. Board member of Avanza Bank Holding AB, Aktiebolaget Fastator (publ), Avanza Bank AB and Katod AB.

Management of the Company

Lars Holm, CEO since 2017.

Current commitments outside the Group: -

Christoffer Strömbäck, Acting CFO since 2019.

Current commitments outside the Group: CFO of Aktiebolaget Fastator (publ).

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, and the Company.

FINANCIAL INFORMATION

Historical financial information

The Company's annual reports for the financial years ended 2018 and 2017 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus.

The financial information for the financial years ending 2018 and 2017 have been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*), the Complementary Accounting Standards for Groups issued by the Swedish Council for Financial Reporting (Sw. *RFR 1 Kompletterande redovisningsregler för koncerner*), the International Financial Reporting Standards ("IFRS") as well as the interpretations of the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union.

The Company's annual reports for the financial years ended 2018 and 2017 have been audited by the Company's auditor. Other than the auditing of the Company's annual report for the financial ended 2018 and for the financial year ended 2017, the Company's auditor has not audited or reviewed any other parts of this Prospectus.

Information in the documents below, which has not been incorporated by reference, is either deemed by the Company no to be relevant for investors in the Bonds or is covered elsewhere in the Prospectus.

The following information in the Company's consolidated annual report for the financial year ended 2018 is incorporated in this Prospectus by reference. For particular financial figures, please refer to the pages set out below.

<i>Reference</i>	<i>Pages</i>	<i>Reference</i>	<i>Pages</i>
Consolidated income statement	6	Parent income statement	10
Consolidated balance sheet	7	Parent balance sheet	11
Consolidated changes in equity	8	Parent changes in equity	12
Consolidated cash flow statement	9	Parent cash flow statement	13
Notes	14–33		
Independent auditor's report	35–37		

The following information in the Company's consolidated annual report for the financial year ended 2017 is incorporated in this Prospectus by reference. For particular financial figures, please refer to the pages set out below.

<i>Reference</i>	<i>Pages</i>	<i>Reference</i>	<i>Pages</i>
Consolidated income statement	6	Parent income statement	10
Consolidated balance sheet	7	Parent balance sheet	11
Consolidated changes in equity	8	Parent changes in equity	12
Consolidated cash flow statement	9	Parent cash flow statement	13
Notes	14–29		
Independent auditor's report	31–33		

Auditing of the annual historical financial information

The Company's annual reports for the financial years ended 2018 and 2017 have been audited by Öhrlings PricewaterhouseCoopers AB, with Magnus Thorling as the auditor in charge. Magnus Thorling has been the Company's auditor since 2016 and is a member of FAR. The office address of Öhrlings PricewaterhouseCoopers AB is: Torsgatan 21, SE-113 97, Stockholm, Sweden. Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company's auditor

Age of the most recent financial information

The most recent audited financial information derives from the Company's consolidated annual report for the financial year ending on 2018, which was published on the Company's website on 4 April 2019. This means that the balance sheet date of the Company's most recent audited financial information falls at least 18 months prior to the date of this Prospectus.

Legal and arbitration proceedings

The Company has not, during the previous twelve months, been involved in and is not aware of, any governmental, legal or arbitration proceedings that have had or may have, significant effects on the Company's or the Group's financial position or profitability. Nor is the Company aware of any such proceedings that are pending or threatening and that could lead to the Company or any member of the Group becoming a part to such proceedings.

Significant changes

Other than as the issuance of the Bonds on 27 September 2019 and the issuance of the hybrid bonds as described under the Section *Adverse changes and trend information* above, there has been no significant change in the financial or market position of the Group since the end of the last financial period for which interim financial information has been published.

DESCRIPTION OF MATERIAL AGREEMENTS

The following is a summary of the material agreements to which the Company is a party and considered as outside in the ordinary course of business. The following summaries do not purport to describe all of the applicable terms and conditions of such agreements.

Other than as set out below, neither the Group, nor any of its associated entities has entered into any material agreements not in the ordinary course of its business and that may affect the Company's ability to fulfil its obligations under the Bonds.

Property management agreements

The Company acquires administrative services from the companies Nordic PM AB, Reg. No. 556970-9727, ("**Nordic PM**") (through a framework agreement entered into by the Company's indirect shareholder Fastator) and OH Management AB, Reg. No. 556969-0562, ("**OH Management**"). Nordic PM and OH Management are associated companies of the Company, and are, alike the Company, owned to 50 per cent. by Fastator and 50 per cent. by Nordic Property Holding SARL.

According to the relevant framework agreement, Nordic PM is to provide commercial, financial and technical management and O&M (operations and maintenance) as well as leasing of vacant facilities. The framework agreement with Fastator also includes functions such as due diligence processes available for Fastator. Call-off agreements are established describing the scope of the assignment is to be entered into with the relevant property owning company, being a subsidiary of Fastator.

Under the framework agreement entered into by Fastator described above, the Company has entered into a call-off agreement with Nordic PM governing the management of the Company's real properties, including commercial, financial and technical management and O&M (operations and maintenance) as well as rental of vacant dwellings and non-residential premises in the Company's real properties.

The Company has entered into a central administration agreement with OH Management according to which OH Management is to provide services regarding oversight and administration, including, but not limited to, accounting, business development and transaction services.

OTHER INFORMATION

Clearing and settlement

The Bonds are connected to the account-based system of Euroclear Sweden AB, registration number 556112-8074, P.O. Box 191, SE-101 23 Stockholm. This means that the Bonds are registered on behalf of the Holders 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's book-entry system.

Credit rating

The Company has been assigned a credit rating of BB-, outlook stable (long term) from Nordic Credit Rating AS, registered with the European Securities and Markets Authority (ESMA) as a credit rating agency established in the EU under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the CRA Regulation).

Long-term rating scale

AAA	'AAA' rated entities and instruments demonstrate the highest credit quality and lowest expectation of default risk.
AA	'AA' rated entities and instruments demonstrate very high credit quality with a very low default risk.
A	'A' rated entities and instruments demonstrate high credit quality with a low default risk.
BBB	'BBB' rated entities and instruments demonstrate medium credit quality with a moderate default risk.
BB	'BB' rated entities and instruments demonstrate speculative credit quality with a slightly increased default risk.
B	'B' rated entities and instruments demonstrate highly speculative credit quality with an increased default risk.
CCC	'CCC' entities and instruments demonstrate very low credit quality with a high default risk.
CC	'CC' rated entities and instruments demonstrate very low credit quality and an event of default is very likely.
C	'C' rated entities and instruments demonstrate the lowest credit quality and an event of default is imminent.
D/SD	'D' rated entities and instruments have defaulted, as defined by NCR. 'SD' (selective default) rated entities have only defaulted on certain debt obligations.
Plus (+) and minus (-)	Rating categories from 'AA' to 'B' are modified by a plus (+) or a minus (-), where required, to show their relative position within the rating category.

Representation of the holders

Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879) is acting as agent for the holders in relation to the Bonds, and if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions.

By acquiring Bonds, each subsequent bondholder confirms such appointment and authorisation for the Agent to act on its behalf. An agency agreement was entered into between the agent and the Company on or about the First Issue Date regarding, among others, the remuneration payable to the agent. The agency agreement is available at the agent's office address (Norrlandsgatan 23, SE-111 43 Stockholm, Sweden) during normal business hours. The rights and obligations of the agent are set forth in the Terms and Conditions.

Documents available for inspection

Copies of the following documents are available at the Company's head office in paper format during the validity period of this Prospectus.

- The Company's articles of association.
- The Company's certificate of registration.
- The Company's consolidated annual report for the financial year ending on 2018.
- The Company's consolidated annual report for the financial year ending on 2017.

The documents listed above are also available at the Company's website, www.offentligahus.se.

Interest of natural and legal persons involved in the bond issue

The Issuing Agent and the Joint Bookrunners and/or their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Company and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Issuing Agent and the Joint Bookrunners and/or their 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.

TERMS AND CONDITIONS FOR THE BONDS

**TERMS AND CONDITIONS FOR
OFFENTLIGA HUS I NORDEN AB (PUBL)
MAXIMUM SEK 750,000,000
SENIOR UNSECURED CALLABLE FLOATING RATE GREEN
BONDS
2019/2023
ISIN: SE0013042611**

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 Central Securities Depositories and Financial Instruments Accounts Act and through which a Bondholder has opened a Securities Account in respect of its Bonds.

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

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

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

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

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

“**Bond**” means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act, issued by the Issuer 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 18 (*Bondholders’ Meeting*).

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

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

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

“**Change of Control**” means the occurrence of an event or series of events whereby one or more Persons (other than any Main Shareholder) acting together, acquire control over the Issuer and where “control” means (i) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“**Compliance Certificate**” means a certificate, in the agreed form between the Agent and the Issuer, signed by the Issuer.

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

“**De-listing**” means:

- (a) following an initial public offering of the common shares of the Issuer or another Group Company, a situation where:
 - (i) the shares of that Group Company listed on the relevant Regulated Market or recognised unregulated market place cease to be listed on such market; or
 - (ii) trading of the Group Company’s listed ordinary shares on the aforementioned stock exchange(s) is suspended for a period of 15 consecutive Business Days; or
- (b) once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

“**Equity Bridge Loan**” means a loan from any direct or indirect shareholder of the Issuer or from any Affiliate of any direct or indirect shareholder of the Issuer (save for any direct or indirect shareholder of Aktiebolaget Fastator (publ) (reg. no. 556678-6645) or any Subsidiary of the Issuer) which does not constitute Subordinated Debt.

“**Equity Ratio**” means, at any time, the Total Equity of the Group as a percentage of the aggregate value of the Total Assets.

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

“**Existing Bonds**” means the Issuer’s outstanding up to SEK 700,000,000 Senior unsecured floating rate notes 2017/2021 with ISIN SE0010023259.

“**Final Redemption Date**” means 27 March 2023.

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

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

- (a) monies borrowed or raised, including under any bank financing or Market Loans;
- (b) the amount of any liability in respect of any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability;
- (c) receivables sold or discounted (other than on a non-recourse basis);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

“**Financial Statements**” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to paragraphs 12.1.1 and (a) of Clause 12.1 (*Financial Statements*).

“**First Issue Date**” means 27 September 2019 or such other date as is agreed between the Issuing Agent and the Issuer.

“**Force Majeure Event**” has the meaning set forth in Clause 27.1.

“**Green Finance Framework**” means the Issuer’s green finance framework, as it is worded on the Issue Date of the relevant Bonds.

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

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

“**Hybrid Instruments**” means any subordinated (according to its terms) debt instruments issued by the Issuer which are, entirely or partly:

- (a) treated, or intended to be treated, as equity by Moody’s Investor Services Limited and/or Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc.; or
- (b) is permitted to be accounted for as equity in accordance with the Accounting Principles at the date of issuance of the relevant subordinated debt instrument(s).

“**Incurrence Test**” has the meaning set forth in Clause 13.2 (*Incurrence Test*).

“**Incurrence Test Date**” has the meaning set forth in Clause 13.2 (*Incurrence Test*).

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

“**Initial Bond Issue**” has the meaning set forth in Clause 2.1.

“**Initial Valuation**” means the Valuation delivered as a conditions precedent to the disbursement of the Net Proceeds, where the Valuation of each Property is based on a valuation not older than 12 months and the results of such valuation are reflected in good faith and in accordance with the Accounting Principles.

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

“**Interest Coverage Ratio**” means the ratio of Management Profit to Total Financial Items.

“**Interest Payment Date**” means 27 March, 27 June, 27 September and 27 December each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 27 December 2019 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

“**Interest Period**” means each period beginning on (but excluding) the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant) and, in respect of Subsequent Bonds, each period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means a floating rate of STIBOR (3 months) + 4.40 per cent. *per annum*, provided that if the Interest Rate is less than zero, it shall be deemed to be zero.

“**Issue Date**” means the First Issue Date or any date when Subsequent Bonds are issued pursuant to these Terms and Conditions, as agreed between the Issuing Agent and the Issuer.

“**Issuer**” means Offentliga Hus i Norden AB (publ) (reg. no. 556824-2696), Nybrogatan 3, SE-114 34, Stockholm, Sweden.

“**Issuing Agent**” means Swedbank AB (publ) (reg. no. 502017-7753, SE-105 34 Stockholm, Sweden) or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Joint Bookrunners**” means Nordea Bank Abp (reg. no. 2858394-9, Satamaradankatu 5. FI-00020 Nordea, Finland) and Swedbank AB (publ) (reg. no. 502017-7753, SE-105 34 Stockholm, Sweden).

“**Listing Failure**” means the situation where the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within 60 calendar days after the First Issue Date or where any Subsequent Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within 60 calendar days after the Issue Date in respect of such Subsequent Bonds.

“**Loan to Value**” means the ratio of Net Interest Bearing Debt to Value.

“**Main Shareholder**” means each of Aktiebolaget Fastator (publ), reg. no. 556678-6645 and Offentliga Nordic Property Holding SARL, reg. no. B181169 and their respective Affiliates.

“**Maintenance Test**” has the meaning set forth in Clause 13.1 (*Maintenance Test*).

“**Management Profit**” means the Group’s consolidated management profit (Sw. *förvaltningsresultat*) according to the latest consolidated Financial Statements.

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial papers, 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 a Regulated Market or a recognised unregulated market place.

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

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

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

“**Net Interest Bearing Debt**” means the consolidated interest bearing Financial Indebtedness of the Group:

- (a) excluding any Financial Indebtedness borrowed from any Group Company);
- (b) excluding guarantees and similar arrangements;
- (c) excluding any Hybrid Instruments (including capitalised interest thereon provided that such interest is payable after the Final Redemption Date);
- (d) excluding any Subordinated Debt; and
- (e) less cash and cash equivalents of the Group according to the latest Financial Statements or per the Incurrence Test Date (as applicable), in accordance with the Accounting Principles.

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

“**Nominal Amount**” has the meaning set forth in Clause 3.1.

“**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.

“**Properties**” means all real properties and site leasehold rights (Sw. *tomträtter*) owned by any member of the Group from time to time.

“**Quotation Day**” means, in relation to (i) an Interest Period for which an Interest Rate is to be determined, 2 Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period,

2 Business Days before the First Issue Date), or (ii) any other period for which an Interest Rate is to be determined, 2 Business Days before the first day of that period.

“**Record Date**” means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 16(*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 11 (*Redemption and repurchase of the Bonds*).

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

“**Reference Period**” means each period of 12 consecutive calendar months ending on a Reference Date.

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

“**Restricted Payment**” has the meaning set forth in Clause 14.1.

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

“**SEK**” means the lawful currency of Sweden for the time being.

“**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 SEK and for a period comparable to the relevant Interest Period; or
- (b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate

for the longest period (for which that screen rate is available) which is less than the Interest Period and (ii) the applicable screen rate for the shortest period (for which that screen rate is available) which exceeds that Interest Period, as of or around 11.00 a.m. on the Quotation Day; or

- (c) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate is available for the relevant Interest Period pursuant to paragraphs (a) and (b) above and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period.

“**Subordinated Debt**” means any loan made to a Group Company as a debtor, if such loan:

- (a) is subordinated to the obligations of the Issuer under the Finance Documents pursuant to a subordination agreement;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date, save for payment of interest which is permitted under Clause 14.1 (*Distributions*).

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

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

“**Subsidiary**” means, in relation to the Issuer, any legal entity (whether incorporated or not), in respect of which the Issuer, directly or indirectly, (a) owns shares or ownership rights representing more than 50.00 per cent. of the total number of votes held by the owners, (b) otherwise controls more than 50.00 per cent. of the total number of votes held by the owners, (c) has the power to appoint and remove all, or the majority of, the

members of the board of directors or other governing body or (d) exercises control as determined in accordance with the Accounting Principles.

“**Total Assets**” means, at any time, the total assets of the Group calculated on a consolidated basis, in each case according to the latest Financial Statements and in accordance with the Accounting Principles.

“**Total Equity**” means, at any time, the sum of the total equity of the Group calculated on a consolidated basis, in each case according to the latest Financial Statements and in accordance with the Accounting Principles.

“**Total Financial Items**” means the Group’s consolidated total financial items (Sw. *finansnetto*) according to the latest consolidated Financial Statements, excluding (i) interest capitalised on Hybrid Instruments and on Subordinated Debt and (ii) any fees, costs, expenses or premiums incurred by the Group in relation to a repayment and/or prepayment of any Financial Indebtedness of the Group.

“**Transaction Costs**” means all fees, costs and expenses incurred by a Group Company (including any fees payable by the Issuer to the Joint Bookrunners for the services provided in relation to the placement and issuance of the Bonds) in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue and (ii) the listing of the Bonds (including Subsequent Bonds) on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market.

“**Value**” means the aggregate fair value of the Properties according to the latest consolidated Financial Statements or per the Incurrence Test Date (as applicable).

“**Valuation**” means a full external valuation of a Property prepared and issued by an independent and reputable appraiser appointed by the Issuer in accordance with the valuation methods generally applied by Swedish property evaluators specifying the value of such Property.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 19 (*Written Procedure*).

1.2 **Construction**

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

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

- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (d) a provision of law is a reference to that provision as amended or re-enacted; and
- (e) a time of day is a reference to Stockholm time.

- 1.4 An Event of Default is continuing if it has not been remedied or waived.
- 1.5 When ascertaining whether a limit or threshold specified in SEK 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 SEK 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.
- 1.6 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.7 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- 1.8 The selling and the distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of the Terms and Conditions and may be updated without the consent of the Bondholders and the Agent (save for the privacy statement insofar it relates to the Agent).

2. STATUS OF THE BONDS

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

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

- 3.1 The aggregate amount of the bond loan will be an amount of up to SEK 750,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 500,000,000 (“**Initial Bond Issue**”).
- 3.2 All Initial Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.
- 3.3 The ISIN for the Bonds is SE0013042611.
- 3.4 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.5 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 750,000,000, always provided that the Incurrence Test (calculated *pro forma* including such issue) is met and that the Issuer provides the Agent with a Compliance Certificate. Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The price of Subsequent Bonds may be set at the Nominal Amount or at a discount or at a higher price than the Nominal Amount.
- 3.6 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.7 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 3.8 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.

4. USE OF PROCEEDS

The Net Proceeds of the Initial Bond Issue shall be used in accordance with the Issuer’s Green Finance Framework and partial repayment of Existing

Bonds. The Net Proceeds of any Subsequent Bond shall be used in accordance with the Issuer's Green Finance Framework.

5. CONDITIONS FOR DISBURSEMENT

5.1 Conditions Precedent for the Initial Bond Issue

5.2 The Issuer shall provide to the Agent, no later than 9.00 a.m. four (4) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), the following:

- (a) copies of the constitutional documents of the Issuer;
- (b) a copy of a resolution of the board of directors of the Issuer:
 - i. approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
 - ii. authorising a specified person or persons to execute the Finance Documents on its behalf; and
 - iii. authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party;
- (c) a duly executed copy of the Terms and Conditions;
- (d) a duly executed copy of the Agency Agreement; and
- (e) an agreed form Compliance Certificate.

5.3 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 20 (*Amendments and waivers*)). The First Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 9.00 a.m. three (3) Business Days prior to the First Issue Date (or later, if the Issuing Agent so agrees), provided however that the Issuing Agent and the Issuer may agree to postpone the First Issue Date.

5.4 The Issuer shall provide to the Agent, no later than 9.00 a.m. two (2) Business Days prior to the First Issue Date (or such later time as agreed by

the Agent), an Initial Valuation for Properties representing at least 90 per cent. of the Value (prior to the Initial Valuation). The Agent shall confirm to the Issuing Agent without delay when the conditions in this Clause 5.1.3 has been satisfied (or amended or waived in accordance with Clause 20 (*Amendments and waivers*)).

5.5 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 5.1.2 and 5.1.3, the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds of the Initial Bond Issue to the Issuer on the First Issue Date.

5.6 **Conditions Precedent for a Subsequent Bond Issue**

5.6.1 The Issuer shall provide to the Agent, no later than 9.00 a.m. four (4) Business Days prior to the Issue Date (or such later time as agreed to by the Agent) in respect of Subsequent Notes, the following:

- (a) the articles of association and certificate of incorporation of the Issuer;
- (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into documents necessary in connection therewith; and
- (c) a certificate from the Issuer confirming that:
 - i. no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue; and
 - ii. the Incurrence Test (calculated *pro forma* including such Subsequent Bond Issue) is met.

5.6.2 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.2.1 have been fulfilled (or amended or waived in accordance with Clause 20 (*Amendments and waivers*)). The relevant Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 9.00 a.m. three (3) Business Days prior to the relevant Issue Date (or later, if the Issuing Agent so agrees), provided however that the Issuing Agent and the Issuer may agree to postpone the relevant Issue Date.

5.6.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.2.2, the Issuing Agent shall settle the issuance of any

Subsequent Notes and pay the Net Proceeds of such Subsequent Bond Issue to the Issuer on the relevant Issue Date.

5.7 Responsibility for documentation

- 5.7.1 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for this purpose.
- 5.7.2 Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

6. THE BONDS AND TRANSFERABILITY

- 6.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 6.5 The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended. 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.

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

7. BONDS IN BOOK-ENTRY FORM

- 7.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The debt register (Sw. *skuldbok*) kept by the CSD from time to time shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register 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.
- 7.4 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. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.

- 7.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 7.6 At the request of the Agent, the Issuer shall promptly obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.
- 7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

8. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 8.1 If any Person other than a Bondholder wishes to exercise any rights under these Terms and Conditions, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.
- 8.2 A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under these Terms and Conditions in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- 8.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.
- 8.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to

observe and comply with any restrictions that may apply to it in this capacity.

9. PAYMENTS IN RESPECT OF THE BONDS

- 9.1 Any payment or repayment under these Terms and Conditions, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 9.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any

stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

10. INTEREST

10.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will, however, carry Interest at the Interest Rate from, but excluding, the Interest Payment Date falling immediately prior to its issuance up to and including the relevant Redemption Date.

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

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

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

11. REDEMPTION AND REPURCHASE OF THE BONDS

11.1 Redemption at maturity

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

11.2 The Group Companies' purchase of Bonds

Each Group Company may, subject to applicable law, at any time and at any price purchase Bonds. Any Bonds held by a Group Company may at

such Group Company's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.

11.3 Early voluntary redemption by the Issuer (call option)

11.3.1 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day falling on or after the date falling 39 months after the First Issue Date up to (but excluding) the Final Redemption Date, at a price equal to the Nominal Amount together with accrued but unpaid interest, provided that such early redemption is financed in part or in full by way of the Issuer issuing a Market Loan.

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

11.4 Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)

11.4.1 Upon a Change of Control, a De-listing or a Listing Failure occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of 30 calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 12.3 (*Information: miscellaneous*). The 30 calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

11.4.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 12.3 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 12.3 (*Information: miscellaneous*). The repurchase date must fall

no later than 20 Business Days after the end of the period referred to in Clause 11.4.1.

- 11.4.3 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 11.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.
- 11.4.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.4, if a third party in connection with the occurrence of a Change of Control, De-listing or Listing Failure Event, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 11.4 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 11.4, the Issuer shall repurchase any such Bonds within 5 Business Days after the expiry of the time limit.
- 11.4.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be retained, sold or cancelled in accordance with Clause 11.2.

12. INFORMATION UNDERTAKINGS

12.1 Financial Statements

12.1.1 The Issuer shall:

- (a) prepare and make available 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, to the Agent and on its website not later than 4 months after the expiry of each financial year;
- (b) prepare and make available the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of

directors, to the Agent and on its website not later than 2 months after the expiry of each relevant interim period; and

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

12.2 **Compliance Certificate**

12.2.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:

- (a) when a Financial Statements are made available to the Agent in accordance with paragraphs (a) or (b) of Clause 12.1 (*Financial Statements*);
- (b) in connection with the testing of the Incurrence Test; and
- (c) at the Agent's reasonable request, within 20 calendar days from such request;

12.2.2 In each Compliance Certificate, the Issuer shall:

- (a) so far as it is aware, certify that no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it;
- (b) if provided in connection with Financial Statements being made available, certify that the Maintenance Test is met as per the last day of the quarter to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test; or
- (c) if provided in connection with the issuance or incurrence of Financial Indebtedness or a Restricted Payment being made, in each case which requires that the Incurrence Test is met, certify that the Incurrence Test is met as per the Incurrence Test Date, including calculations and figures in respect of the Incurrence Test, calculated pro forma including the relevant Financial Indebtedness or Restricted Payment (as applicable).

12.3 **Information: miscellaneous**

The Issuer shall:

- (a) promptly notify:
 - i. the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing or a Listing Failure; and
 - ii. the Agent upon becoming aware of the occurrence of an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions), its Green Finance Framework and the second opinion relating to its Green Finance Framework available on its website;
- (b) prepare and make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Green Finance Framework to the Agent and on its website in connection with the publication of the annual audited consolidated financial statements of the Group;
- (c) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions), its Green Finance Framework and the second opinion relating to its Green Finance Framework available on its website; and
- (d) upon request by the Agent, provide the Agent with any information relating to a transaction made pursuant to Clause 14.7 (*Disposal of assets, mergers and demergers*), which the Agent deems necessary (acting reasonably).

13. FINANCIAL COVENANTS

13.1 Maintenance Test

13.1.1 The Maintenance Test shall be tested quarterly on each Reference Date from and including 30 September 2019, for as long as any Bond is outstanding, on the basis of the interim consolidated Financial Statements for the period ending on the relevant Reference Date and on the basis of the Compliance Certificate delivered in connection therewith.

13.1.2 The Maintenance Test is met if:

- (a) the Loan to Value:

- i. on any Reference Date occurring on or before 31 December 2019, does not exceed 75.00 per cent.; and
- ii. on any Reference Date occurring after 31 December 2019, does not exceed 70.00 per cent.; and

(b) the Interest Coverage Ratio is equal to or higher than 1.50:1.00.

13.2 Incurrence Test

13.2.1 The Incurrence Test shall be applied in connection with:

- (a) the issuance or the incurrence of Financial Indebtedness which requires that the Incurrence Test is met; or
- (b) a Restricted Payment which requires that the Incurrence Test is met, until and including the Final Redemption Date. The Incurrence Test shall be tested on the date on which such Financial Indebtedness is incurred or such Restricted Payment is made (the “**Incurrence Test Date**”).

13.2.2 The Incurrence Test is met if:

- (a) on any date occurring on or before 31 December 2019, the Equity Ratio exceeds 25 per cent.; and
- (b) on any date occurring after 31 December 2019, the Equity Ratio exceeds 30 per cent.; and
- (c) the Interest Coverage Ratio is equal to or higher than 1.50:1.00; and
- (d) no Event of Default is continuing or would occur upon the relevant incurrence, distribution or payment (as applicable),

in each case calculated in accordance with Clause 13.3 (*Calculation principles*).

13.3 Calculation principles

For the purpose of any Incurrence Test (without double counting):

- (a) the transaction which requires that the Incurrence Test is made shall be included in the calculations on a *pro forma* basis;
- (b) the figures for Management Profit for the Reference Period ending on the last day of the period covered by the most recent Financial Statements shall be used, but adjusted so that (as applicable):

- i. management profit of entities, assets or operations acquired, disposed of or discontinued by the Group during the Reference Period and up until and including the Incurrence Test Date shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period; and
 - ii. management profit of any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period and any property to be acquired shall be included *pro forma* as of the Incurrence Test Date;
- (c) the figures for Total Financial Items for the Reference Period ending on the last day of the period covered by the most recent Financial Statements shall be used, but adjusted so that (as applicable):
 - i. any Bond that has been repurchased, and not resold, by any Group Company during the Reference Period and up until and including the Incurrence Test Date shall be excluded, *pro forma*, for the entire Reference Period; and
 - ii. the new Financial Indebtedness (as applicable) is included on a *pro forma* basis for the entire Reference Period, provided such Financial Indebtedness is an interest bearing obligation;
- (d) the figures for Net Interest Bearing Debt as of the last day of the period covered by the most recent Financial Statements shall be used, but adjusted so that (as applicable):
 - i. any Bond that has been repurchased, and not resold, by any Group Company after the end of the Reference Period and up until and including the Incurrence Test Date shall be excluded, *pro forma*;
 - ii. all Financial Indebtedness incurred under the Initial Bond Issue and any previous Subsequent Bond Issues shall be included, *pro forma*; and
 - iii. the Restricted Payment or new Financial Indebtedness (as applicable) is included on a *pro forma* basis, provided such Financial Indebtedness is an interest bearing obligation (however, any cash balance resulting from the

incurrence of the new Financial Indebtedness shall not reduce the Net Interest Bearing Debt);

- (e) the figures for Equity Ratio as of the last day of the period covered by the most recent Financial Statements shall be used, but adjusted so that (as applicable):
- i. entities, assets or operations acquired, disposed of or discontinued by the Group after the Reference Period and up until and including the Incurrence Test Date shall be included or excluded (as applicable), *pro forma*;
 - ii. any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*;
 - iii. all Financial Indebtedness incurred under the Initial Bond Issue and any previous Subsequent Bond Issues shall be included *pro forma*; and
 - iv. any equity raised or distributions made after the last day of the period covered by the most recent Financial Statements shall be included or excluded (as applicable), *pro forma*.

14. SPECIAL UNDERTAKINGS

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

14.1 Distributions

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

- (a) make or pay any dividend, charge, fee, (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital;
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders;
- (d) repay principal or pay interest under any Hybrid Instruments;
- (e) pay interest under any Equity Bridge Loan; or

- (f) make any other similar distributions 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,

(the transactions set out in paragraphs (a) to (f) above are together and individually referred to as a “**Restricted Payment**”), provided however that any such Restricted Payment can be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, by:

- (i) any Group Company (save for the Issuer) if such Restricted Payment is made to a Group Company's immediate shareholder(s) and is made on a pro rata basis; or

- (ii) the Issuer:

A. provided that:

1) the Incurrence Test (calculated pro forma including the relevant Restricted Payment) is met; and

2) such Restricted Payment (when aggregated with all other Restricted Payments made by the Issuer that financial year, save for any Restricted Payment made in accordance with paragraph (B) below) does not exceed the higher of (a) SEK 40,000,000 and (b) 50.00 per cent. of the Group's consolidated profit before unrealised changes in property value and derivatives (calculated net of paid taxes) according to the annual audited financial statements for the previous financial year (and without accumulation of profits from previous financial years); or

B. if such Restricted Payment is a payment of principal and interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by the issuance of new Hybrid Instruments or the incurrence of Subordinated Debt.

14.2 Admission to trading of Bonds

The Issuer shall ensure that the Initial Bonds are listed on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within 12 months after the First Issue Date.

14.3 Market Loans

- (a) The Issuer shall procure that:
- i. except as permitted under paragraph (c) below, no Group Company (save for the Issuer) issues any Market Loan;
 - ii. Subsequent Bonds issued by the Issuer meets the Incurrence Test (calculated *pro forma* including the relevant Subsequent Bonds);
 - iii. any Market Loan (save for Subsequent Bonds) issued by the Issuer:
 - A. is unsecured;
 - B. meets the Incurrence Test (calculated *pro forma* including the relevant Market Loan); and
 - C. has a final redemption date or, when applicable, early redemption dates or instalment dates, that occur after the Final Redemption Date.
- (b) The Issuer shall not, and shall procure that no other Group Company will:
- i. maintain, prolong or provide any guarantee or security over any of the Group's present or future assets to secure any Market Loan; or
 - ii. repurchase any Market Loan, or part thereof, issued by any Group Company, other than in relation to:
 - A. the Bonds, as permitted under the Terms and Conditions;
 - B. the Existing Bonds, as permitted under the terms and conditions of the Existing Bonds; and
 - C. any Market Loan incurred in accordance with paragraph (c) below, if such Market Loan has an

original maturity date which falls prior to the Final Redemption Date.

- (c) The Issuer shall not, and shall procure that no other Group Company will, acquire any Person which becomes a Subsidiary of the Group and that have incurred Market Loan(s) which remain outstanding after the completion of such acquisition, unless:
- i. the Incurrence Test, calculated on the Group but excluding the target company and its Subsidiaries on a *pro forma* basis, is met; and
 - ii. the Incurrence Test, calculated on the target company and its Subsidiaries only, is met,
 - iii. in each case including the relevant Market Loan(s) on a *pro forma* basis.
- (d) Notwithstanding anything to the contrary herein, a Market Loan incurred by the Group in accordance with paragraph (c) above may remain outstanding but may not be extended beyond its original maturity or refinanced save for as permitted under paragraph (a) above.

14.4 **Equity Bridge Loans**

- (a) The Issuer shall not, and shall procure that no other Group Company will, incur or permit to remain outstanding any Equity Bridge Loan, unless:
- i. such Equity Bridge Loan is incurred by the Issuer;
 - ii. the Incurrence Test (taking the incurrence of such Equity Bridge Loan into account on a *pro forma* basis) is met;
 - iii. such Equity Bridge Loan, if an Event of Default has occurred and is continuing, is subordinated to the obligations of the Issuer under the Finance Documents and any Hybrid Instruments pursuant to a subordination agreement;
 - iv. the proceeds of such Equity Bridge Loan has been, or is designated to be, applied towards payments of purchase price for real property acquisitions and transaction costs for such acquisitions or towards refinancing any debt which was applied towards such purpose;

- v. such Equity Bridge Loan according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date, save for payment of interest which is permitted under Section “Distributions”;
 - vi. such Equity Bridge Loan has a tenor of 6 months or less; and
 - vii. such Equity Bridge Loan only yields interest on arm’s length terms or better for the Issuer.
- (b) The Issuer may not pay any interest under any Equity Bridge Loan, unless permitted under the Special Undertaking “Distributions”.
- (c) The Issuer shall procure that any Equity Bridge Loan is discharged or refinanced in full within 6 months of its incurrence. Unless the Incurrence Test (taking the relevant transaction into account on a pro forma basis) for a refinancing of the Equity Bridge Loan is met, an Equity Bridge Loan may only be discharged by way of an unconditional shareholder contribution or Subordinated Debt.

14.5 **Maintenance Test**

The Issuer shall ensure that the Maintenance Test is met for as long as any Bond is outstanding.

14.6 **Nature of business**

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

14.7 **Disposals of assets, mergers and demergers**

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

- (a) sell, transfer or otherwise dispose of shares in any Group Company or of all or substantially all of its or any Group Company’s assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries; or
- (b) enter into any amalgamation, demerger, merger or consolidation, unless (i) between Group Companies (other than the Issuer), or (ii) between the Issuer and a Group Company or any other company,

unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided

that it does not have a Material Adverse Effect, provided however that a merger or demerger with the effect that the Issuer is not the surviving entity shall not be permitted.

14.8 **Maintenance of Properties**

The Issuer shall, and shall procure that each other Group Company will, keep the Properties in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice, and in such repair and condition as will enable each Group Company to comply in all material respects with the obligations under relevant rental agreements and in accordance with all applicable laws and regulations.

14.9 **Insurance**

The Issuer shall, and shall procure that each other Group Company will, keep the Properties insured to the extent customary for similar properties and businesses on the relevant geographical market with one or more reputable insurers. The insurance cover shall, *inter alia*, include full value insurance and third party liability insurances.

14.10 **Property valuations**

- (a) The Issuer shall procure that a Valuation regarding the fair value of Properties representing at least 90 per cent. of the Value (prior to such Valuation) is prepared each financial year (on a rolling twelve (12) months basis) and that (i) the results of such Valuation is reflected in the next Compliance Certificate submitted to the Agent (noting the Value of each Property and the date of the last Valuation of such Property) and (ii) if requested by the Agent, such Valuation is delivered in full to the Agent.
- (b) Without prejudice to paragraph (a) above, the Issuer shall procure that a Valuation regarding the fair value of in respect of each Property is prepared at least every second financial year (on a rolling twenty-four (24) months basis).
- (c) The Issuer shall further procure that the results of such Valuation(s), or (if available) any subsequent comparable Valuation(s) replacing such Valuation(s), are reflected in good faith and in accordance with the Group's valuation policy in the following Financial Statements.

14.11 Dealings with related parties

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

14.12 Compliance with laws

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

14.13 Authorisations

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

14.14 Agency Agreement

(a) The Issuer shall, in accordance with the Agency Agreement:

- viii. pay fees to the Agent;
- ix. indemnify the Agent for costs, losses and liabilities;
- x. furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
- xi. not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

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

14.15 CSD related undertakings

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

15. TERMINATION OF THE BONDS

15.1 Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.11 (*Termination*)).

15.2 Non-payment

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

15.3 Other obligations

The Issuer does not comply with these Terms and Conditions in any other way (other than as set out under Clause 15.2 (*Non-payment*) above or Clause 4 (*Use of proceeds*)), unless the non-compliance (i) is capable of being remedied and (ii) 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).

15.4 Cross default

- (a) Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); 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 paragraphs (a) and/or (b) above, individually or in the aggregate exceeds an amount corresponding to SEK 20,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

15.5 Insolvency

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

- (b) a moratorium is declared in respect of the Financial Indebtedness of any Group Company,

provided however that the assets of the Group Company referred to under paragraphs (a) and/or (b) above, individually or in the aggregate have a value equal to or exceeding SEK 20,000,000, calculated in accordance with the latest Financial Statements (as applicable).

15.6 **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;
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Group Company or any of its assets; or
- (c) any analogous procedure or step is taken in any jurisdiction in respect of any Group Company,

provided however that the assets of the Group Company referred to under paragraphs (a), (b) and/or (c) above, individually or in the aggregate have a value equal to or exceeding SEK 20,000,000, calculated in accordance with the latest Financial Statements (as applicable).

15.7 **Mergers and demergers**

A decision is made that any Group Company shall be merged or demerged into a company, unless the merger or demerger is (i) between Group Companies (other than the Issuer), or (ii) between the Issuer and a Group Company or any other company, provided that the Issuer is the surviving entity.

15.8 **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 having an aggregate value equal to or exceeding SEK 20,000,000 and is not discharged within 60 calendar days.

15.9 **Impossibility or illegality**

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

15.10 **Cessation of business**

A Group Company ceases to carry on its business (except if due to (i) a solvent liquidation of a Group Company other than the Issuer or (ii) a permitted disposal, merger or demerger as stipulated in Clause 14.7 (*Disposals of assets, mergers and demergers*) and provided, in relation to a discontinuation of a Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.

15.11 **Termination**

- 15.11.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.11.6 or 15.11.7, on behalf of the Bondholders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than 20 Business Days from the date on which the Agent made such declaration).
- 15.11.2 The Agent may not terminate the Bonds in accordance with Clause 15.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 15.11.1.
- 15.11.3 If the right to terminate 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 termination to be deemed to exist.

- 15.11.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 15.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 15.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 15.1 and provide the Agent with all documents that may be of significance for the application of this Clause 15.
- 15.11.5 The Issuer is only obliged to inform the Agent according to Clause 15.11.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such a conflict would exist pursuant to the listing contract with Nasdaq Stockholm (or any other Regulated Market, as applicable) or otherwise, the Issuer shall however be obliged to either seek the approval from Nasdaq Stockholm (or any other Regulated Market, as applicable) 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 Clause 15.11.4.
- 15.11.6 If the Agent has been notified by the Issuer or has otherwise received actual knowledge that there is a default under the Finance Documents according to Clause 15.1, the Agent shall (i) notify, within 5 Business Days of the day of notification or actual knowledge, the Bondholders of the default and (ii) decide, within 20 Business Days of the day of notification or actual knowledge, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 17 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take

the time necessary to consider whether an occurred event constitutes an Event of Default.

- 15.11.7 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 17 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.11.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.11.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 17 (*Decisions by Bondholders*).
- 15.11.10 If the Bonds are declared due and payable in accordance with this Clause 15 (*Termination of the Bonds*), the Issuer shall redeem all Bonds with an amount per Bond equal to 101.00 per cent. of the Nominal Amount.

16. DISTRIBUTION OF PROCEEDS

- 16.1 If the Bonds have been declared due and payable in accordance with Clause 15 (*Termination of the Bonds*), all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) first, in or towards payment *pro rata* of:
 - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent;
 - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights;
 - (iii) any non-reimbursed costs incurred by the Agent for external experts; and

- (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a bondholders' meeting or a written procedure;
- (b) secondly, in or towards payment pro rata of accrued but unpaid interest under the Bonds (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);
- (c) thirdly, in or towards payment pro rata of any unpaid principal under the Bonds; and
- (d) fourthly, in or towards payment pro rata of any other costs or outstanding amounts unpaid under the Terms and Conditions.

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

- 16.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1.
- 16.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.
- 16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least 15 Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

17. DECISIONS BY BONDHOLDERS

- 17.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 17.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least 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 these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 17.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 17.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:
- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
 - (b) on the Business Day specified in the communication pursuant to Clause 19.3, in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- 17.5 The following matters shall require consent of Bondholders representing at least $66\frac{2}{3}$ per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3:

- (a) waive a breach of or amend an undertaking set out in Clause 12 (*Special undertakings*);
 - (b) a mandatory exchange of the Bonds for other securities;
 - (c) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
 - (d) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
 - (e) amend the provisions in this Clause 17.5 or Clause 17.6.
- 17.6 Any matter not covered by Clause 17.5 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 19.3. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 20.1 20.1(a)–20.1(c)) or a termination of the Bonds.
- 17.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 17.6.
- 17.8 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least 20 per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 17.9 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 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The

quorum requirement in Clause 17.8 shall not apply to such second Bondholders' Meeting or Written Procedure.

- 17.10 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.11 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.12 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 17.13 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 17.14 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.15 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 17.16 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders

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

18. BONDHOLDERS' MEETING

- 18.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than 5 Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 18.2 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 18.1 with a copy to the Agent. After a request from the Bondholders pursuant to Clause 21.4.3, the Issuer shall no later than 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 18.1.
- 18.3 The notice pursuant to Clause 18.1 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.
- 18.4 The Bondholders' Meeting shall be held no earlier than 10 Business Days and no later than 20 Business Days from the notice.
- 18.5 If the Agent, in breach of these Terms and Conditions, has not convened a Bondholders' Meeting within 5 Business Days after having received such notice, the requesting Person may convene the Bondholders' Meeting itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD and, if no Person to open the Bondholders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.

- 18.6 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.
- 18.7 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.

19. WRITTEN PROCEDURE

- 19.1 The Agent shall instigate a Written Procedure no later than 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. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.
- 19.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19.1 to each Bondholder with a copy to the Agent.
- 19.3 A communication pursuant to Clause 19.1 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 10 Business Days but no more than twenty 20 Business Days from the communication pursuant to

Clause 19.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

- 19.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within 5 Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD.
- 19.5 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 17.5 and 17.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.5 or 17.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

20. AMENDMENTS AND WAIVERS

- 20.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend these Terms and Conditions or waive any provision in these Terms and Conditions, provided that:
- (a) the Agent is satisfied that 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;
 - (b) the Agent is satisfied that such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
 - (c) such amendment or waiver is necessary for the purpose of having the Bonds admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable) provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders; or
 - (d) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*).
- 20.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment or waiver to these Terms and Conditions. It is sufficient if such consent approves the substance of the amendment or waiver.

- 20.2.1 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 20.2.2 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Bondholders' Meeting, in the Written Procedure or by the Agent, as the case may be.

21. APPOINTMENT AND REPLACEMENT OF THE AGENT

21.1 Appointment of Agent

- 21.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and these Terms and Conditions, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 21.1.2 Each Bondholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 21.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions and the Agency Agreement.
- 21.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and Conditions

and the Agency Agreement and the Agent's obligations as agent under these Terms and Conditions and the Agency Agreement are conditioned upon the due payment of such fees and indemnifications.

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

21.2 **Duties of the Agent**

- 21.2.1 The Agent shall represent the Bondholders in accordance with these Terms and Conditions. However, the Agent is not responsible for the execution or enforceability of these Terms and Conditions. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent.
- 21.2.2 The Agent is not obliged to actively assess or monitor (i) the financial condition of the Issuer or any Group Company, (ii) the compliance by the Issuer of the Finance Documents (unless expressly set out in the Finance Documents) or (iii) whether an Event of Default (or any event that may lead to an Event of Default) has occurred or not. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default has occurred.
- 21.2.3 The Agent may assume that any information, documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such information, documentation or evidence. The Agent does not review any information, documents and evidence from a legal or commercial perspective of the Bondholders.
- 21.2.4 The Agent is not responsible for any determination made by the Issuer under or in respect of the Terms and Conditions, but is not bound by the Issuer's determination.
- 21.2.5 Upon the reasonable request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed.

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

- 21.2.6 When acting in accordance with these Terms and Conditions, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under these Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill.
- 21.2.7 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under these Terms and Conditions.
- 21.2.8 The Agent shall treat all Bondholders equally and, when acting pursuant to these Terms and Conditions, 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 these Terms and Conditions and the Agency Agreement.
- 21.2.9 The Agent shall be 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.
- 21.2.10 The Agent is entitled to engage external experts when carrying out its duties under these Terms and Conditions. The Issuer shall on demand by the Agent pay all costs for external experts engaged (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under these Terms and Conditions or (iii) when the Agent is to make a determination under these Terms and Conditions. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 16 (Distribution of proceeds).
- 21.2.11 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under these Terms and Conditions.

- 21.2.12 Notwithstanding any other provision of these Terms and Conditions to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 21.2.13 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 21.2.14 The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under these Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agency Agreement, or (ii) if it refrains from acting for any reason described in Clause 21.2.13.
- 21.2.15 The Agent's duties under the Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with the Terms and Conditions and upon instructions from the Bondholders, unless otherwise set out in the Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other person.
- 21.3 Limited liability for the Agent**
- 21.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 21.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 21.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to these Terms and Conditions to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable

to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

- 21.3.4 The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with Clause 17(*Decisions by Bondholders*).
- 21.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, these Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Bondholders under these Terms and Conditions.
- 21.3.6 The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other person.

21.4 **Replacement of the Agent**

- 21.4.1 Subject to Clause 21.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 21.4.2 Subject to Clause 21.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within 10 Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 21.4.3 A Bondholder (or Bondholders) representing at least 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 appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 21.4.4 If the Bondholders have not appointed a successor Agent within 90 calendar days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 21.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under these Terms and Conditions and the Agency Agreement.
- 21.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of these Terms and Conditions but shall remain entitled to the benefit of these Terms and Conditions and remain liable under these Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under these Terms and Conditions as they would have had if such successor had been the original Agent.
- 21.4.8 In the event that there is a change of the Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under these Terms and Conditions and the Agency Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

22. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

- 22.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 22.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent or becomes subject to bankruptcy proceedings,

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. APPOINTMENT AND REPLACEMENT OF THE CSD

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

23.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the listing of the Bonds listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

24. NO DIRECT ACTIONS BY BONDHOLDERS

24.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to these Terms and Conditions, 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 any Group Company in relation to any of the liabilities of the Issuer under these Terms and Conditions. Such steps may only be taken by the Agent.

24.2 Clause 21.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with these Terms and Conditions 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 21.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agency Agreement or by any reason described in Clause 21.2.13, such failure must continue for at least 40 Business Days after notice pursuant to

Clause 21.2.14 before a Bondholder may take any action referred to in Clause 24.1.

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

25. TIME-BAR

- 25.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void 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. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void.

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

26. NOTICES AND PRESS RELEASES

26.1 Notices

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

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

- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Agent by not less than 5 Business Days' notice from time to time, and if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time; and
 - (c) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- 26.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1.1 or, in case of letter, 3 Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 26.1.1.
- 26.1.3 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.
- 26.2 **Press releases**
 - 26.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 11.3 to 11.4, paragraph (a) of Clause 12.3, 15.11.6, 16.4, 17.16, 18.1, 19.1, 20.3, 21.2.14 and 21.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.
 - 26.2.2 In addition to Clause 26.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice

containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

27. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 27.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a “Force Majeure Event”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 27.2 The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage.
- 27.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 27.4 The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

28. ADMISSION TO TRADING

The Issuer intends to list the Initial Bonds within 30 calendar days from the First Issue Date, and has undertaken to list the Initial Bonds within 12 months, after the First Issue Date on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) in accordance with Clause 14.2 (*Admission to trading of Bonds*). Further, if the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within 60 calendar days after the First Issue Date, each Bondholder has a right of repayment (put option) of its Bonds in accordance with Clause 11.4 (*Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)*).

29. GOVERNING LAW AND JURISDICTION

- 29.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 29.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 29.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 29.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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