

# **BELLMAN GROUP AB (PUBL)**

## **PROSPECTUS REGARDING LISTING OF MAXIMUM SEK 400,000,000**

### **SENIOR SECURED CALLABLE FLOATING RATE BONDS 2017/2022 ISIN: SE0009889553**

**8 May 2018**

*Amounts payable under the Bonds are calculated by reference to STIBOR, which is provided by the Swedish Bankers' Association (Sw. Svenska Bankföreningen). As at the date of this Prospectus, the Swedish Bankers' 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) (the "BMR"). As far as the Issuer is aware, the transitional provisions in Article 51 of the BMR apply, such that the Swedish Bankers' Association is not currently required to obtain authorisation or registration.*

## Important information

This prospectus (the “**Prospectus**”) has been prepared by Bellman Group AB (publ) (previously BMST Intressenter AB (publ)) (“**Bellman Group**”, the “**Company**” or the “**Issuer**”), registration number 559108-3729, in relation to the application for listing of bonds issued under the Company’s maximum SEK 400,000,000 senior secured callable floating rate bonds 2017/2022 with ISIN SE0009889553 (the “**Bonds**”), which was issued on 19 June 2017 (the “**Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”) (the “**Bond Issue**”), on the Corporate Bond List at NASDAQ Stockholm AB (“**Nasdaq Stockholm**”). In this Prospectus, references to the “**Group**” mean the Company and its subsidiaries, from time to time. References to “**SEK**” refer to Swedish Kronor.

This Prospectus has been prepared in accordance with the rules and regulations in the Swedish Financial Instruments Trading Act (Sw. *lag (1991:980) om handel med finansiella instrument*) and Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, each as amended. This Prospectus has been approved by and registered with the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) in accordance with the provisions in Chapter 2, Sections 25 and 26, of the Swedish Financial Instruments Trading Act. It should be noted that such approval and such registration does not constitute any guarantee from the Swedish Financial Supervisory Authority 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 listing the Bonds 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 may be subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Company has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Company has not registered the Bonds under any other country’s securities laws. It is the investor’s obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

The Prospectus will be available at the Swedish Financial Supervisory Authority’s web page ([www.fi.se](http://www.fi.se)) and the Company’s web page ([www.bellmangroup.se](http://www.bellmangroup.se)), and paper copies may be obtained from the Company.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Company’s management or are assumptions based on information available to the Company. 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 Company and its subsidiaries 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.

This Prospectus shall be read together with all documents that are incorporated by reference (see section “*Overview of financial reporting and documents incorporated by reference*” below) and possible supplements to this Prospectus.

The Bonds may not be a suitable investment for all investors and each potential investor in the Bonds must determine the suitability of that investment in light of 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 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.

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## **Risk factors**

*Investing in the Bonds involves inherent risks. A number of risk factors and uncertainties may adversely affect the Issuer and the Group. These risk factors include, but are not limited to, financial risks, technical risks, risks related to the business operations of the Group, environmental and regulatory risks. If any of these or other risks or uncertainties actually occur, the business, operating results and financial condition of the Group could be materially and adversely affected, which could have a material adverse effect on the Group's ability to meet its obligations (including repayment of the principal amount and payment of interest) under the Terms and Conditions for the Bonds. The risks presented herein are not exhaustive, and other risks not presently known to the Group, or that the Group currently deems immaterial, and therefore not discussed herein, may also adversely affect the Group and adversely affect the price of the Bonds and the Group's ability to service its debt obligations. Investors should consider carefully the information contained herein and make an independent evaluation before making an investment decision. The risk factors below are not ranked in any specific order.*

### **Risks relating to the Group and the market**

#### *Macroeconomic factors*

The Group operates in the construction and industrial sectors, which are to a large extent affected by macroeconomic factors. Consequently, there is a risk that an economic downturn, and particularly a weak development of the construction industries and a decrease in industrial activity leads to a significant decrease in demand for the services offered by the Group. There is also a risk that the Group's business is negatively impacted, either temporarily or long-term, by a reduction in spending levels by customers, unfavourable credit markets affecting end-user access to credit, a decrease in production of new premises and residential properties, adverse changes in infrastructure spending, an increase in the cost of construction materials or an increase in interest rates. Deterioration in the construction and industrial sectors caused by these or other factors may have a material negative impact on the Group's operations, earnings and financial position.

#### *Global economic and market conditions*

Economic downturns and uncertainties on the international financial markets have adverse impacts on the global economy. There is a risk that any market turbulence or downturns in the global economy affects the financial position of customers of the Group and impacts their ability to conduct business with the Group. Deterioration in the global economy or any decrease in demand for the Group's products and services may have a material negative impact on the Group's operations, earnings and financial position.

#### *Geographic concentration risk*

A major part of the Group's operations are carried out in the greater Stockholm area. The Group is therefore highly dependent upon the development of, and would be affected to a great extent by changes in, the markets for construction and haulage business in this specific area. A negative development of the relevant markets in the Stockholm area may have a material negative impact on the Group's operations, earnings and financial position.

#### *Competitive landscape*

The Group operates on a competitive market. The Group's future possibilities to compete are, among other things, dependent upon the Group's ability to anticipate future market changes and trends, and to rapidly react on existing and future market needs. There is a risk that the competitive landscape will result in increased costs or require price reductions or changes of the Group's business model. Further, the Group operates on a market where several of the Group's competitors have greater financial resources than the Group. Increased competition from existing and new market participants as well as deteriorated competition possibilities could have a material negative impact on the Group's operations, earnings and financial position.

The construction business is considered as a high-risk industry when it comes to different kinds of anti-competitive behaviours, and has in the past been subject to several investigations by the European Commission and different National Competition Authorities in the EU, including Sweden. The anti-competitive climate within the business is particularly due to overall weak competition on the market, which is often dominated by a few strong players. These anti-competitive factors also make it difficult for new entrants to penetrate the market. The construction business was most recently investigated by the Swedish Competition Authority in 2012, with the purpose to procure evidence of anti-competitive cooperation among competitors. There is a risk that the Group becomes subject to investigations and proceedings by the Competition Authorities in the future.

If one or several of the above factors would develop negatively or if any of the described risks would materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

#### *Risks relating to acquisitions*

In 2017, the Issuer acquired its wholly owned subsidiaries MST, Bellmans and Grundab. It is possible that the Group also in the future makes organisational changes, including acquisitions. There is always a risk that acquisitions do not generate expected margins or cash flows or realise other anticipated benefits, such as growth or expected synergies, which the acquisition was predicted to entail. There is also a risk that the Group's assessment of and assumptions regarding acquisition aims prove to be incorrect, and that actual developments differ from the Group's expectations. Moreover, there is a risk that the Group incurs or assumes unknown or unanticipated liabilities or contingencies pertaining to customers, suppliers, employees, governmental authorities or other parties. Further, in connection with the aforementioned acquisitions or any future target, there is a risk that one or several agreements entered into by such target company is terminated due to change of control clauses that have not been identified or for other reasons have not been handled properly in connection with such acquisition.

Should any of the risks described above materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

#### *Certain risks relating to the projects*

The business that the Group is operating and the types of projects carried out by the Group are generally associated with a large number of risks, such as the risk of faulty construction, risk for delays or completion, operating risks, risks relating to permissions, environmental risks, political risks *etc.* In the event the Group's projects are delayed, this is at risk leading to partners and others with whom the Group has entered into agreements claiming damages or contractual penalty from the Group resulting in that the Group's operations, earnings and financial position is materially negatively affected.

Moreover, in these types of projects there is a risk that the construction costs escalate during the time of the project, due to *e.g.* miscalculations with regard to the budget, unexpected challenges as regards *e.g.* the working environment or other factors outside the Group's control. Misjudging with respect to investment decisions, mismanagement of projects and failure to comply with relevant laws and regulations are additional risks (although not a comprehensive list of such) associated with the Group's business model and the projects. Furthermore, the Group's ability to manage its sales function and relations to customers are key factors for the Group to be successful in its business. Improper pricing, rising costs or decline in sales may have a material negative impact on the Group's operations, earnings and financial position.

#### *Environmental risk*

The Group's operations imposes risks relating to pollution or contaminations on land or water and similar environmental risks. In general, the Group is responsible for the remediation of any environmental contaminations on the Group's premises (both owned and leased), which, depending on the type and magnitude of the contaminations, risks being costly and is not always be covered by the Group's insurance policy. Also, there is a risk that the Group becomes liable for contaminations on former sites where it has operated its business. If environmental liability is not regulated in the customer agreements, the Group risks being held liable for

contaminations which occur while performing contracted work on customer's premises. Costs associated with pollution and contaminations could have a material negative impact on the Group's operations, earnings and financial position.

#### *Key persons*

The Group's future development is dependent on the skill, experience and engagement of management and other key employees. These employees also have a comprehensive knowledge of the Group and the industry in general. Therefore, it is important for the Group's future business activities and development that it is able to retain, and where necessary also recruit skilled employees. There is a risk that key individuals leave the Group and appropriate successors cannot be recruited and that the Group's operations, earnings and financial position are materially negatively affected thereby.

#### *Work stoppages or strikes*

Parts of the Group's employees are members of unions and are covered by collective bargaining agreements. There is a risk that the Group encounters strikes or other disturbances occasioned by the Group's unionised labor force. Also, upon the expiration of existing collective bargaining agreements, there is a risk that the Group is unable to reach new collective bargaining agreements on satisfactory terms or without work stoppages, strikes or similar industrial actions. If the Group is unable to negotiate satisfactory terms for new agreements it would likely cause the Group's labor costs to increase, which could have a material negative impact on the Group's operations, earnings and financial position.

#### *Reputational risk*

The Group's reputation is central to its business and earnings capacity. Should the Group's reputation be damaged, there is a risk that the Group's customers and other stakeholders lose confidence in the Group. For instance, should the Group or any of the members of its senior management team take an action that conflicts with the Group's values, or should any of the Group's projects not meet the market's expectation, the Group's reputation could be at risk. Also unjustified negative publicity risks damaging the Group's reputation. Reputation damage could have a material negative impact on the Group's operations, earnings and financial position.

#### *Insurance*

The Group works closely to its customers by performing services within the customers' operations, which imposes an increased risk exposure by causing damages to the customers' equipment and premises. The operations conducted by the Group also entails a risk for personal injuries and other occupational accidents. Considering the type of business conducted by the Group, a relevant insurance scheme is of great importance. If the Group is unable to maintain its insurance cover on terms acceptable to it or if future business requirements exceed or fall outside the Group's insurance cover or if the Group's provisions for uninsured costs are insufficient to cover the final costs, it could have a material negative impact on the Group's operations, earnings and financial position.

#### *Ability to obtain, maintain and renew relevant permits*

The Group is dependent on its ability to maintain relevant approvals and permits in order to continue conducting its operations as currently conducted. There is a risk that necessary renewals of such permits for the existing operations, or additional permits for any possible future changes to the Group's operations or due to new requirements, are delayed or cannot be obtained at all. Failure to comply with applicable laws, regulations and permitting requirements risks resulting in enforcement actions thereunder, including orders issued by authorities causing operations to cease or be curtailed or causing the Group to take corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, and could as a result have a material negative impact on the Group's operations, earnings and financial position.

### *Taxes, laws and charges*

A number of legislations and regulations, relating to *inter alia* competition, construction, safety requirements, environmental matters, taxes and leasing arrangements, affect the business conducted by the Group. There is a risk that new or amended legislations and regulations calls for unexpected costs or impose restrictions on the development of the business operations or otherwise affect the Group's net sales. There is also a risk that the Group's practice of the law is incorrect or non-compliant or that laws and regulations change, also with potential retroactive effect. Furthermore, changes in legislation may affect the business of the Group's customers and/or suppliers. If any of the above mentioned risks were to materialise it could have a material negative impact on the Group's operations, earnings and financial position.

### *Tax changes*

Changes to taxes such as corporate tax, value added tax and other governmental charges risks having a negative impact on the Group. There is a risk that changes and/or new tax laws and regulations lead to unexpected costs or limitations that could have a negative impact on the Group's operations, earnings and financial position.

Legislative work is continuously on-going with regard to laws and regulations and established practice concerning the taxation of companies. In June 2014, the Swedish Committee on Corporate Taxation (Sw. *företagsskatteskommittén*) proposed certain changes in the legislation regarding interest deductions. The government has, due to extensive referral criticism informed that the proposal requires continued analysis and a new referral of the final proposal. In March 2018, the government presented its referral to the Council on Legislation (Sw. *Lagrådet*). The current proposal to new legislation is proposed to enter into force on 1 January 2019. There is a risk that amended tax legislation will limit the Group's ability to make interest deductions for financial costs. Depending on the Group's capital structure at the time the legislation comes into force, such changes could have a material negative effect on the Group's operations, earnings and financial position.

### *Risks relating to accounting rules*

The Group's business is affected by the accounting rules that, from time to time, are applied in Sweden, including for example IFRS and other international accounting rules. This means that there is a risk that the Group's, or its associated companies' accounting, financial reporting and internal control, in the future is affected by and have to be adapted to changed accounting rules or a changed application of such accounting rules. This might entail uncertainty regarding the Group's and its associated companies' accounting, financial reporting and internal control and also affect the Group's and the associated companies' accounted earnings, balance sheet and equity, which could have a material negative effect on the Group's operations, earnings and financial position.

Accounting in accordance with IFRS and generally accepted accounting principles require the management to make assumptions. Assets and liabilities, income, costs and additional information accounted for are affected by assessments and assumptions. The assessments and assumptions are based on previous experience and expectations of future events that the management deem reasonable under the circumstances at hand. There is however a risk that the actual outcome differs from the assessments and assumptions made and this could have a negative impact on the Groups earnings and financial position.

### *Financing risk*

The Group's business is, and may from time to time be, partly financed through borrowings such as bank loans and the Bonds. There is a risk that inability to refinance existing or future facilities or to obtain additional financing at market terms, as a result of a deficiency in the capital market or for any other reason, will result in delays or reduction or termination of certain operations and, in turn, have a material negative impact on the Group's operations, earnings and financial position.

Further, existing or future financing in the Group may contain undertakings, which, if breached and not waived, results in such financing being accelerated and becoming due and payable. There is a risk that an obligation to

prepay any such financing will have a material negative impact on the Group's operations, earnings and financial position.

#### *Interest rate risk*

As the Group from time to time finances its operations by borrowing funds, a portion of the Group's cash flow is used to service interest. Interest rate risk is the risk that changes in interest rates affect the Group's interest costs. There is a risk that changes in interest rates lead to changes in actual value, changes in cash flows and fluctuations in the Group's result, which in turn could have a material negative impact on the Group's operations, earnings and financial position.

#### *Liquidity risk*

Liquidity risk is the risk that the Group cannot meet its payment obligations at the maturity date without the cost for obtaining cash or cash equivalents increasing significantly. If the Group's liquidity sources prove not to be sufficient, there is a risk that the Group can only meet its payment obligations by raising funds on terms significantly increasing its financing costs or that the Group cannot meet its payment obligations at all and as a result thereof being in default under material agreements entered into by the Group, which could have a material negative impact on the Group's operations, earnings and financial position.

#### *Credit and counterparty risk*

Credit risk is the exposure to loss in the event that a counterparty fails to fulfil its obligations towards the Group. If the Group's current and potential customers and suppliers and other counterparties end up in a financial situation where they cannot pay the agreed fees or other amounts owed to the Group as they fall due, or otherwise abstain from fulfilling their obligations towards the Group, this may cause losses that have a material negative impact on the Group's operations, earnings and financial position.

#### *Risks related to the use of hire-purchase agreements and purchase towards deferred payment*

A large number of machines and other equipment used by the Group have been purchased towards deferred payment. In connection with the issuance of Bonds, most equipment purchased towards deferred payment was paid in full. However, the Group has also purchased, and may in the future purchase, a large number of machines and other equipment by way of hire-purchase agreements, to the effect that ownership of the object at hand is not transferred to the Group before payment has been fully settled. There is a risk that the seller of the object at hand goes bankrupt before payment has been fully settled, in which case the relevant object will form part of the seller's estate and be for the benefit of the seller's creditors. In case the seller enters into bankruptcy, any claim by the Group on repayment of settled funds will be unprioritised, and there is a risk that the Group's operations, earnings and financial position is materially negatively affected thereby.

#### *Dependency on suppliers and partners*

The Group's operations are partly dependent on the availability and timely supply of equipment, machinery, components and services from external suppliers. As regards the operations conducted by Bellmans for example, 90 per cent. of the projects are carried out by partners and only 10 per cent. of the projects are carried out by Bellman's own capacity. If any of the main suppliers or partners of the Group were to terminate their contract with the Group, there is a risk that such supplier or partner will not be possible to replace by an equivalent supplier or partner, e.g. in terms of price or quality, in a timely manner or at all. Further, various problems with suppliers or partners, such as delays, risks having adverse consequences for performing under the Group's customer contracts. In case no spare capacity of services, equipment or machinery is available, there is a risk that a delay imposes obligations under the customer contracts for the Group to pay damages. If any of these risks were to materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

### *Customer agreements*

Since a small number of customers accounts for a major portion of the Group's sales, the Group is to a certain extent dependent on its key customers. Many of the Group's customers, being both private and public building and construction companies and haulage companies, have been customers of the Group for several years. The Group has entered into framework agreements with a number of large construction companies in the Stockholm region. However, such framework agreements and other customer agreements entered into by the Group are entered into for a limited period of time. Hence, the Group relies on a strong relationship with its key customers in order for such agreements to be extended or renewed once expired. If a significant amount of the Group's commercial relationships with its key customers is terminated or not extended, there is a risk that this will have a material negative impact on the Group's operations, earnings and financial position.

### *Legal disputes*

The Group is and may in the future from time to time be involved in disputes or be subject to claims. There is a risk that such disputes and claims are time consuming and result in costs, the size of which cannot always be foreseen and, therefore, would have a material negative impact on the Group's operations, earnings and financial position.

### *Intellectual property rights*

There is a risk that the Group's protection of its trademarks, names and domain names is not adequate. There is also a risk that, *e.g.* in connection with expansion into new geographic markets, the Group infringes, or is accused of infringing a third party's intellectual property rights. If the Group's protection of its own intellectual property proves to be inadequate, or if the Group infringes a third party's intellectual property rights, it risks having a material negative impact on the Group's operations, earnings and financial position.

### *Lack of written project agreements*

It is common industry practice to enter into oral project agreements within the markets in which the Group operates. However, such oral agreements are usually based on a written offer. Consequently the Group has entered into oral project agreements with certain of its customers, and therefore lacks written project agreements with a number of customers, corresponding to approximately 20 per cent. of the Group's total revenues. There is a risk that the lack of written agreements results in uncertainties as regards the applicable terms and conditions, *e.g.* with respect to allocation of liability, and hence in an increased risk exposure given that lack of clarity risks being a driver for claims and disputes. Claims and disputes arising from the lack of written project agreements could have a material negative impact on the Group's operations, earnings and financial position.

### *Dependency on other companies within the Group*

The Issuer is a holding company and holds no significant assets other than investments in its subsidiaries. The Issuer's ability to make required payments of interest on its debts and funding is thus dependent upon receipt of sufficient income and cash flow related to the operations of the subsidiaries. There is a risk that transfer of funds to the Issuer from its subsidiaries is restricted or prohibited by legal and contractual requirements applicable to the respective subsidiaries and that the Group's operations, earnings and financial position is materially negatively affected thereby.

## ***Risks relating to the Bonds***

### *Credit risks*

An investment in the Bonds carries a credit risk relating to the Group. The bondholders' ability to receive payment under the Terms and Conditions is therefore dependent upon the Issuer's and the Group's ability and willingness to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, a number of which have been

discussed herein. An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. Another aspect of the credit risk is that any deterioration in the financial position of the Group may entail a lower credit-worthiness and reduce the Group's possibility to receive financing when the Bonds mature.

#### *Refinancing risk*

The Issuer may be required to refinance its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance its debt obligations is dependent upon the conditions of the capital markets and the Issuer's financial position at such time. Even if the markets and the Issuer's financial position improve, there is a risk that the Issuer will not have access to financing sources on acceptable terms, or at all. The Issuer's inability to refinance its debt obligations on acceptable terms, or at all, could have a material adverse effect on the Issuer's operations, earnings and financial position and on the bondholders' recovery under the Bonds.

#### *Ability to comply with the Terms and Conditions*

The Issuer is required to comply with the Terms and Conditions. There is a risk that events beyond the Issuer's control, including changes in the economic and business condition in which the Group operates, affects the Issuer's ability to comply with, among other things, the undertakings set out in the Terms and Conditions. A breach of the Terms and Conditions could result in a default under the Terms and Conditions.

#### *Interest rate risks*

The value of the Bonds is dependent on several factors, including the level of the general market interest rates over time. The Bonds have a floating rate structure on three (3) month STIBOR plus a margin and the interest rate of the Bonds will be determined two (2) business days prior to the first day of each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that an increase of the general interest rate level adversely affects the value of the Bonds. The general interest rate level is to a high degree affected by the Swedish and the international financial development and is outside the Group's control.

#### *Liquidity risks*

The Issuer has an obligation to replace the listing of the Bonds on the corporate bond list of First North Stockholm, with a listing at the corporate bond list on Nasdaq Stockholm (or any other regulated market) not later than twelve (12) months after the first issue date. However, there is a risk that the Bonds will not be admitted to trading on Nasdaq Stockholm (or any other regulated market). Further, even if securities, including the Bonds, are admitted to trading on a regulated market, there is not always active trading in the securities and there is a risk that there will not be a liquid market for trading in the Bonds or that this market will be maintained even if the Bonds are listed. This may result in that the bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. There is a risk that lack of liquidity in the market has a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if they are admitted for trading on Nasdaq Stockholm.

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

#### *The market price of the Bonds may be volatile*

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's and the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors, some

of which have been discussed above. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of the Bonds without regard to the Issuer's operating results, financial position or prospects.

#### *Currency risk*

The Bonds are denominated and payable in SEK. If investors in the Bonds measure their investment return by reference to a currency other than SEK, an investment in the Bonds will entail foreign exchange-related risks. For example, possible significant changes in the value of the SEK relative to the currency by reference to which investors measure the return on their investments is at risk causing a decrease in the effective yield of the Bonds below their stated coupon rates and hence resulting in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments. There is a risk that the government and monetary authorities impose (as some have done in the past) exchange controls that adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Bonds. As a result, there is a risk that investors receive less interest or principal than expected, or no interest or principal.

#### *Dependence on subsidiaries*

Most part of the Group's assets and revenues relate to the Issuer's subsidiaries. Accordingly, the Issuer is dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable it to make payments under the Bonds. The subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the subsidiaries to make such payments to the Issuer is subject to, among other things, the availability of funds, corporate restrictions and the terms of each operation's indebtedness. Should the Issuer not receive sufficient income from the subsidiaries, the investor's ability to receive payment under the Terms and Conditions is at risk being adversely affected.

#### *Structural subordination and insolvency of subsidiaries*

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. There is a risk that the Issuer and its assets would not be protected from actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group may result in the obligation of the Group to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Group, which could have a material adverse effect on the Group's business, financial position and results of operations and on the bondholders' recovery under the Bonds.

#### *Majority owner*

Following any potential change of control in the Issuer, the Issuer may be controlled by majority shareholders whose interest risks being in conflict with those of the bondholders, particularly if the Group encounters difficulties or is unable to pay its debts as they fall due. A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the Board of Directors. Furthermore, a majority shareholder may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, but which involves a risks to the bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a material negative impact on the Group's operations, earnings and financial position.

According to the Terms and Conditions, if a change of control event occurs, the bondholders have a right of prepayment of the Bonds (put option). There is however a risk that the Issuer does not have enough liquidity to repurchase the Bonds if the bondholders use their right of prepayment, see further under Section *Risks related to early redemption and put option* below.

### *Risks related to the security package*

The Bonds represent secured obligations of the Issuer. The security consists of (i) a pledge over all the Issuer's or a Group Company's (as applicable) present and future share money claims in relation to loans from the Issuer provided to any Group Company (from time to time) regarding proceeds from the issue of the Bonds, (ii) share pledges over all shares in the Issuer's direct and indirect subsidiaries acquired in connection with the Bond issue, and (iii) share pledges over all shares in any Material Group Company acquired on or after the first issuance of Bonds of which the acquisition price is financed in part or in whole with any proceeds from any Bond issue, such Material Group Company to be granted as security under the Bonds. However, any pledge over interest payable under the loans described in item (i) above will only be perfected upon the occurrence of an event of default which is continuing. Further, there is a risk that the proceeds from any enforcement of the pledged assets would not be sufficient to satisfy all amounts then due on or in respect of the Bonds. Certain of the pledged assets may be illiquid and have no readily ascertainable market value. For example, there is a risk that the shares that are secured for the benefit of bondholders provide for only limited repayment of the Bonds, in part because these shares prove to be illiquid or less valuable to other parties than to the Group. It is not certain that the secured assets will be saleable, or, even if saleable, that there will not be delays in the realisation of the value thereof.

### *Risks related to early redemption and put option*

Under the Terms and Conditions, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the bondholders have the right to receive an early redemption amount, which exceeds the nominal amount of the Bonds. There is a risk that the market value of the Bonds is higher than the early redemption amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put option) if an event or series of events occur whereby one or more persons (other than the main shareholder) acting together, acquire control over the Issuer and where "control" means (i) acquiring or controlling, directly or indirectly, more than fifty (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. There is a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g., by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all bondholders and not only those that choose to exercise the option.

### *No action against the Issuer and bondholders' representation*

In accordance with the Terms and Conditions, the Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from or enforcing any security and/or guarantee and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that a bondholder, in certain situations, brings its own action against the Issuer (in breach of the Terms and Conditions), and hence negatively impacts an acceleration of the Bonds or other action against the Issuer. To enable the Agent to represent bondholders in court, the bondholders may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could negatively affect the legal proceedings.

Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all bondholders. Consequently, there is a risk that actions of the Agent in such matters will impact a bondholder's rights under the Terms and Conditions in a manner that would be undesirable for some of the bondholders.

### *Bondholders' Meetings*

The Terms and Conditions includes certain provisions regarding bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the bondholders' interests. The Terms and Conditions allows for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting. Consequently, there is a risk that actions of the majority in such matters will impact a bondholder's rights in a manner that would be undesirable for some of the bondholders.

### *Restrictions on the transferability of the Bonds*

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a holder of the Bonds may not offer or sell the Bonds in the United States. The Issuer has not undertaken to register the Bonds under the U.S. Securities Act or any U.S. state securities laws or to effect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country's securities laws. Each potential investor should observe and obey the transfer restrictions that apply to the Bonds. It is each potential investor's obligation to ensure, at own cost and expense, that the offers and sales of Bonds comply with all applicable securities laws. Due to these restrictions, there is a risk that a bondholder cannot sell its Bonds as desired.

### *Risks relating to the clearing and settlement in Euroclear Sweden's book-entry system*

The Bonds are affiliated with Euroclear Sweden's account-based system, and no physical Bonds has been issued. Clearing and settlement relating to the Bonds will be carried out within Euroclear Sweden's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent upon the functionality of Euroclear Sweden's account-based system, which is a factor that the Issuer cannot control. If Euroclear Sweden's account-based system would not function properly, there is a risk that investors would not receive payments under the Bonds as they fall due.

### *Amended or new legislation*

This Prospectus and the Terms and Conditions are based on Swedish law in force at their respective date of issuance. The impact of any possible future legislative measures or changes, or changes to administrative practices, may give rise to risks which are not possible to foresee. There is a risk that amended or new legislation and administrative practices adversely affects the investor's ability to receive payment under the Terms and Conditions.

### *Conflict of interests*

The issuing agent and the manager have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, there is a risk that conflicts of interest exist or arise as a result of the issuing agent and the manager having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

## **Responsible for the information in the Prospectus**

The Company issued the Bonds on 19 June 2017. This Prospectus has been prepared in relation to the Company applying for admission to trading of the Bonds on Nasdaq Stockholm, in accordance with the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council and the rules and regulations in Chapter 2 of the Swedish Financial Instruments Trading Act, each as amended.

The Company is responsible for the information given in this Prospectus. The Company confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Company's knowledge, in accordance with the actual conditions and that no information has been omitted which may distort the picture of the Company or the Group. The information in the Prospectus and in the documents incorporated by reference which derive from third parties has, as far as the Company is aware and can judge on basis of other information made public by the respective third party, been correctly represented and no information has been omitted which may serve to render the information misleading or incorrect.

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

Stockholm on 8 May 2018

**BELLMAN GROUP 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 (see below section “Overview of financial reporting and documents incorporated by reference”) and the full Terms and Conditions for the Bonds, which can be found in section “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.*

## Summary of the Bonds

The Bonds are debt instruments (Sw. *skuldförbindelser*), intended for public market trading, which confirm that each Holder has a claim against the Issuer. The Issuer resolved to issue the Bonds on 16 June 2017. The purpose of the issuance of Bonds was to raise funds to be used by the Issuer for (i) partly financing the acquisition price in relation to the acquisition of the Targets, (ii) towards repayment of Existing Debt and the Further Existing Debt, including any accrued but unpaid interest and (iii) for general corporate purposes of the Group, including acquisitions. Any proceeds from a Subsequent Bond Issue shall also be used for general corporate purposes of the Group, including acquisitions. The First Issue Date for the Bonds was 19 June 2017 and the Bonds will mature on 19 June 2022.

The aggregate nominal amount of the Bonds is maximum SEK 400,000,000 represented by Bonds denominated in SEK with ISIN SE0009889553, each with a Nominal Amount of SEK 1,000,000. The Bonds were issued at a price equal to 100 per cent. of the Nominal Amount. As of the date of this Prospectus, SEK 220,000,000 of the bond loan has been issued.

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

The Bonds constitute direct, general, unconditional, unsubordinated and secured 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.

As continuing security for the due and punctual fulfilment of the Issuer’s obligations under the Finance Documents, the Bonds have been secured by way of (i) intercompany loan pledges over all the Issuer’s or a Group Company’s (as applicable) present and future money claims in relation to loans from the Issuer or a Group Company (as applicable) provided to any Group Company (from time to time) regarding proceeds from the issue of the Bonds, (ii) share pledges over all shares in the Issuer’s direct and indirect subsidiaries acquired in connection with the issue of the Bonds, (iii) share pledges over all shares in any Material Group Company acquired after the First Issue Date of which the acquisition price is financed in part or in whole with any proceeds from any Bond issue and (iv) an escrow account pledge over all funds standing to the credit of a bank account held by the Issuer, to which the Net Proceeds from the Initial Bond Issue was initially transferred. The pledge over the escrow account was however released in connection with the Initial Bond Issue.

The Issuer shall redeem all outstanding Bonds at one hundred (100.00) per cent. of the Nominal Amount together with accrued but unpaid interest on the Final Redemption Date, unless redeemed or repurchased in advance of such date in accordance with Clause 11 “*Redemption, repurchase and prepayment of the Bonds*” or terminated in accordance with Clause 17 “*Termination of the Bonds*” of the Terms and Conditions.

The Issuer may choose to redeem all, but not only some, of the Bonds in full (i) on any Business Day at an amount equal to the applicable Call Option Amount or the Make Whole Amount (as applicable) together with accrued

but unpaid interest (see further Clause 11.3 “*Early voluntary redemption by the Issuer (call option)*” of the Terms and Conditions).

The Issuer may on one occasion during a twelve (12) months period make partial repayments of Bonds in an amount corresponding to a maximum of ten (10.00) per cent. of the aggregate Initial Nominal Amount at a price of one hundred and two (102.00) per cent. of the Nominal Amount, together with any accrued but unpaid interest on the repaid amount, reducing the Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1.00) (see further Clause 11.4 “*Voluntary partial prepayment*” of the Terms and Conditions). The Issuer may also at one occasion, in connection with an Equity Listing Event, repay up to thirty-five (35.00) per cent. of the aggregate Initial Nominal Amount (provided that at least sixty-five (65.00) per cent. of the aggregate Initial Nominal Amount remains outstanding after such repayment), in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1.00) (see further Clause 11.5 “*Equity claw back*” of the Terms and Conditions).

Upon a Change of Control Event occurring, each beneficial bondholder or direct registered owner (Sw. *rättmätige innehavare eller direktregistrerad innehavare*) has a right of pre-payment (put option) of its Bonds at a price of one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid interest (see further Clause 11.6 “*Mandatory repurchase due to a Change of Control Event (put option)*” of the Terms and Conditions).

If the Conditions Precedent for Disbursement would not have been fulfilled within ninety (90) calendar days after the First Issue Date, the Issuer would have been obliged to redeem all Bonds at a price equal to one hundred (100.00) per cent. of the Nominal Amount together with accrued but unpaid interest (see further Clause 11.7 “*Mandatory redemption due to failure to fulfil the Conditions Precedent for Disbursement*” of the Terms and Conditions). However, the Conditions Precedent for Disbursement was fulfilled within such timeframe.

Payment of the Nominal Amount and/or interest will be made to the person who is a Holder on the Record Date immediately preceding the relevant payment date. Payments shall be made in SEK. The right to receive payment of the Nominal Amount is time-barred and becomes void ten years from the relevant Redemption Date, unless the limitation period is duly interrupted.

The Bonds bear interest from, but excluding, the First Issue Date or any Interest Payment Date or, in respect of Subsequent Bonds, the Interest Payment Date falling immediately prior to their issuance, up to and including the next succeeding Interest Payment Date at a floating rate of STIBOR (three (3) months) plus six point five (6.50) per cent. *per annum*.

Interest is paid quarterly in arrears on each Interest Payment Date and is calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by three hundred and sixty (360) (actual/360-days basis). The Interest Payment Dates are 19 June, 19 September, 19 December and 19 March 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 19 September 2017 and the last Interest Payment Date being the Final Redemption Date). The right to receive payment of interest is time-barred and becomes void three years from the relevant due date for payment.

Nordic Trustee & Agency AB (publ), registration number 556882-1879, P.O. Box 7329, SE-103 90, Stockholm, Sweden 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. Even without a separate authorisation from the Holders and without having to obtain any Holder’s consent (if not required to do so under the Terms and Conditions), the Agent, or a person appointed by the Agent, is entitled to represent the Holders in every matter concerning the Bonds and the Terms and Conditions. The Agent is authorised to act on behalf of the Holders whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Bonds). Each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent’s satisfaction), as the Agent deems necessary for the purpose of carrying out its duties

under the Terms and Conditions. The Agent is under no obligation to represent a Holder which does not comply with such request of the Agent.

An agreement was entered into between the Agent and the Issuer before the First Issue Date regarding, *inter alia*, the remuneration payable to the Agent. The rights, obligations and the representation of the Agent are set forth in the Terms and Conditions which are available at the Issuer's web page, [www.bellmangroup.se](http://www.bellmangroup.se).

Each of the Issuer, the Agent and Holders representing at least ten per cent. of the Adjusted Nominal Amount, may request that a Holders' Meeting is convened (see further Clause 20 "*Holders' Meeting*" of the Terms and Conditions) or request a Written Procedure (see further Clause 21 "*Written Procedure*" of the Terms and Conditions). Such Holders' Meeting or Written Procedure may, upon votes representing a relevant majority of Holders eligible for voting, cause resolutions to be validly passed and binding on all Holders.

If the Bonds have been duly declared due and payable due to an Event of Default, the available funds shall firstly be applied towards payment of all costs and expenses incurred by and any remuneration payable to the Agent under the Finance Documents and the Agent Agreement, secondly in or towards payment of accrued but unpaid Interest under the Bonds, thirdly in or towards payment of any unpaid principal under the Bonds and fourthly in or towards payment of any other costs or outstanding amounts unpaid under the Finance Documents. Any excess funds shall be transferred to the Issuer.

The Bonds are freely transferrable and are currently traded at the corporate bond list on First North Stockholm. Holders may, however, be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Holder may be subject (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) for business). Each Holder must ensure compliance with local laws and regulations applicable at their own cost and expense. All Bond transfers are subject to the Terms and Conditions and the Terms and Conditions are automatically applicable in relation to all Bond transferees upon the completion of a transfer.

To simplify trading in the Bonds, the Issuer intends to apply for listing of the Bonds on Nasdaq Stockholm in connection with the Swedish Financial Supervisory Authority's approval of this Prospectus. The number of Bonds being admitted to trading if the application is approved by Nasdaq Stockholm is two hundred and twenty (220). The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is expected to be on or about 11 May 2018. The fact that an application regarding listing of the Bonds on Nasdaq Stockholm has been submitted does not mean that the application will be approved. The total expenses of the admission to trading of the Bonds are estimated to amount to SEK 375,000,000.

The Terms and Conditions include an undertaking for the Issuer to ensure that the Bonds are listed on Nasdaq Stockholm. According to Clause 13.2 of the Terms and Conditions, the Company shall ensure that Bonds issued in the Initial Bond Issue are listed on Nasdaq Stockholm not later twelve (12) months after the First Issue Date. The Company may at one or more occasions after the First Issue Date issue Subsequent Bonds. Any Subsequent Bonds issued shall be listed on Nasdaq Stockholm within ten (10) Business Days from their issuance. For the avoidance of doubt, Bonds issued in any Subsequent Bond Issue may be admitted to trading pursuant to this Prospectus within one year after the approval of this Prospectus by the Swedish Financial Supervisory Authority

## The Group and its operations

### Introduction

Bellman Group AB (publ) is a public limited liability company registered in Sweden with registration number 559108-3729, having its registered address at c/o Bellmans Åkeri & Entreprenad AB, Box 84, 132 23 Saltsjö-Boo. The Company was formed on 27 March 2017 and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 10 April 2017. The Company changed its name from BMST Intressenter AB (publ) in April 2018.

The Company is governed by Swedish law including, but not limited to, the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *Årsredovisningslagen (1995:1554)*).

### Share capital, shares, ownership structure and governance

According to its articles of association, the Company's share capital shall be no less than SEK 500,000 and not more than SEK 2,000,000 divided into no less than 500,000 shares and not more than 2,000,000 shares. The Company's current share capital amounts to SEK 1,014,174 divided among 1,014,174 ordinary shares. The ordinary shares entitle the holder to one vote per share. The shares are denominated in SEK.

The Group was established on 30 June 2017, when the Company acquired its wholly owned subsidiaries Bellmans Åkeri & Entreprenad Aktiefbolag, reg. no. 556402-9006, ("**Bellmans**") Grundab Entreprenader i Stockholm AB, reg. no. 556370-9921, ("**Grundab**") and Modern Sprängteknik i Norden AB, reg. no. 556989-1525, ("**MST**") including MST's wholly owned direct and indirect subsidiaries Uppländska Bergkrossnings Aktiefbolag, reg. no. 556364-8715, Uppländska Bergborrnings Aktiefbolaget, reg. no. 556213-1556 and Sprängarbeten i Trönödal Aktiefbolag, reg. no. 556415-5488 (the "**Acquisition**"). After the Acquisition, the Company became the holding company of the Group.

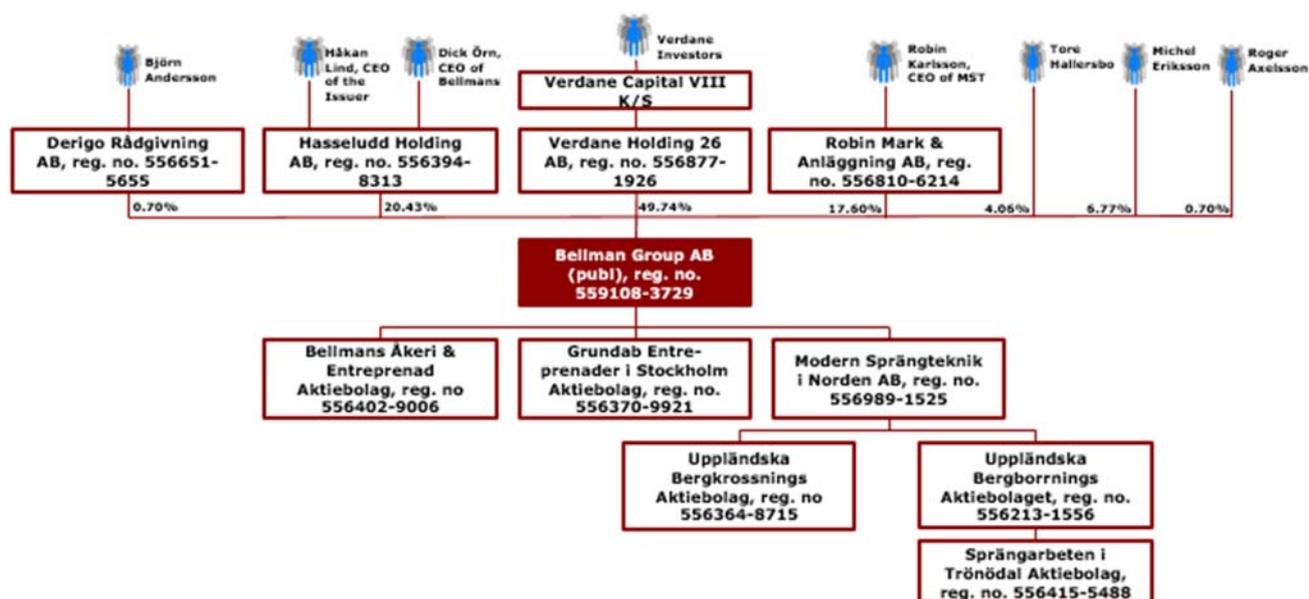
The main shareholder of the Company is Verdane Holding 26 AB, which holds 49.74 per cent. of the shares in the Company. Verdane Holding 26 AB is a wholly owned subsidiary of Verdane Capital VIII, a Nordic based private equity firm investing in small- to medium-sized companies with strong growth prospects. Verdane Capital VIII is owned by 27 different individual investors, of which the largest holds approximately 15 per cent. of the shares in Verdane Capital VIII.

The second largest shareholder of the Company is Hasseludd Holding AB, which owns 20.43 per cent. of the shares in the Company. The shares in Hasseludd Holding AB is in turn jointly held by Håkan Lind (CEO of the Company) and Dick Örn (CEO of Bellmans).

The third largest shareholder of the Company is Robin Mark & Anläggning AB, a company wholly owned by the Robin Karlsson (CEO of MST), which owns 17.60 per cent. of the shares in the Company.

Moreover, Tore Hallersbo owns 4.06 per cent., Michel Eriksson owns 6.77 per cent., Roger Axelsson owns 0.70 per cent. and Derigo Rådgivning AB owns 0.70 per cent. of the shares in the Company.

The ownership structure of the Group is set out in the structure chart below.



The shareholders' influence is exercised through active participation in the decisions made at general meetings of the Company. To ensure that the control over the Company is not abused, the Company complies with the Swedish Companies Act. In addition, the Company acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Company.

## Business and operations

### *The market in which the Group operates*

The Group operates in the construction, haulage and industrial sectors, primarily in Stockholm but also in south-eastern and western Sweden as well as southern Norrland.

The development of the construction sector (housing and infrastructure) is strongly correlated with population growth, since it drives an increasing need for residential areas, offices and associated infrastructure. Stockholm accounts for over 35 per cent. of the Swedish construction market and the housing market is the main growth driver fuelled by the general housing shortage in Stockholm.

The Group operates on a competitive market and is dependent on its ability to anticipate future market changes and trends as well as to rapidly react on existing and future market needs.

There is relatively limited competition in the market in which MST operates, other than on larger projects. Within larger projects, MST is also competing with the in-house capacity of larger construction companies (contractors), whereas smaller projects are more reliant on independent sub-contractors like MST.

Bellmans' competitors are mainly in the transport and excavation industry, while a few are operating in adjacent services, such as private construction. A majority of Bellman's competitors are operating with a similar intermediary business model as Bellmans. There is no dominant actor and the threat from foreign competition is deemed to be low.

### *The Company*

The Company's objective is to, directly or indirectly, engage in *inter alia* construction activities, preferably in the construction and infrastructure sectors. The Company is a holding company with no business operations of its own, other than intra-group services. The operations of the Group are conducted through the Company's wholly owned subsidiaries, Bellmans, Grundab and MST and their respective subsidiaries, which were acquired

in connection with the Bond Issue in June 2017. The Company is thus dependent on its subsidiaries and may in the future acquire additional companies within the same business segment as the Group.

The overall objective of the Group is to be the largest and quickest transport service provider within the construction and haulage business as well as providing a comprehensive ground work service including rock blasting works.

### *Bellmans*

Bellmans operates within the haulage business, including building and construction. Bellmans has three main service offerings which are (a) transportation, (b) earthwork and (c) sales and handling of materials. Transportation services is the major focus of Bellmans and accounts for approximately 45 per cent. of the total business, whereas earthwork and sales and handling of materials accounts for approximately 30 and 25 per cent., respectively. Bellmans also offers other services such as providing road and safety vehicles as well as blasting and drilling services. Bellmans is primarily an intermediary with a wide network of selected sub-suppliers. Around 90 per cent. of Bellmans' projects are carried out by sub-suppliers and only 10 per cent. of Bellmans' projects are carried out using in-house capacity.

Bellmans is headquartered in Saltsjö-Boo and its focus area is Stockholm and its surroundings. Bellmans' customers base comprise of around 700 active customers, mainly large construction companies in both the private and public sector. The ten largest customers account for about 80 per cent. of sales but constitute a high number of small projects.

### *Grundab*

Grundab was established in 1989 and provides transport and engineering services in the building and construction sectors. The company is headquartered in Saltsjö-Boo. Grundab's sole client is its sister company Bellmans. The company holds mechanical equipment, approximately 35 cars and 12 machines and will continue to invest in mechanical equipment to meet the market demands.

### *MST*

MST, operating under the brand Uppländska Berg, is a specialised construction engineering company focusing on rock removal and related advanced ground work. Services offered by MST include rock blasting, drilling, rock and foundation reinforcement, hydraulic fracturing, wire sawing and rock crushing. The company is either appointed as a comprehensive solutions provider responsible for removing the rock and the subsequent transportation of the masses or as a subcontractor for single services. MST operates its own fleet of vehicles and machinery and subcontractors are used if additional capacity is needed.

MST is headquartered in Norrtälje and has a wide geographical focus including Stockholm, south-eastern and western Sweden as well as southern Norrland. MST's customers are construction companies well as haulage companies in both the private and public sector

### **Litigation**

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

However, the Group is from time to time involved in legal proceedings in the ordinary course of business.

**Material agreements**

No Group company is party to any material agreement outside the ordinary course of business which could result in such company having a right or an obligation that could materially affect the Company's ability to meet its obligations to the bondholders.

However, on 12 May 2017, the Issuer entered into a share purchase agreement regarding the Acquisition. The share purchase agreement was entered into between the Issuer, Verdane Holding 26 AB, Robin Mark & Anläggning AB, Hasseludd Holding AB, Michel Eriksson and Tore Hallersbo. The agreement regulates *inter alia* the acquisition price for the shares in MST, Bellmans and Grundab, the capitalisation of the Issuer and the holdings of shares in the Issuer following the Acquisition. The provisions in the share purchase agreement are not considered to materially affect the Issuer's ability to meet its obligations towards the Holders in respect of the Bonds.

**Credit rating**

Neither the Company nor the Bonds have a credit rating from an international credit rating institute.

**Significant adverse changes and recent events**

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

There have been no recent events particular to the Company which are to a material extent relevant to the evaluation of its solvency.

**Shareholders' agreements**

Certain shareholders of the Company has entered into a shareholders' agreement (the "SHA") containing a drag along clause entailing that if a *bona fide* third party offers to purchase 90 per cent. of all shares in the Company, and Verdane Holding 26 AB accepts such offer, the other parties to the SHA shall be obliged to divest the same portion of their shares to the third party. Furthermore, the SHA gives Verdane Holding 26 AB the right to request that an investment bank or corporate finance advisor is appointed in order to initiate a sales or listing process.

Other than as mentioned above, there are no shareholders' agreements or other agreements which could result in a change of control of the Company, as far as the Company is aware.

## Board of directors, senior management and auditors

The business address for all members of the Board of Directors and the Senior Management of the Issuer is c/o Bellmans Åkeri & Entreprenad AB, Box 84, 132 23 Saltsjö-Boo, Sweden. The board of directors of the Company currently consists of four members. Information on the members of the board of directors and the senior management, including significant assignments outside the Company which are relevant for the Company, is set forth below.

### Board of directors

#### *Per Nordlander*

Per Nordlander, born in 1967, is a director of the board of the Company since 2017 and is also the chairman of the board. Current assignments outside of the Group include partner at Verdane Capital Advisors being the investment advisor of Verdane Capital VIII K/S, and director of the boards of several entities within the Verdane group, Livförsäkringsbolaget Skandia, BEWI Group, Scanacon Holding AB, Allgon AB (publ) and Estate Group Sverige AB. Verdane Capital VIII K/S holds indirectly shares representing 49.74 per cent. of all shares of the Issuer.

#### *Håkan Lind*

Håkan Lind, born in 1963, is a director of the board and CEO of the Company since 2017. Current assignments outside of the Group include director of the board of Grundab Fastigheter i Stockholm Aktiebolag and Hasseludd Holding AB. Håkan Lind holds indirectly shares representing 6.13 per cent. of all shares of the Issuer.

#### *Björn Andersson*

Björn Andersson, born in 1959, is a director of the board of the Company since 2017. Current assignments outside of the Group include senior partner at Neuman & Nydahl, Awiwo AB (chairman), Portendo Standoff Detection AB (chairman) as well as CEO and director of the board of Derigo Rådgivning AB. Björn Andersson holds indirectly shares representing 0.70 per cent. of all shares of the Issuer.

#### *Robin Karlsson*

Robin Karlsson, born in 1978, is a director of the board of the Company since 2017 and CEO of MST since 2016. Current assignments outside of the Group include director of the board of Robin Mark & Anläggning AB and Bergsprängningsentreprenörerna i Sverige Ekonomiska förening. Robin Karlsson holds indirectly shares representing 17.60 per cent. of all shares of the Issuer.

### Senior management

#### *Håkan Lind*

Håkan Lind is CEO of the Company since 2017. For further information, see section “*Board of directors*” above.

#### *Roger Axelsson*

Roger Axelsson, born in 1959, is CFO of the Group since 2017. Roger Axelsson has no significant assignments outside of the Group. Roger Axelsson holds directly shares representing 0.70 per cent. of all shares of the Issuer.

### Auditors

PricewaterhouseCoopers AB with Nicklas Kullberg as auditor in charge, has been the Company’s auditor since May 2017 and onwards, *i.e.* for the entire period for which historical financial information for the Company has been incorporated into this Prospectus by reference. The business address to PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

Katarina Boive and Gunnar Folkesson, at Folkesson Råd & Revision AB, were MST’s auditors until June 2017. The business address to Folkesson Råd & Revision AB is Box 3035, SE-750 03 Uppsala, Sweden. Since June 2017, MST’s auditor is PricewaterhouseCoopers AB with Linda Andersson as auditor in charge.

Thomas Kullman, at Finnhammars Revisionsbyrå AB, was Bellmans' and Grundab's auditor until November 2017. The business address to Finnhammars Revisionsbyrå Aktiebolag is Box 194, SE-194 23 Upplands Väsby, Sweden. Since November 2017, Bellmans' and Grundab's auditor is PricewaterhouseCoopers AB with Linda Andersson as auditor in charge.

Nicklas Kullberg, Linda Andersson, Gunnar Folkesson and Thomas Kullman are all members of FAR.

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

#### **Conflicts of interests within the board of directors and senior management**

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 Group.

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

#### **Interest of natural and legal persons involved in the Bond Issue**

The issuing agent and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or other services for 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/or its affiliates having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

#### **Financial interests**

In connection with the Bond Issue, the Company provided an intercompany loan to its subsidiary MST and MST provided an intercompany loan to its subsidiary Uppländska Bergskrossnings Aktiebolag.

In addition and in accordance with the share purchase agreement regarding the acquisition of the shares in Bellmans and Grundab, as consideration for part of the payment of the shares, the Company has *inter alia* issued a vendor loan note to the seller, Hasseludd Holding AB (also a remaining shareholder of the Group) in the amount of SEK 58,480,000, to be paid in three instalments, in 2018, 2019 and 2020. Pursuant to the terms of the vendor loan note, no interest will be paid under the loan.

Furthermore, several members of the board of directors and the senior management of the Company have a financial interest in the Group through their, direct and indirect, holdings of shares as set out in section "*Board of directors, senior management and auditors*" above.

## Financial information

### Overview of financial reporting and documents incorporated by reference

The accounting principles applied in the preparation of the Company's financial statements presented below are set out in the following and have been consistently applied to all the years presented, unless otherwise stated.

The Company's financial information for the financial year ending 31 December 2017 has been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, RFR 1 (Sw. *Kompletterande redovisningsregler för koncerner*) and the Swedish Annual Accounts Act. The subsidiaries' financial information for the financial years ending 31 December 2017, 31 December 2016 and 31 August 2016 (as applicable) have been prepared in accordance with the Swedish Annual Accounts Act (Sw. *Årsredovisningslagen*) and the Swedish Accounting Standards Board's (Sw. *Bokföringsnämnden*) general guidelines on annual reports (K3).

The Company's consolidated annual report for the financial year ended 31 December 2017 has been incorporated in this Prospectus by reference. The consolidated annual report has been audited by the Company's auditor and the auditor's report has been incorporated in this Prospectus through the consolidated annual report for the financial year ended 31 December 2017 by reference.

As described in section "*Business and operations*" above, the Company and the Group were established during 2017. As a result, the Company's consolidated annual report for the financial year ended 31 December 2017 includes figures in relation to the Company from and including 10 April 2017 and for Bellmans and Grundab from and including 1 July 2017. However, since the main shareholder of the Company was the main shareholder of MST already before the Acquisition, for the purpose of the consolidated annual report for the financial year ended 31 December 2017, the Group is considered to have been established on 1 January 2016. The Company's consolidated annual report for the financial year ended 31 December 2017 thus includes comparative figures which describes the financial performance and position of MST and MST's subsidiaries.

Since the Company was established during 2017, there are no consolidated annual reports for the Group, other than the consolidated annual report for the financial year ended 31 December 2017. In order to provide more meaningful information to potential investors, the consolidated financial information for MST for the financial years ending 31 December 2017 and 31 December 2016, and the financial information for Bellmans and Grundab for the financial years ending 31 December 2017 and 31 August 2016 (Bellmans and Grundab have recently changed their financial year to calendar year) have been incorporated in this Prospectus by reference.

The annual reports have been audited by the Company's and the subsidiaries' respective auditors and the auditors' reports have been incorporated in this Prospectus through the annual reports for the financial years ended 31 December 2017, 31 December 2016 and 31 August 2016 (as applicable) by reference.

In this Prospectus the following documents are incorporated by reference. The documents have been made public and have been handed in to the Swedish Financial Supervisory Authority.

<b>Reference</b>	<b>Document</b>	<b>Page</b>
Financial information regarding Bellmans and its business for the financial year ended 31 August 2016	Bellman's annual report for the financial year ended 31 August 2016	- 4 (Income statement) - 5–6 (Balance sheet) - 8–13 (Notes)
Auditor's report for the financial year ended 31 August 2016	Bellman's annual report for the financial year ended 31 August 2016	- 14 (Auditor's report)
Financial information regarding Bellmans and its business for the financial year ended 31 December 2017	Bellman's annual report for the financial year ended 31 December 2017	- 4 (Income statement) - 5–6 (Balance sheet) - 9–14 (Notes)
Auditor's report for the financial year ended 31 December 2017	Bellman's annual report for the financial year ended 31 December 2017	- 15–17 (Auditor's report)]
Financial information regarding Grundab and its business for the financial year ended 31 August 2016	Grundab's annual report for the financial year ended 31 August 2016	- 3 (Income statement) - 4–5 (Balance sheet) - 7–11 (Notes)
Auditor's report for the financial year ended 31 August 2016	Grundab's annual report for the financial year ended 31 August 2016	- 12 (Auditor's report)
Financial information regarding Grundab and its business for the financial year ended 31 December 2017	Grundab's annual report for the financial year ended 31 December 2017	- 3 (Income statement) - 4–5 (Balance sheet) - 7–9 (Notes)
Auditor's report for the financial year ended 31 December 2017	Grundab's annual report for the financial year ended 31 December 2017	- 10–12 (Auditor's report)]
Financial information regarding MST and its business for the	MST's consolidated annual report for the financial year ended 31 December 2016	- 4 (Consolidated income statement) - 5–6 (Consolidated balance sheet) - 12–19 (Notes)

financial period ended 31 December 2016		
Auditor's report for the financial year ended 31 December 2016	MST's consolidated annual report for the financial year ended 31 December 2016	- 21–24 (Auditor's report)
Financial information regarding MST and its business for the financial period ended 31 December 2017	MST's consolidated annual report for the financial year ended 31 December 2017	- 4 (Consolidated income statement) - 5–6 (Consolidated balance sheet) - 15–20 (Notes)
Auditor's report for the financial year ended 31 December 2017	MST's consolidated annual report for the financial year ended 31 December 2017	- 22–24 (Auditor's report)]
Financial information regarding the Company and its business for the financial year ended 31 December 2017	Bellman Group's consolidated annual report for the financial year ended 31 December 2017	- 6 (Consolidated income statement and statement of comprehensive income) - 7 (Consolidated balance sheet) - 8 (Consolidated statement of changes in equity) - 9 (Consolidated statement of cash flows) - 10–36 (Notes to consolidated financial statements) - 37 (Parent Company income statement) - 37 (Parent Company statement of comprehensive income) - 38 (Parent Company balance sheet) - 40–44 (Notes to the parent company accounts) - 45 (Definitions and use of non- international financial reporting standards (IFRS) Earnings measures)
Auditor's report for the financial year ended 31 December 2017	Bellman Group's consolidated annual report for the financial year ended 31 December 2017	- 1–3 (Auditor's report)

The abovementioned reports are available in electronic form on the Company's web page <https://bellmangroup.se/investerarinformation> and can also be obtained from the Company in paper format in accordance with section "*Documents available for inspection*" below.

Investors should read all information which is incorporated in the Prospectus by reference. Information in the above documents which is not incorporated by reference is either deemed by the Company not to be relevant for investors in the Bonds or is covered elsewhere in the Prospectus.

### **Alternative performance measures**

Due to the incorporation by reference of the Company's consolidated annual report for the financial year ended 31 December 2017, this Prospectus contains certain alternative performance measures which have not been calculated in accordance with IFRS as set out below.

The alternative performance measures presented in the Company's consolidated annual report must always be assessed in conjunction with the information presented in the income statement, balance sheet and statement of cash flows, and with performance measures calculated in accordance with IFRS. The Bellman Group presents these alternative financial measures because it considers that they constitute important supplementary measures of profitability and financial position, and because these measures are often used by external stakeholders to assess and compare different companies' financial performance and financial position. When comparing the alternative financial measures presented herein, it should be noted that calculations for other companies may have been done with different definitions, which means that the figures will not be directly comparable.

The alternative performance measures for the financial years 2016 and 2017 have been calculated based on information derived from Company's consolidated annual report for the financial year ended 31 December 2017.

#### *Definitions of the Group's alternative performance measures*

<b>Alternative performance measure</b>	<b>Description</b>	<b>Reasoning</b>
Cash flow from operating activities	Operating profit adjusted for non-cash items, sales of machinery and equipment, and changes in working capital.	This alternative performance measure is reported since it can be used to monitor the cash flow generated by the operating activities.
EBITDA	Profit before net financial income/expense, tax, depreciation, amortisation and impairment.	EBITDA is a measure which the Group considers to be relevant for investors who want to understand the company's earnings performance before investments in non-current assets.
EBITDA before extraordinary items	EBITDA adding back extraordinary items.	This alternative performance measure can be used to monitor the Group's performance isolating extraordinary items.
EBITDA margin	EBITDA as a percentage of net sales for the period.	This alternative performance measure is used to monitor the profit generated by operating activities.

Equity/assets ratio	Equity including non-controlling interests, expressed as a percentage of total assets.	This key ratio is used to show financial risk, expressed as the percentage of total assets that is financed by the owners.
Extraordinary items	Items which occur rarely or are unusual in the ordinary course of business, such as start-up costs, restructuring costs and acquisition costs.	This alternative performance measure is used in order to clarify which items are unrelated to the operational and financial results of the Company's business, since they are one-time charges or incomes which are not expected to recur in the future.
Net sales	The Group recognises revenue when the amount can be reliably measured, it is probable that future economic benefits will accrue to the company and specific criteria have been met for each of the Group's businesses. For time and materials service contracts, revenue is recognised in the period in which the services are performed.	This alternative performance measure is used to measure the Company's true revenue and is also used to calculate other important figures such as the EBITDA margin.
Operating profit	Profit before financial items and taxes.	This alternative performance measure is reported since it can be used to monitor the profit generated by the operating activities.
Order backlog	The value of remaining, not yet accrued project revenues from orders on hand at the end of the period.	This alternative performance measure is reported in order for investors to be able to assess the Company's income in future periods.
Total revenue	Sum of the Group's revenues including all sales and other income.	This alternative performance measure is reported since it can be used to monitor the total revenue made by the Group.
Working capital	Working capital is calculated as current operating assets (inventories, trade receivables and other current non-interest-bearing receivables) less current operating liabilities (trade payables and other current non-interest-bearing liabilities).	This measure shows how much working capital is tied up in operating activities and can be expressed as a percentage of net sales to gain an understanding of how efficiently the tied-up working capital is being used.

### Calculations of the Group's alternative performance measures

#### Cash flow from operating activities

<b>Cash flow from operating activities (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
(A) Operating profit	14 600 000	4 900 000
<i>Adjustment for non-cash items:</i>		
(B) Depreciation and amortisation	17 300 000	11 300 000
(C) Other non-cash items	- 2 200 000	- 200 000
(D) Interest received	0	0
(E) Interest paid	- 7 700 000	- 900 000
(F) Income taxes paid	- 1 500 000	400 000
<b>(G) (A + B + C + D + E + F) Cash flow from operating activities before changes in working capital</b>	<b>20 500 000</b>	<b>15 500 000</b>
(H) Increase/decrease in inventories	- 2 500 000	
(I) Increase/decrease in operating receivables	- 7 100 000	
(J) Increase/decrease in operating liabilities	11 300 000	
(K) Total changes in working capital	1 700 000	- 1 900 000
<b>(G + H + I + J + K) Cash flow from operating activities</b>	<b>22 200 000</b>	<b>13 600 000</b>

#### EBITDA

<b>EBITDA (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
(A) Profit before tax	6 500 000	4 000 000
(B) Net financial expense	-8 100 000	-900 000
(C) Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-17 300 000	-11 200 000
<b>(A - B - C) EBITDA</b>	<b>31 900 000</b>	<b>16 100 000</b>

#### EBITDA before extraordinary items

<b>EBITDA before extraordinary items (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
(A) EBITDA	31 900 000	16 100 000
(B) Extraordinary items	- 7 300 000	0
<b>(A - B) EBITDA before extraordinary items</b>	<b>39 200 000</b>	<b>16 100 000</b>

#### EBITDA margin

<b>EBITDA margin (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
(A) EBITDA	31 900 000	16 100 000
(B) Net sales	542 600 000	159 400 000
<b>(A / B) EBITDA margin</b>	<b>5,9%</b>	<b>10,1%</b>

#### Equity/assets ratio

<b>Equity/assets ratio (amounts in SEK)</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
(A) Total equity	76 300 000	24 300 000
(B) Total assets	497 700 000	87 600 000
<b>(A / B) Equity/assets ratio</b>	<b>15,3%</b>	<b>27,7%</b>

## Extraordinary items

<b>Extraordinary items (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
	- 7 300 000	0

## Net sales

<b>Net sales (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
	542 600 000	159 400 000

## Operating profit

<b>Operating profit (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
(A) Net sales	542 600 000	159 400 000
(B) Other operating income	2 700 000	1 600 000
<i>Operating expenses</i>		
(C) Raw materials and consumables	- 404 700 000	- 83 800 000
(D) Other external expenses	- 32 600 000	- 15 000 000
(E) Staff costs	- 75 500 000	- 46 000 000
(F) Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	- 17 300 000	- 11 200 000
(G) Other operating expenses	- 600 000	- 100 000
<b>(A + B + C + D + E + F + G) Operating profit</b>	<b>14 600 000</b>	<b>4 900 000</b>

Order backlog<sup>1</sup>

<b>Order backlog (amounts in SEK)</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
	0	0

## Total revenue

<b>Total revenue (amounts in SEK)</b>	<b>1 Jan 2017-31 Dec 2017</b>	<b>1 Jan 2016-31 Dec 2016</b>
(A) Sale of services	542 600 000	159 400 000
(B) Other income	2 700 000	1 600 000
<b>(A + B) Total revenue</b>	<b>545 300 000</b>	<b>161 000 000</b>

## Working capital

<b>Working capital (amounts in SEK)</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
(A) Current operating assets	139 900 000	45 200 000
(B) Current operating liabilities	122 700 000	28 400 000
<b>(A - B) Working capital</b>	<b>17 200 000</b>	<b>16 800 000</b>

<sup>1</sup> The order backlog as set out in note K15 of Bellman Group's consolidated annual report for the financial year ended 31 December 2017 is set to 0, since the profit included in the order backlog was activated in connection with an acquisition and hence has been defined as an asset which has been depreciated.

**Documents available for inspection**

Copies of the following documents can be obtained from the Company in paper format upon request during the validity period of this Prospectus at the Company's head office.

- The articles of association of the Company, and
- All documents which by reference are a part of this Prospectus, including historical financial information for the Company and its subsidiaries.

**Terms and Conditions for the Bonds**

**TERMS AND CONDITIONS FOR  
BMST INTRESSETER AB (PUBL)  
MAXIMUM SEK 400,000,000  
SENIOR SECURED CALLABLE FLOATING RATE  
BONDS 2017/2022**

**ISIN: SE0009889553**

Issue Date: 19 June 2017

*The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are 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, 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*

**TERMS AND CONDITIONS FOR  
BMST INTRESSENER AB (PUBL)  
MAXIMUM EUR 400,000,000  
SENIOR SECURED CALLABLE FLOATING RATE  
BONDS 2017/2022  
ISIN: SE0009889553**

**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 Holder has opened a Securities Account in respect of its Bonds.

“**Accounting Principles**” means the generally accepted accounting principles, standards and practices in Sweden as applied by the Issuer in preparing its consolidated financial statements and as from the date of the listing on Nasdaq Stockholm the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

“**Acquisition**” means the acquisition by the Issuer of all of the shares in the Targets.

“**Acquisition Document**” means the share sale and purchase agreement (Sw. aktieöverlåtelseavtal) entered into on 12 May 2017 relating to the Targets.

“**Add-on Acquisition Incurrence Test**” shall have the meaning set out in Clause 12.2 (*Add-on Acquisition Incurrence Test*).

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

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

“**Affiliate**” means 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.

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

“**Agent Agreement**” means the agreement entered into on or about the First Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the First Issue Date between the Issuer and an Agent.

“**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, including any Subsequent Bonds.

“**Bond Issue**” means the Initial Bond Issue and any Subsequent Bond Issue.

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

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

“**Cash and Cash Equivalents**” means cash and cash equivalents in accordance with the Accounting Principles.

“**Calculation Principles**” has the meaning set forth in Clause 12.4.

“**Call Option Amount**” means:

- (a) The Make Whole Amount if the call option is exercised before the First Call Date;
- (b) 103.25 per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but not including) the date falling thirty-six (36) months after the First Issue Date;
- (c) 102.60 per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty-six (36) months after the First Issue Date up to (but not including) the date falling forty-two (42) months after the First Issue Date;
- (d) 101.95 per cent. of the Nominal Amount if the call option is exercised on or after the date falling forty-two (42) months after the First Issue Date up to (but not including) the date falling forty-eight (48) months after the First Issue Date;
- (e) 101.30 per cent. of the Nominal Amount if the call option is exercised on or after the date falling forty-eight (48) months after the First Issue Date up to (but not including) the date falling fifty-four (54) months after the First Issue Date; and

- (f) 100.65 per cent. of the Nominal Amount if the call option is exercised on or after the date falling fifty-four (54) months after the First Issue Date up to (but not including) the Final Redemption Date.

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

“**Change of Control Event**” means the occurrence of an event or series of events resulting in one or more Persons (other than the Main Shareholder), acting in concert, acquiring or controlling fifty (50.00) per cent. or more of the votes of the Issuer, where “**acting in concert**” means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate through the acquisition of shares in the Issuer by any of them, either directly or indirectly, to (i) obtain or consolidate voting control of such shares or (ii) obtain the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“**Compliance Certificate**” means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it and if the Compliance Certificate is provided in connection with an application of the Incurrence Test or the Add-on Acquisition Incurrence Test the Compliance Certificate shall include calculations and figures in respect of the Net Interest Bearing Debt and EBITDA (calculated *pro forma* and in accordance with the Calculation Principles).

“**Conditions Precedent for First Disbursement**” means all actions and documents set forth in Clause 15.1.

“**Conditions Precedent to the First Issue Date**” means all actions and documents set forth in Clause 14.

“**Conditions Subsequent**” means all actions and documents set forth in Clause 16.1.

“**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).

“**Derivative Transaction**” has the meaning set forth in paragraph (h) of the definition Permitted Debt below.

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

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting any Net Finance Charges;

- (c) before taking into account any exceptional items (which shall, for the avoidance of doubt, include any Transaction Costs and any transaction costs relating to any acquisition of any additional target company) which are not in line with the ordinary course of business;
- (d) not including any accrued interest owing to any Group Company;
- (e) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (f) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (g) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (h) after adding back or deducting, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group; and
- (i) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of Group Companies.

**“Equity Injection”** means, in cash, the contribution of unconditional equity (Sw.  *eget kapital*).

**“Equity Listing Event”** means an offering of shares in the Issuer, another Group Company or a holding company of the Issuer (as long as the cash proceeds are received by the Group) whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on the multilateral trading facility First North Stockholm or a Regulated Market.

**“Escrow Account”** means the bank account with account number SE045000 0000 0520 3108 7606 held by the Issuer with the Escrow Bank which has been pledged under the Escrow Account Pledge Agreement.

**“Escrow Account Pledge Agreement”** means the pledge agreement entered into between the Issuer and the Agent before the Issue Date in respect of a first priority pledge over the Escrow Account and all funds standing to the credit of the Escrow Account from time to time, granted in favour of the Agent and the Holders (represented by the Agent).

**“Escrow Bank”** means Skandinaviska Enskilda Banken AB (publ), reg. no. 502032-9081.

**“Event of Default”** means an event or circumstance specified in Clause 17.1.

**“Existing Debt”** means the total amount of SEK 52,794,000 as per 31 May 2017, of which SEK 46,886,000 consists of machinery loans (Sw.  *maskinlån*) provided from different lenders, SEK 3,631,000 consists of a loan from the Escrow Bank and SEK 2,277,000 consists of a loan from RMA.

“**Existing Earn-out Agreement**” means the agreement entered into between MST and RMA regarding the earn-out payment to be based on EBITDA of MST during year 2017, and if EBITDA exceeds SEK 40,000,000 during that year, fifty (50.00) per cent. of the amount exceeding SEK 40,000,000 may be paid to RMA.

“**Final Redemption Date**” means 19 June 2022.

“**Finance Charges**” means, for the Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Report(s) (calculated on a consolidated basis) without taking into account any transaction costs and/or any unrealised gains or losses on any derivative instruments other than any derivative instruments which are accounted for on a hedge accounting basis.

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

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is or would have been treated as a finance lease in accordance with the Accounting Principles as applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles as applicable on the First Issue Date shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as finance or capital leases (the “**Operational Lease Freeze**”);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any 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);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a) to (f).

“**Financial Report**” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly

interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 13.12.1 (Financial reporting etcetera).

**“First Call Date”** means the date falling thirty (30) months after the First Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

**“First Issue Date”** 19 June 2017.

**“First North Stockholm”** means the multilateral trading facility operated by Nasdaq Stockholm under the name “First North”.

**“Force Majeure Event”** has the meaning set forth in Clause 29.1.

**“Further Conditions Subsequent”** means all actions and documents set forth in Clause 16.2.

**“Further Existing Debt”** means the Group’s machinery loans (Sw. *maskinlån*) provided from different lenders, in the total amount of up to SEK 14,000,000 (which amount includes interest) as per 30 June 2017.

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

**“Group Company Share Pledge Agreements”** means the share pledge agreement entered into by MST and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Holders) in relation to a first priority pledge over all of the shares in each of Uppländska Bergkrossnings Aktiebolag, reg. no. 556364-8715 and Uppländska Bergborrnings Aktiebolaget, reg. no. 556213-1556 and the share pledge agreement entered into by Uppländska Bergborrnings Aktiebolaget, reg. no. 556213-1556 in relation to a first priority pledge over all of the shares in Sprängarbeten i Trönödal Aktiebolag, reg. no. 556415-5488.

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

**“Holders’ Meeting”** means a meeting among the Holders held in accordance with Clause 20 (*Holders’ Meeting*).

**“Incurrence Test”** shall have the meaning set out in Clause 12.1 (*Incurrence Test*).

**“Initial Bond Issue”** means the issuance of Bonds on the First Issue Date.

**“Initial Nominal Amount”** has the meaning set forth in Clause 2.1.

**“Intercompany Loans”** means any loans from the Issuer provided to any Group Company (from time to time) in relation to the proceeds under the Bond Issue to be pledged according to the Intercompany Loans Pledge Agreement.

**“Intercompany Loans Pledge Agreement”** means the pledge agreement entered into by the Issuer or a Group Company (as applicable) and the Agent (acting on its own behalf and

in its capacity as agent and security agent representing the Holders) in respect of a first priority pledge over all the Issuer's or a Group Company's (as applicable) present and future money claims under the Intercompany Loans.

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

“**Interest Payment Date**” means 19 March, 19 June, 19 September and 19 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 19 September 2017 and the last Interest Payment Date being the Final Redemption Date).

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

“**Interest Rate**” means a floating rate of STIBOR (three (3) months) plus 6.50 per cent., per annum.

“**Issuer**” means BMST Intressenter AB (publ), reg. no. 559108-3729, c/o Bellmans Åkeri & Entreprenad AB, Box 84, 132 23 Saltsjö-Boo, Sweden.

“**Issuing Agent**” means Pareto Securities AB, (reg. no. 556206-8956, P.O. Box 7415, 103 91 Stockholm, Sweden) or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

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

“**Main Shareholder**” means each of: (i) Verdane Capital VIII K/S (directly or indirectly through one or more wholly owned subsidiaries), (ii) any other Verdane Capital funds launched from time to time with Verdane Capital Advisors as investment advisor or manager and (iii) any co-investors (such co-investors investing alongside Verdane Capital VIII K/S being subject to customary drag along provisions).

“**Make Whole Amount**” means at a price equivalent to the sum of:

- (a) the present value on the relevant record date of 103.25 per cent. of the Nominal Amount as if such payment originally should have taken place on the First Call Date; and
- (b) the present value on the relevant record date of the remaining coupon payments, less any accrued but unpaid interest, through and including the First Call Date, (assuming that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Holders)

each calculated by using a discount rate of fifty (50.00) basis points over the comparable Swedish Government Bond Rate (*i.e.* comparable to the remaining duration of the Bonds until the mentioned date falling on the First Call Date) and where “**relevant record date**” shall mean a date agreed upon between the Agent, the CSD and the Issuer in connection with such repayment.

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

“**Material Adverse Effect**” means a material adverse effect on (i) the business, financial condition or operations of the Group taken as a whole, (ii) the Issuer’s ability or willingness to perform and comply with its payment and other undertakings under the Finance Documents or (iii) the validity or enforceability of the Finance Documents.

“**Material Group Company**” means the Issuer or a Subsidiary representing more than five (5.00) per cent. of either (i) the Total Assets (for the avoidance of doubt, excluding any intra-group transactions) or (ii) EBITDA of the Group according to the latest consolidated Financial Report.

“**MST**” means Modern Sprängteknik i Norden AB, reg. no. 556989-1525.

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

“**Net Finance Charges**” means, for the Relevant Period, the Finance Charges according to the latest consolidated Financial Report, after deducting any interest payable for the relevant period to any Group Company and any interest income relating to Cash and Cash Equivalents investments of the Group.

“**Net Interest Bearing Debt**” means the aggregate interest bearing debt (excluding any interest bearing debt borrowed from any Group Company) less Cash and Cash Equivalents of the Group according to the latest consolidated Financial Report, in accordance with the Accounting Principles, adjusted in accordance with the Operational Lease Freeze and adjusted for any repayment of such interest bearing debt or incurrence of new interest bearing debt, respectively, during the period starting on the day falling immediately after the last day of the period covered by the latest consolidated Financial Report and ending on the relevant record date.

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue which, after deduction has been made for the Transaction Costs payable by the Issuer to the Issuing Agent and the sole bookrunner for the services provided in relation to the placement and issuance of the Bonds, shall be transferred to the Issuer and used in accordance with Clause 4 (*Use of proceeds*).

“**Nominal Amount**” has the meaning set forth in Clause 2.1.

“**Operational Lease Freeze**” has the meaning set forth in paragraph (b) of the definition Financial Indebtedness.

“**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.

“**Permitted Basket**” has the meaning set forth in paragraph (k) of the definition Permitted Debt.

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

- (a) incurred under the Bonds (including pursuant to any Subsequent Bond Issue, if such incurrence meets the Incurrence Test or the Add-on Acquisition Incurrence Test (as applicable) (calculated *pro forma* including such issue));
- (b) incurred under any Working Capital Facility within the Working Capital Facility Cap;
- (c) taken up from a Group Company;
- (d) incurred (i) under the Existing Debt provided such Existing Debt is repaid in full or cancelled no later within three (3) Business Day after the Conditions Precedent for First Disbursement have been fulfilled and the payments from the Escrow Account have been made and (ii) under the Further Existing Debt provided that such Further Existing Debt is cancelled and repaid in full no later than on 31 August 2017;
- (e) incurred by the Issuer if such Financial Indebtedness (i) meets the Incurrence Test or the Add-on Acquisition Incurrence Test (as applicable) (calculated *pro forma* including such incurrence), (ii) is unsecured and ranks *pari passu* or is subordinated in all matters to the obligations of the Issuer under the Bonds and (iii) has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date;
- (f) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds, for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (g) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company’s business;
- (h) arising under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions (excluding for the

avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes) (“**Derivative Transaction**”);

- (i) incurred by the Issuer under the Vendor Loan Note;
- (j) incurred in the ordinary course of business under Advance Purchase Agreements; and
- (k) not permitted by paragraphs (a) to (j) above, in an aggregate amount not at any time exceeding SEK 10,000,000 and incurred in the ordinary course of the Group’s business (all such Financial Indebtedness is together referred to as the “**Permitted Basket**”).

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

- (a) provided in relation to the Bonds;
- (b) provided in relation to any agreement under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such lease constitutes Permitted Debt;
- (c) provided in relation to a Derivative Transaction and not consisting of security interests in shares in any Group Company;
- (d) provided in connection with a redemption of the Bonds in full and constituting a first priority pledge over a bank account in the name of the Issuer for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (e) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or Security in respect of any monies borrowed or raised);
- (f) provided in relation to the Vendor Loan Note provided that such Security constitutes second ranking Security over the shares in each of the Targets on terms satisfactory to the Agent;
- (g) provided in relation to (i) the Existing Debt provided that such Security is released and discharged in full in connection with the repayment of the Existing Debt in accordance with the terms set forth in Clause 15.1 and (ii) the Further Existing Debt provided that such Security is released and discharged in full in connection with the cancellation and repayment of the Further Existing Debt in accordance with the terms set out in Clause 16.2; and
- (h) provided in relation to the Permitted Basket or a Working Capital Facility, subject to the Working Capital Facility Cap.

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

or (ii) any other period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

“**Record Date**” means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Holders is to be made under Clause 18 (*Distribution of proceeds*), or (iv) 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, repurchase and prepayment of the Bonds*).

“**Regulated Market**” means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).

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

“**Restricted Payment**” has the meaning set forth in Clause 13.1.

“**RMA**” means Robin Mark & Anläggning AB, reg. no. 556810-6214.

“**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 security is directly registered or (ii) an owner’s holding of securities is registered in the name of a nominee.

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

“**Security Documents**” means the Group Company Share Pledge Agreements, the Targets Share Pledge Agreement, the Intercompany Loans Pledge Agreement and the Escrow Account Pledge Agreement and any other pledge agreement entered into by a Group Company pursuant to these Terms and Conditions and such further agreements, assignments, certificates, instruments, consents, acknowledgements, confirmations and other documents which relate thereto or which are required in order to establish, maintain, preserve, protect and perfect the pledge created or purported to be created under such documents.

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

“**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 a.m. on the Quotation Date; 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 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.

if the STIBOR rate is below zero, STIBOR will be deemed to be zero (0).

“**Subsequent Bond**” means any Bond issued in a Subsequent Bond Issue.

“**Subsequent Bond Issue**” has the meaning set forth in Clause 2.5.

“**Subsidiary**” means, in relation to the Issuer, any legal entity (whether incorporated or not), in respect of which the Issuer, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body or (iv) exercises control as determined in accordance with the Accounting Principles.

“**Swedish Government Bond Rate**” means the yield to maturity at the time of computation of direct obligations of Sweden, acting through the Swedish National Debt Office (a Swedish Government Bond; Sw. *statsobligation*) with a constant maturity (such yield to be the weekly average yield as officially compiled and published in the most recent financial statistics that has become publicly available at least two (2) Business Days (but not more than five Business Days) prior to the relevant Record Date for the Redemption Date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Issuer in good faith)) most nearly equal to the period from the Redemption Date to the First Call Date; provided, however, that if the period from the Redemption Date to the First Call Date is not equal to the constant maturity of a direct obligation of Sweden, acting through the Swedish National Debt Office for which a weekly average yield is given, the Swedish Government Bond Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth (1/12) of a year) from the weekly average yields of direct obligations of Sweden, acting through the Swedish National Debt Office, for which such yields are given, except that if the period from such Redemption Date to the First Call Date is less than one year, the weekly average yield on actually traded direct obligations

of Sweden, acting through the Swedish National Debt Office, adjusted to a constant maturity of one year shall be used.

“**Targets**” means MST, Bellmans Åkeri & Entreprenad AB, reg. no. 556402-9006 and Grundab Entreprenader i Stockholm AB, reg. no. 556370-9921.

“**Targets Share Pledge Agreement**” means the share pledge agreement to be entered into between the Issuer and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Holders) in relation to first priority pledges over all shares in each of the Targets.

“**Total Assets**” means the aggregate book value of the Group’s total assets on a consolidated basis according to the latest Financial Report.

“**Transaction Costs**” means all fees, costs and expenses incurred by a Group Company in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue and (ii) the listing of the Bonds on First North Stockholm and subsequently Nasdaq Stockholm.

“**Transaction Security**” means the transaction Security to be provided under the Security Documents on the First Issue Date and any additional transaction Security to be provided thereafter in accordance with Clause 13.8 (*Additional Security*).

“**Vendor Loan Note**” means the vendor loan note with a nominal loan amount of SEK 58,480,000 issued by the Issuer to Hasseludd Holding AB, reg. no. 556394-8313.

“**Working Capital Facility**” means one or more credit facilities for working capital purposes, in an aggregate amount not at any time exceeding the higher of (i) SEK 20,000,000 and (ii) an amount corresponding to twenty-five (25.00) per cent. of EBITDA for the Relevant Period ending on the last day of the most recent financial year (the “**Working Capital Facility Cap**”).

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 21 (*Written Procedure*).

## 1.2 **Construction**

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department or regulatory, self-regulatory or other authority or organisation;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and

(f) a time of day is a reference to Stockholm time.

- 1.2.2 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](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.3 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.2.4 No delay or omission of the Agent or of any Holder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

## 2. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS

- 2.1 The aggregate amount of the bond loan will be an amount of SEK 400,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,000,000 or full multiples thereof (the “**Initial Nominal Amount**”). The nominal amount of each Bond will be the Initial Nominal Amount, less the aggregate amount by which each Bond has been redeemed, repurchased or prepaid in part pursuant to Clause 11 (*Redemption, repurchase and prepayment of the Bonds*) (the “**Nominal Amount**”). The total nominal amount of the Bonds issued in the Initial Bond Issue is SEK 220,000,000.
- 2.2 The ISIN for the Bonds is SE0009889553.
- 2.3 All Bonds issued in the Initial Bond Issue are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 2.4 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,000,000 and integral multiples thereof.
- 2.5 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions (each such issue, a “**Subsequent Bond Issue**”), until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 400,000,000, always provided that (i) the Incurrence Test or the Add-on Acquisition Incurrence Test (as applicable) is met (calculated *pro forma* including the Subsequent Bond Issue) and (ii) no Event of Default is continuing or would result from (a) the expiry of a grace period, giving of notice, making of any determination or any combination of any of the foregoing or (b) the issue of the Subsequent Bonds.
- 2.6 Subsequent Bonds shall be issued subject to the Finance Documents and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Bonds issued in the Initial Bond Issue shall also apply to Subsequent Bonds. The price of Subsequent Bonds may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount.

- 2.7 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.8 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 2.9 By subscribing for Bonds, each initial Holder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds each subsequent Holder confirms the Finance Documents.

### **3. STATUS OF THE BONDS**

The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them. The Bonds are secured by the Transaction Security.

### **4. USE OF PROCEEDS**

- 4.1 The Issuer shall establish the Escrow Account prior to the First Issue Date. On the First Issue Date, the Issuing Agent shall transfer the Net Proceeds from the Initial Bond Issue to the Escrow Account. For the purpose of securing that the Conditions Precedent for First Disbursement have been fulfilled before any disbursement of the Net Proceeds is made as well as ensuring that the Further Conditions Subsequent are fulfilled, the Escrow Account will be pledged in favour of the Agent and the Holders (represented by the Agent) in accordance with the Escrow Account Pledge Agreement. The pledge over the Escrow Account shall be released when the Further Conditions Subsequent set out in Clause 16.2 have been fulfilled and all payments from the Escrow Account have been made.
- 4.2 Upon fulfilment of the Conditions Precedent for First Disbursement and Further Conditions Subsequent (as applicable), the Net Proceeds standing to the credit of the Escrow Account shall be transferred to be used towards partly financing the acquisition price in relation to the Acquisition and towards repayment of Existing Debt and the Further Existing Debt including any accrued but unpaid interest. Any residual amounts of the Net Proceeds of the Initial Bond Issue or any Net Proceeds from any Subsequent Bond Issue shall be used for general corporate purposes of the Group, including acquisitions.

### **5. SECURITY**

- 5.1 As continuing security for the due and punctual fulfilment of the Issuer's obligations under the Finance Documents, the Issuer shall and shall procure that any other relevant Group Company (if applicable), pledge to the Agent and the Holders (as represented by the Agent), as first ranking security:
- (a) all shares in the Targets, in accordance with the Targets Share Pledge Agreement;
  - (b) all shares in Uppländska Bergkrossnings Aktiebolag, reg. no. 556364-8715, Uppländska Bergborrnings Aktiebolaget, reg. no. 556213-1556 and Sprängarbeten i Trönödal Aktiebolag, reg. no. 556415-5488, in accordance with the Group Company Share Pledge Agreements;

- (c) all shares in any Material Group Company acquired on or after the First Issue Date of which the acquisition price is financed in part or in whole with any proceeds from a Bond Issue such security to be granted in accordance with the same terms as the Group Company Share Pledge Agreements;
  - (d) all present and future money claims under the Intercompany Loans; and
  - (e) the Escrow Account pursuant to the Escrow Account Pledge Agreement.
- 5.2 The Issuer shall ensure that the Security Documents and all documents relating thereto are duly executed in favour of the Agent and the Holders (as represented by the Agent) and that such documents are legally valid, perfected, enforceable and in full force and effect according to their terms. The Issuer shall execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Holders and the Agent to at all times maintain the security position and guarantee position envisaged under the Finance Documents.
- 5.3 The Agent shall hold the Transaction Security on behalf of itself and the Holders in accordance with the Finance Documents.
- 5.4 Except if otherwise decided by the Holders according to the procedures set out in Clauses 19 (*Decisions by Holders*), 20 (*Holders' Meeting*) and 21 (*Written Procedure*), the Agent is, without first having to obtain the Holders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or for the purpose of settling the various Holders' relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Security Documents.
- 5.5 If the Bonds are declared due and payable according to Clause 17 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Holders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Security Documents).
- 5.6 If a Holders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Holders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in these Terms and Conditions, the Agent shall not enforce the Transaction Security. If the Holders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clauses 19 (*Decisions by Holders*), 20 (*Holders' Meeting*) and 21 (*Written Procedure*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the

instructing Holders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.

- 5.7 Funds that the Agent receives (directly or indirectly) on behalf of the Holders in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security 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 Holders and any other interested party. The Agent shall promptly arrange for payments to be made to the Holders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 18 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with Clause 5.8, instruct the CSD to arrange for payment to the Holders.
- 5.8 For the purpose of exercising the rights of the Holders and the Agent under these Terms and Conditions and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Holders in accordance with Clause 5.7. To the extent permissible by law, the powers set out in this Clause 5.8 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction), which the Agent deems necessary for the purpose of carrying out its duties under Clause 5.7 (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 5.7 to the Holders through the CSD.

## **6. THE BONDS AND TRANSFERABILITY**

- 6.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents 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 Holder 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 Holder must ensure compliance with such restrictions at its own cost and expense.

- 6.5 For the avoidance of doubt and notwithstanding the above, a Holder 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 Holder 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 Holders 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.
- 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 (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of or in connection with any Holders' 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 the Finance Documents, 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 Holders.
- 7.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to 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 the Finance Documents and shall not disclose such information to any Holder or third party unless necessary for such purposes.

## **8. RIGHT TO ACT ON BEHALF OF A HOLDER**

- 8.1 If any Person other than a Holder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.
- 8.2 A Holder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Holder.
- 8.3 The 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.

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

- 9.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Holder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 9.2 If a Holder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Holder 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 Holders 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 any 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.

## **10. INTEREST**

10.1 The 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 Holders on each Interest Payment Date for the preceding Interest Period.

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

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

## **11. REDEMPTION, REPURCHASE AND PREPAYMENT 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, at any time purchase Bonds. Bonds held by a Group Company may at such Group Company's discretion be retained or sold, but not cancelled. However, Bonds may be cancelled if held by the Issuer and in connection with a full redemption of the Bonds.

### **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 prior to the First Call Date, at an amount equal to the Make Whole Amount together with accrued but unpaid Interest.

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

11.3.3 Redemption in accordance with Clauses 11.3.1 and 11.3.2 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders 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. 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 **Voluntary partial prepayment**

The Issuer may on one occasion during a twelve (12) months period (without carry-back or carry-forward) make partial repayments of Bonds in an amount corresponding to a maximum of ten (10.00) per cent. of the aggregate Initial Nominal Amount at a price of one hundred and two (102.00) per cent. of the Nominal Amount, together with any accrued but unpaid interest on the repaid amount. Any such partial repayment shall reduce the Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1.00). The repayment must occur on an Interest Payment Date and the Issuer shall give not less than twenty (20) Business Days' notice of the repayment to the Agent and the Holders.

#### 11.5 **Equity claw back**

11.5.1 The Issuer may at one occasion, in connection with an Equity Listing Event, repay up to thirty-five (35.00) per cent. of the aggregate Initial Nominal Amount (provided that at least sixty-five (65.00) per cent. of the aggregate Initial Nominal Amount remains outstanding after such repayment), in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1.00).

11.5.2 The repayment must occur on an Interest Payment Date within one hundred and eighty (180) days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer or another Group Company as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event).

11.5.3 The Issuer shall give not less than twenty (20) Business Days' notice of the repayment to the Agent and the Holders and the repayment price per Bond shall equal the repaid percentage of the Nominal Amount plus a premium on the repaid amount as set forth in the Call Option Amount for the relevant period and, shall before the First Call Date be the price equal to the Make Whole Amount, together with any accrued but unpaid interest on the repaid amount.

#### 11.6 **Mandatory repurchase due to a Change of Control Event (put option)**

11.6.1 Upon a Change of Control Event occurring, each beneficial bondholder or direct registered owner (Sw. *rättmätige innehavare eller direktregisterad innehavare*) shall have the right to

request that all, but not only some, of its Bonds are repurchased and each nominee (Sw. *förvaltare*) shall have the right to request that all of its Bonds held, or only some, are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following receipt of a notice from the Issuer of the relevant event pursuant to Clause 13.12.1 (e). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event.

- 11.6.2 The notice from the Issuer pursuant to Clause 13.12.1 (e) shall specify the repurchase date and include instructions about the actions that a beneficial bondholder or direct registered owner (Sw. *rättmätige innehavare eller direktregisterad innehavare*) and/or nominee (Sw. *förvaltare*) needs to take if it wants Bonds held by it to be repurchased. If a beneficial bondholder or direct registered owner (Sw. *rättmätige innehavare eller direktregisterad innehavare*) and/or nominee (Sw. *förvaltare*) 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 Clause 13.12.1 (e). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.6.1.
- 11.6.3 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 11.6, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 11.6 by virtue of the conflict.
- 11.6.4 Any Bonds repurchased by the Issuer pursuant to this Clause 11.6 may at the Issuer's discretion be retained, sold or cancelled, provided that Bonds may only be cancelled if permitted under Clause 11.2 (*The Group Companies' purchase of Bonds*).
- 11.7 **Mandatory redemption due to failure to fulfil the Conditions Precedent for First Disbursement**
- 11.7.1 If the Conditions Precedent for First Disbursement have not been fulfilled on or before ninety (90) calendar days following the First Issue Date, the Issuer shall redeem all Bonds at a price equal to one hundred (100.00) per cent. of the Nominal Amount together with any accrued but unpaid interest.
- 11.7.2 The Agent may partly fund the redemption with the amounts standing to the credit on the Escrow Account.
- 11.7.3 The redemption of the Bonds shall (i) be executed on the first Interest Payment Date (taking into account the rules and regulations of the CSD) and (ii) be made by the Issuer giving not less than ten (10) Business Days' notice to the Holders and the Agent, where such notice shall state the relevant Interest Payment Date on which the redemption shall be made, the redemption amount and the relevant Record Date.

## **12. FINANCIAL UNDERTAKINGS**

### **12.1 Incurrence Test**

The Incurrence Test is met if the ratio of Net Interest Bearing Debt to EBITDA is not greater than:

- (a) three (3.00) until and including 31 December 2017;
- (b) two point seventy-five (2.75) from and including 1 January 2018 until and including 31 December 2018; and
- (c) two point fifty (2.50) from and including 1 January 2019 until and including the Final Redemption Date.

### **12.2 Add-on Acquisition Incurrence Test**

The Add-on Acquisition Incurrence Test is met if the ratio of Net Interest Bearing Debt to EBITDA is not greater than three (3.00) until the First Call Date.

### **12.3 Application of the Incurrence Test and the Add-on Acquisition Incurrence Test**

12.3.1 The Add-on Acquisition Incurrence Test shall be applied in connection with the incurrence of Financial Indebtedness to be used for an acquisition until and including the First Call Date.

12.3.2 The Incurrence Test shall be applied in connection with the incurrence of Financial Indebtedness other than as specified in Clause 12.3.1 above until and including the Final Redemption Date (including in respect of Financial Indebtedness incurred for acquisitions after the First Call Date).

### **12.4 Calculation of the Incurrence Test and the Add-on Acquisition Incurrence Test**

The calculation of the Incurrence Test or the Add-on Acquisition Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than two (2) months prior to the incurrence of the new Financial Indebtedness (including any Subsequent Bond Issue) that requires that the Incurrence Test or the Add-on Acquisition Incurrence Test (as applicable) is met, and adjusted so that any assets acquired with the Financial Indebtedness (as applicable) shall be included calculated *pro forma*.

### **12.5 Adjustment to EBITDA**

The figures for EBITDA for the Relevant Period ending on the last day of the period covered by the most recent Financial Report (including the new Financial Indebtedness *pro forma*) shall be used for the Incurrence Test, but adjusted so that:

- (a) any Bond that has been repurchased, and not resold, by any Group Company during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be excluded, *pro forma*, for the entire Relevant Period;

- (b) entities acquired or disposed of by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Relevant Period; and
- (c) any entity to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Relevant Period.

#### 12.6 **Adjustment to Net Interest Bearing Debt to EBITDA in relation to Add-on Acquisition Incurrence Test**

In relation to the Add-on Acquisition Incurrence Test, the calculation of the ratio of Net Interest Bearing Debt to EBITDA shall be made based on the Net Interest Bearing Debt to EBITDA for the target company only on a stand-alone basis. The Net Interest Bearing Debt shall be measured for the relevant target company on the relevant testing date so determined but include the new Financial Indebtedness, *pro forma*, incurred by the Group for the acquisition and shall include cash in the amount of any Equity Injection.

### 13. **SPECIAL UNDERTAKINGS**

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

#### 13.1 **Distributions**

The Issuer shall not, and shall procure that none of the Subsidiaries, (i) pay any dividend on shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, (iv) repay principal or pay interest under any shareholder loans or (v) 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 (paragraphs (i)–(v) 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:

- (a) any Group Company if such Restricted Payment is made to a Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis; or
- (b) any Restricted Payment under the Existing Earn-out Agreement or in relation to repayment of the loans under the Vendor Loan Note.

#### 13.2 **Listing of Bonds**

The Issuer shall ensure (i) that the Bonds issued under the Initial Bond Issue are listed on the corporate bond list of First North Stockholm no later than sixty (60) calendar days after the First Issue Date (and with an intention to complete such listing within thirty (30) calendar days after the First Issue Date) and (ii) to replace such listing with a listing at the corporate bond list on Nasdaq Stockholm (or any other Regulated Market including First North Stockholm if First North Stockholm has become a Regulated Market) not later than twelve (12) months after the First Issue Date and shall take all measures required to ensure that the

Bonds, once listed on First North Stockholm and Nasdaq Stockholm (as applicable), continue being listed for as long as any Bond is outstanding (however, taking into account the rules and regulations of Nasdaq Stockholm and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds) and (iii) that, upon any Subsequent Bond Issue, the volume of Bonds listed on First North Stockholm and Nasdaq Stockholm (as applicable) promptly, and not later than ten (10) Business Days after the relevant Issue Date, is increased accordingly.

### 13.3 **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 if such subsequent change would have a Material Adverse Effect.

### 13.4 **Financial Indebtedness**

The Issuer shall not, and shall procure that no other Group Company will, incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain and prolong Financial Indebtedness which constitute Permitted Debt.

### 13.5 **Negative Pledge**

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any guarantee or Security over any of its/their assets (present or future), provided however that the Group Companies have a right to create or allow to subsist, retain, provide, prolong and renew any Permitted Security.

### 13.6 **Loans out**

The Issuer shall not, and shall procure that none of its Subsidiaries, provide any loan to any party other than to another Group Company.

### 13.7 **Disposal of assets**

The Issuer shall not, and shall procure that none of the Subsidiaries, sell 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, 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 the transaction does not have a Material Adverse Effect. The Issuer shall notify the Agent of any such transaction and, upon request by the Agent, provide the Agent with any information relating to the transaction which the Agent deems necessary (acting reasonably). Notwithstanding the above, a Group Company

may not dispose of shares which have been pledged in order to secure the obligations under the Finance Documents unless the Agent has provided its prior approval.

### 13.8 **Additional Security**

The Issuer shall ensure that all shares of any Material Group Company acquired on or after the First Issue Date of which the acquisition price is financed in part or in whole with any proceeds from a Bond Issue are pledged as continuing first ranking Security for the due and punctual fulfilment of the Issuer's obligations under the Finance Documents. Such Security shall be granted immediately on the date of the acquisition unless such would contradict any rules on financial assistance set out in Chapter 21 of the Swedish Companies Act (Sw. *Aktiebolagslagen*) (or equivalent in any other applicable jurisdiction) whereby the Issuer is only obliged to ensure that the relevant Group Company complies with this paragraph three (3) months after the relevant acquisition date (or in accordance with the rules and regulations of any other applicable jurisdiction).

### 13.9 **Dealings with related parties**

The Issuer shall, and shall procure that each Group Company, 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.

### 13.10 **Compliance with laws etcetera**

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

### 13.11 **Working Capital Facility clean-down**

The Issuer shall procure that during each calendar year there shall be a period of three (3) consecutive days during which the amount outstanding under the Working Capital Facility is zero (0). Not less than six (6) months shall elapse between two (2) such periods.

### 13.12 **Financial reporting etcetera**

#### 13.12.1 The Issuer shall:

- (a) prepare and make available the annual audited consolidated financial statements of the Group (in English), 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 four (4) months after the expiry of each financial year;

- (b) from and including the quarter commencing on 1 July 2017, prepare and make available the quarterly interim unaudited consolidated reports of the Group (in English), 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 two (2) months after the expiry of each relevant interim period;
- (c) issue a Compliance Certificate to the Agent (i) in connection with the incurrence of Financial Indebtedness (including through a Subsequent Bond Issue), which requires that the Incurrence Test or the Add-on Acquisition Incurrence Test (as applicable) is met and (ii) at the Agent's reasonable request, within twenty (20) calendar days from such request;
- (d) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on its website;
- (e) promptly notify the Agent (and, as regards a Change of Control Event, the Holders) upon becoming aware of (i) the occurrence of a Change of Control Event or (ii) that an Event of Default (or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any termination or a combination of any of the foregoing) constitute an Event of Default) has occurred, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice;
- (f) when the Bonds have been listed on First North Stockholm, the Issuer shall make the reports referred to under (a) and (b) above available in accordance with the rules and regulations of First North Stockholm (together with any other financial report as required by First North Stockholm's rules and regulations);
- (g) when the Bonds have been listed on Nasdaq Stockholm (or another Regulated Market), the reports referred to under (a) and (b) above shall, in addition, be prepared in accordance with IFRS and made available in accordance with the rules and regulations of Nasdaq Stockholm (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time); and
- (h) provide any other information to the Agent required by the Swedish Securities Markets Act (*Sw. lag (2007:582) om värdepappersmarknaden*) (as amended from time to time) and the rules and regulations of Nasdaq Stockholm provided that such disclosure of information is not in violation of any applicable law.

13.12.2 The Issuer shall notify the Agent of any transaction referred to in Clause 13.7 (*Disposal of assets*) and shall, upon request by the Agent, provide the Agent with (i) any information relating to the transaction which the Agent deems necessary (acting reasonably) and (ii) a certificate from the Issuer which states whether the transaction is carried out at fair market value and on terms and conditions customary for such transaction or not and whether it has a Material Adverse Effect or not. The Agent may assume that any information provided by the Issuer is correct, and the Agent shall not be responsible or liable for the adequacy,

accuracy or completeness of such information. The Agent is not responsible for assessing if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect, but is not bound by the Issuer's determination under paragraph (ii) above.

13.12.3 The Issuer shall notify the Agent of any transfer of shares referred to in Clause 13.7 (*Disposal of assets*) at least twenty (20) Business Days before the transaction is made and, upon request by the Agent, provide the Agent with any information relating to the transaction which the Agent deems necessary (acting reasonably).

### 13.13 **Agent Agreement**

13.13.1 The Issuer shall, in accordance with the Agent Agreement:

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

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

### 13.14 **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.

## 14. **CONDITIONS PRECEDENT TO THE FIRST ISSUE DATE**

The Issuer shall provide to the Agent, prior to the First Issue Date, the following:

- (a) copies of constitutional documents of the Issuer;
- (b) copies of necessary corporate resolutions (including authorisations) of the Issuer;
- (c) copy of the Acquisition Document duly signed by the parties thereto;
- (d) a duly executed pledge agreement relating to the Escrow Account together with all documents and evidences to be delivered pursuant to the pledge agreement;
- (e) duly executed Terms and Conditions; and
- (f) duly executed Agent Agreement.

## 15. **CONDITIONS PRECEDENT FOR FIRST DISBURSEMENT**

15.1.1 The Agent's approval of the first disbursement of the Net Proceeds (except for funds relating to the Further Existing Debt) from the Initial Bond Issue from the Escrow Account is subject

to the following documents being received by the Agent and that the following events have occurred:

- (a) a funds flow statement duly executed by the Issuer to include the amount required to pay the acquisition price to be paid on the date of completion of the Acquisition to the sellers under the Acquisition and the amount required to repay the Existing Debt (including all accrued but unpaid interest, break costs and other fees);
- (b) evidence, in the form of a confirmation certificate from the Issuer, that the events set out in the Acquisition Document relating to the completion of the Acquisition and the capitalisation of the Issuer have occurred or will occur immediately after the acquisition price has been paid which shall be paid on the date of the completion of the Acquisition;
- (c) an agreed form Compliance Certificate;
- (d) duly executed release letter(s) from the lender(s) under the Existing Debt and the Further Existing Debt confirming that the Security and guarantees in respect of the Existing Debt and the Further Existing Debt will be released and discharged upon repayment;
- (e) constitutional documents and copies of necessary corporate resolutions of MST and Uppländska Bergborrnings Aktiebolaget in relation to applicable share pledges; and
- (f) copies of the Group Company Share Pledge Agreements, the Targets Share Pledge Agreement and the Intercompany Loans Pledge Agreement duly executed.

15.2 When the Conditions Precedent for First Disbursement of the Net Proceeds set out in Clause 15.1 above have been received by the Agent, the Agent shall instruct the Escrow Bank to transfer the funds credited to the Escrow Account in accordance with the funds flow statement described in paragraph (a) of Clause 15.1 above. The Agent shall instruct the Escrow Bank to transfer any residual funds from the Escrow Account to the bank account specified in the funds flow statement by the Issuer, to be used for general corporate purposes in accordance with Clause 4.2, other than the funds relating to the Further Existing Debt, which shall remain on the Escrow Account until the Issuer has provided the Agent with the funds flow statement set forth in Clause 16.2.1.

15.3 The Agent may assume that the documentation and evidence delivered to it under Clause 15.1.1 are accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not review the documents and evidence referred to above from a legal or commercial perspective of the Holders.

## **16. CONDITIONS SUBSEQUENT AND FURTHER CONDITIONS SUBSEQUENT**

### **16.1 Conditions Subsequent**

The Issuer shall provide evidence to the Agent, showing that the events listed below have occurred, such evidence to be provided no later than three (3) Business Days after the

Conditions Precedent for First Disbursement have been fulfilled and the payments from the Escrow Account have been made:

- (a) that all outstanding amounts under the Existing Debt have been fully repaid including accrued but unpaid interest with no remaining obligations of any of the Group Companies;
- (b) that the Security and guarantees in relation to the Existing Debt have been released and discharged, to be provided to the Agent in the form set out as a schedule to the relevant release letter; and
- (c) that all documents and evidences to be delivered pursuant to the Security Documents have been delivered.

## 16.2 Further Conditions Subsequent

- 16.2.1 Upon receiving a duly signed funds flow statement duly executed by the Issuer which shall include the amount required to repay the Further Existing Debt (including all accrued but unpaid interest, break costs and other fees), the Agent shall instruct the Escrow Bank to transfer the funds credited to the Escrow Account in accordance with such funds flow statement. The Agent shall instruct the Escrow Bank to transfer any residual funds from the Escrow Account to the bank account specified in the funds flow statement by the Issuer, to be used for general corporate purposes in accordance with Clause 4.2. The repayment of the Further Existing Debt shall be made no later than 31 August 2017.
- 16.2.2 No later than three (3) Business Days after the payments from the Escrow Account have been made in accordance with Clause 16.2.1 above, the Issuer shall provide evidence to the Agent, showing that all outstanding amounts under the Further Existing Debt have been fully repaid with no remaining obligations of any of the Group Companies and that the Security and guarantees in relation to the Further Existing Debt have been released and discharged.
- 16.2.3 No later than 31 August 2017 the Issuer shall provide evidence, in the form of a confirmation certificate from the Issuer, that the deferred payment (if any) under the Acquisition Document has been paid.

## 17. TERMINATION OF THE BONDS

- 17.1 The Agent is entitled to, and shall following a demand in writing from a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Holder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Holders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.6 or 17.7, on behalf of the Holders, 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 twenty (20) Business Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) **Non-payment:** The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date;
- (b) **Conditions Subsequent and Further Conditions Subsequent:** The Issuer has not provided the Agent with evidence, in form and substance satisfactory to the Agent (acting reasonably), showing that the Conditions Subsequent and the Further Conditions Subsequent have been fulfilled not later than at the time set forth in Clauses 16.1 and 16.2 (as applicable);
- (c) **Other obligations:** The Issuer does not comply with the Finance Documents in any other way than as set out under paragraphs (a) and (b) above, unless the non-compliance (i) is capable of being remedied and (ii) is remedied within fifteen (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);
- (d) **Cross payment-default / Cross-acceleration:**
  - (i) Any Financial Indebtedness of any Material Group Company is not paid when due nor within any originally applicable grace period or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default howsoever described under any document relating to Financial Indebtedness of any Material Group Company; or,
  - (ii) Any security interest securing Financial Indebtedness over any asset of any Material Group Company is enforced;

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

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

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

**(g) Mergers and demergers:**

- (i) A decision is made that any Material Group Company (other than the Issuer) shall be demerged or merged into a company which is not a Group Company (and if a pledged Group Company, provided that the pledge remains), unless such constitutes a permitted disposal in accordance with Clause 13.7 (*Disposal of assets*) or the Agent has given its consent (not to be unreasonably withheld or delayed) in writing prior to the merger and/or demerger (where consent is not to be understood as a waiver of the rights that applicable law at the time assigns the concerned creditors); or
- (ii) the Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity;

**(h) Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding SEK 5,000,000 and is not discharged within thirty (30) calendar days;

**(i) Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of **these** Terms and Conditions or if the obligations under **these** Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable; or

**(j) Continuation of the business:** The Issuer or any other Material Group Company ceases to carry on its business (except if due to (i) a permitted merger or demerger as stipulated in (g) above or (ii) a permitted disposal as stipulated in Clause 13.7.

17.2 The Agent may not terminate the Bonds in accordance with Clause 17.1 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 ground mentioned under Clause 17.1 (e).
- 17.3 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.
- 17.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 17.1 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 17.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 17.1 and provide the Agent with all documents that may be of significance for the application of this Clause 17.
- 17.5 The Issuer is only obliged to inform the Agent according to Clause 17.4 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) or First North Stockholm. If such a conflict would exist pursuant to the listing contract with the relevant Regulated Market, First North Stockholm or otherwise, the Issuer shall however be obliged to either seek the approval from the relevant Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 17.4.
- 17.6 If the Agent has been notified by the Issuer or has otherwise determined that there is an Event of Default under these Terms and Conditions according to Clause 17.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or determination, the Holders of the Event of Default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, 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 Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Clause 19 (*Decisions by Holders*). If the Holders 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 Holders 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 (or an event that may lead to an Event of Default).
- 17.7 If the Holders have made a decision regarding termination in accordance with Clause 19 (*Decisions by Holders*) or instructed the Agent in accordance with Clause 17.1, 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 Holders

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.

- 17.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 17 without relevant decision by the Agent or following instructions from the Holders pursuant to Clause 17.1 or Clause 19 (*Decisions by Holders*).
- 17.10 If the Bonds are declared due and payable in accordance with this Clause 17, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable Call Option Amount together with accrued but unpaid Interest.

## **18. DISTRIBUTION OF PROCEEDS**

- 18.1 If the Bonds have been declared due and payable in accordance with Clause 17 (*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) firstly, 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 to the Agent relating to the termination of the Bonds, the enforcement of the Transaction Security or the protection of the Holders' rights under the Finance Documents, (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 Holders' 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 Finance Documents.

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 Holders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- 18.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 18.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 18.1.
- 18.3 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 Holders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 18 as soon as reasonably practicable.

- 18.4 If the Issuer or the Agent shall make any payment under this Clause 18, the Issuer or the Agent, as applicable, shall notify the Holders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

## **19. DECISIONS BY HOLDERS**

- 19.1 A request by the Agent for a decision by the Holders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.
- 19.2 Any request from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Holder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Holders' 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 Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.
- 19.3 The Agent may refrain from convening a Holders' Meeting or instigating a Written Procedure if (a) the suggested decision must be approved by any Person in addition to the Holders and such Person has informed the Agent that an approval will not be given, or (b) the suggested decision is not in accordance with applicable laws.
- 19.4 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 Holder*) from a Person who is, registered as a Holder:
- (a) on the Business Day specified in the notice pursuant to Clause 21.3, in respect of a Holders' Meeting, or
  - (b) on the Business Day specified in the communication pursuant to Clause 21.3, in respect of a Written Procedure,
- may exercise voting rights as a Holder at such Holders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- 19.5 The following matters shall require consent of Holders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for

which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3:

- (a) waive a breach of or amend an undertaking set out in Clause 13 (*Special undertakings*);
- (b) a mandatory exchange of Bonds for other securities;
- (c) release the Transaction Security in whole or in part (other than such security which shall be released in accordance with the Finance Documents without the requirement for the Agent to receive approval from the Holders);
- (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
- (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking, or
- (f) amend the provisions in this Clause 19.5 or 19.6.

- 19.6 Any matter not covered by Clause 19.5 shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3. This includes, but is not limited to, any amendment to or waiver of the terms of any Finance Document that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 22.1(a), (b) or (c)), a termination of the Bonds or the enforcement of the Transaction Security in whole or in part.
- 19.7 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least fifty (50.00) per cent of the Adjusted Nominal Amount in respect to the majority requirement set forth in Clause 19.5 and twenty (20.00) per cent. of the Adjusted Nominal Amount in respect to majority requirement set forth in Clause 19.6;
- (a) if at a Holders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 19.8 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 20.1) or initiate a second Written Procedure (in accordance with Clause 21.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 19.7 shall not apply to such second Holders' Meeting or Written Procedure.
- 19.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.

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

## **20. HOLDERS' MEETING**

- 20.1 The Agent shall convene a Holders' Meeting by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons). If the Holders' Meeting has been requested by the Holder(s), the Agent shall send a copy of the notice to the Issuer.
- 20.2 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 20.1 with a copy to the Agent. After a request from the Holders pursuant to Clause 23.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 20.1.

- 20.3 The notice pursuant to Clause 20.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the notice pursuant to Clause 20.1), (iii) agenda for the meeting (including each request for a decision by the Holders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.
- 20.4 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 20.5 If the Agent, in breach of these Terms and Conditions, has not convened a Holders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Holders' Meeting itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no Person to open the Holders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.
- 20.6 At a Holders' Meeting, the Issuer, the Holders (or the Holders' 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 Holders' Meeting. The Holders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Holders' Meeting instead of the Holder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Holder.
- 20.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Holders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Holders to vote without attending the meeting in person.

## **21. WRITTEN PROCEDURE**

- 21.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Holder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Holder(s), the Agent shall send a copy of the communication to the Issuer.
- 21.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 21.1 to each Holder with a copy to the Agent.
- 21.3 A communication pursuant to Clause 21.1 shall include (i) each request for a decision by the Holders, (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 Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the

communication pursuant to Clause 21.1), (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 Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 21.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

- 21.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD.
- 21.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 19.5 and 19.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 19.5 or 19.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **22. AMENDMENTS AND WAIVERS**

- 22.1 The Issuer and the Agent (acting on behalf of the Holders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Holders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
  - (c) such amendment or waiver is necessary for the purpose of listing the Bonds on the corporate bond list of First North or Nasdaq Stockholm (or any other Regulated Market, as applicable) provided such amendment or waiver does not materially adversely affect the rights of the Holders; or
  - (d) such amendment or waiver has been duly approved by the Holders in accordance with Clause 19 (*Decisions by Holders*).
- 22.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- 22.3 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 22.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Terms and Conditions are available on the website of the Agent and the Issuer shall ensure that such amendments to the Terms and Conditions are available on the website of the Issuer. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD.

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

## **23. APPOINTMENT AND REPLACEMENT OF THE AGENT**

### **23.1 Appointment of Agent**

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

23.1.2 Each Holder 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 the Finance Documents. The Agent is under no obligation to represent a Holder which does not comply with such request.

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

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

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

### **23.2 Duties of the Agent**

23.2.1 The Agent shall represent the Holders in accordance with the Finance Documents. However, the Agent is not responsible for the execution, validity, perfection or enforceability of the Finance Documents. 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. The latest versions of the Finance Documents shall be available to the Holders at the office of the Agent during normal business hours. The Agent may charge the requesting Holder a reasonable administrative fee for making Finance Documents available.

23.2.2 Upon request by a Holder, the Agent may distribute to the Holders any information from such Holder which relates to the Bonds (at the discretion of the Agent). The Agent may

- require that the requesting Holder 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 may upon request by a Holder disclose the identity of any other Holder who has consented to the Agent in doing so.
- 23.2.3 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Holders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 23.2.4 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 23.2.5 The Agent shall treat all Holders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Holders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- 23.2.6 The Agent shall, subject to Clause 28.2.2, be entitled to disclose to the Holders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 23.2.7 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged (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 Holders under the Finance Documents, (iii) when the Agent is to make a determination under the Finance Documents or (iv) as otherwise agreed between the Issuer and the Agent. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 18 (*Distribution of proceeds*).
- 23.2.8 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 the Finance Documents.
- 23.2.9 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 23.2.10 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 Holders, 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.

23.2.11 The Agent shall give a notice to the Holders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents, or (ii) if it refrains from acting for any reason described in Clause 23.2.10.

23.2.12 Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.

### 23.3 **Limited liability for the Agent**

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

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

23.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Holders, 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.

23.3.4 The Agent shall have no liability to the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with Clauses 17.1 (*Termination of the Bonds*) and 19 (*Decisions by Holders*).

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

### 23.4 **Replacement of the Agent**

23.4.1 Subject to Clause 23.4.6, the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

23.4.2 Subject to Clause 23.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 23.4.3 A Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Holder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Holders that the Agent be dismissed and a new Agent appointed.
- 23.4.4 If the Holders have not appointed a successor Agent within ninety (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 Holders, 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.
- 23.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 23.4.6 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.
- 23.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 23.4.8 In the event that there is a change of the Agent in accordance with this Clause 23.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. 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.

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

- 24.1 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.
- 24.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new

Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **25. APPOINTMENT AND REPLACEMENT OF THE CSD**

25.1 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.

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

## **26. NO DIRECT ACTIONS BY HOLDERS**

26.1 A Holder may not take any action or take any legal steps whatsoever against the Issuer or a Subsidiary to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Group Companies in relation to any of the liabilities of the Issuer or a Subsidiary under the Finance Documents. Such steps may only be taken by the Agent.

26.2 Clause 26.1 shall not apply if the Agent has been instructed by the Holders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Holder to provide documents in accordance with Clause 23.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 23.2.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 23.2.11 before a Holder may take any action referred to in Clause 26.1.

26.3 The provisions of Clause 26.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 11.6 (*Mandatory repurchase due to a Change of Control Event (put option)*) or other payments which are due by the Issuer to some but not all Holders.

## **27. TIME-BAR**

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

payments in respect of which the Holders' right to receive payment has been time-barred and has become void.

- 27.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to 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.

## **28. NOTICES AND PRESS RELEASES**

### **28.1 Notices**

- 28.1.1 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, and, 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 (Sw. *Bolagsverket*) on the Business Day prior to dispatch or such address as notified by the Issuer to the Agent from time to time or, 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 Holders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practicable possible) or letter for all Holders, provided that the same means of communication shall be used for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Agent.

- 28.1.2 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 28.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an

envelope addressed to the address specified in Clause 28.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 28.1.1.

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

## 28.2 **Press releases**

28.2.1 Any notice that the Issuer or the Agent shall send to the Holders pursuant to Clauses 11.3, 11.4, 11.5, 11.6, 11.7, 13.12.1 (e), 17.6, 18.4, 19.15, 20.1, 21.1, 22.3, 23.2.11 and 23.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

28.2.2 In addition to Clause 28.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Holders 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 Holders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Holders, the Agent shall be entitled to issue such press release.

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

29.1 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.

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

29.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.

29.4 The provisions in this Clause 29 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

## 30. **GOVERNING LAW AND JURISDICTION**

30.1 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.

30.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 30.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.

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

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## Addresses

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132 23 Saltsjö-Boo  
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Web page: [www.bellmangroup.se](http://www.bellmangroup.se)

### Central Securities Depository

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P.O. Box 191  
SE-101 23 Stockholm  
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Tel: +46 (0)8 402 90 00  
Web page: [www.euroclear.com](http://www.euroclear.com)

### Company's auditor

PricewaterhouseCoopers AB  
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Web page: [www.pwc.se](http://www.pwc.se)

### Issuing Agent

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### Bondholders' agent

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