

*This prospectus was approved by the Swedish Financial Supervisory Authority on 3 November 2022. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.*



## **Bellman Group AB (publ)**

**PROSPECTUS REGARDING THE ADMISSION TO TRADING OF**

**SEK 250,000,000**

**SENIOR SECURED CALLABLE FLOATING RATE BONDS**

**2021/2026**

**ISIN: SE0015221999**

**3 November 2022**

# IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Bellman Group AB (publ), Swedish reg. no. 559108-3729 (“**Bellman**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries, unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s SEK 250,000,000 senior secured callable floating rate bonds 2021/2026 with ISIN SE0015221999 (the “**Bonds**”), issued under a framework of SEK 1,500,000,000 on 23 September 2022 (the “**Issue Date**”), in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively), on the corporate bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Concepts and terms defined in the Terms and Conditions (see below under “*Terms and Conditions for the Bonds*”) are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

This Prospectus has been prepared as well as approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Furthermore, Annexes 7, 15 and 21 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the content of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of admitting the Bonds to trading on Nasdaq Stockholm. This Prospectus may not be distributed in the US, Australia, Hong Kong, Japan, Canada, Switzerland, Singapore, South Africa or New Zealand or in any other jurisdiction where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any U.S. state securities laws and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act).

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

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

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

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

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# RISK FACTORS

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

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

*Regardless of whether the Company has estimated the probability of a risk factor occurring or the expected magnitude of its negative impact as “low”, “medium” or “high”, all risk factors included in this section have been assessed to be material and specific to the Company and/or the Bonds in accordance with the Prospectus Regulation.*

## RISK FACTORS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

### Risks relating to the Group's industry, market and business activities

#### Risks relating to acquisitions

The Group has historically expanded through acquisitions. The Group was established in 2017 by the Issuer's acquisition of Bellmans Åkeri & Entreprenad AB (“**Bellmans Åkeri & Entreprenad**”), Modern Sprängteknik i Norden AB and Grundab Entreprenader i Stockholm Aktiebolag. The Issuer then acquired VSM Entreprenad AB (“**VSM Entreprenad**”) Samgräv Holding AB (“**Samgräv**”) in 2018 and 2019 respectively. Following certain intra-group mergers, the subsidiary Uppländska Bergborrnings Aktiebolaget (“**Uppländska Berg**”) also became a subsidiary of the Issuer. Furthermore, SÅCAB Åkericentral Aktiebolag (“**SÅCAB Åkericentral**”) and Losshållningsbolaget i Sverige AB (“**Losshållningsbolaget**”) were acquired in 2020. In 2021, the Company acquired Ivarssons Entreprenad i Göteborg AB (“**Ivarssons**”) and Norrvidinge Lasbilscentral AB (“**Norrvidinge**”), and in 2022 so far, Börje Holmgrens Åkeri AB (“**Holmgrens**”) and Bröderna Öhman AB (“**Öhmans**”) as well as all assets of Axelssons Diamanthålltagning AB (“**Axelssons Diamanthålltagning**”) has been acquired.

The Group has a strategy to grow both organically and by way of further acquisitions, and the Group is therefore dependent on its ability to identify suitable and attractive investment targets. There is a risk that investment targets meeting such criteria cannot be identified, or that the Issuer is unable to make the required investment on acceptable terms or at all. Furthermore, there is a risk that the number of available attractive and relevant investment targets will not remain stable or decline in the future. Furthermore, there is always a risk that acquisitions do not generate expected margins, cash flows or realise other anticipated benefits, such as growth or expected synergies or that the Group fails to successfully integrate any acquired assets, all of which, in turn, would negatively affect the Group's results of operations and financial position. There is also a risk that the Group's assumptions in relation to contemplated acquisitions prove incorrect, and that actual development differ from the Group's, any investor's or financier's expectations. This could in turn cause the Group's results of operations and financial position to differ from expectations of financiers and therefore negatively impact the Group's access to capital.

Moreover, there is a risk that the Group incurs or assumes unknown or unanticipated liabilities or contingencies pertaining to customers, suppliers, employees, governmental authorities, environmental damage or other parties. In addition, there is a risk that purchase agreement indemnities are not enforceable, limited or expired and risk of disagreements in relation to sellers regarding enforceability or scope of contractual rights or liabilities. Unforeseen or misjudged acquisition-related risks may require the Issuer to make further capital contributions in relation to acquired entities and could result in the profitability or cash flow from an acquired entity decreases and can therefore have a significant negative impact on the Group's results of operation and financial position.

Furthermore, there is a risk that any change of control occurring in connection with acquisitions lead to any future target company's contracts being terminated, which could be due to that relevant change of control clauses have not been identified or handled properly, or that customers or other contracting parties of the acquired company terminate their contracts for any other reason. This could in turn lead to uncalculated loss in relation to acquired targets, which in turn would affect the Group's revenues and financial position.

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

### **Risks related to customers and commercial contract structure**

The Group's commercial contracts for provision of services include customer agreements where subcontractors of the Group carry out work in relation to the Group Company's customers. Several customer agreements with larger customers are typically structured as framework agreements with call-of orders under the project specific agreements. A major part of revenue for the Group Companies VSM Entreprenad and Uppländska Berg are based on customer agreements for construction projects invoiced for by units delivered, i.e., the services are rendered on open account per hour, ton or square meter of material transported etc., rather than being compensated per project. Since the measurement of delivered units is usually not performed until the project is completed, the accounting for accrued income comprises a certain degree of assumptions and estimations. Furthermore, it is common within the construction business that disagreement about the right compensation for work completed occur, which may result in subsequent reductions of invoiced sales. Furthermore, as the framework agreements normally do not contain minimum purchase obligations for the customer, there is a risk of orders not being made as anticipated or that disagreements between the Group Companies and the customer lead to that any call-off agreement of more temporary nature is terminated. Should the estimations on accrued income prove faulty, disagreements on the adequate compensation occur or orders under call-off agreements not be made as anticipated, it could lead to decreased or less foreseeable sales, which in turn would negatively affect the Group's revenue and liquidity. Furthermore, compensation for increased cost, for example for fuel, is often regulated in contract but discussions may arise about such compensation. Should any disagreements of the above be material, it could lead to lengthy and costly disputes that would negatively affect the Group's business and lead to potential loss.

In addition, it is a common industry practice to enter into oral project agreements, based on written offers, within the Group's operating segments. There is a risk that such lack of written agreements imply uncertainties as regards the applicable terms and conditions, e.g. with respect to allocation of liability, and that such lack of clarity could expose the Group the greater risk for claims and disputes, which could be costly and time-consuming, disrupt business operations and divert management's attention from the day-to-day activities.

The Group is highly dependent upon successful sales activities under its customer agreements, and is therefore dependent upon maintaining existing customer agreements, both oral and written, as well as to obtain work orders on continuous basis. Should any of the above risks materialise, it could significantly reduce the Group's sales and

thereby available liquid funds. This would in turn have a material negative impact on the Group's operations, earnings and financial position, as well as future prospects.

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

### **Risks relating to dependence on key customers**

Since a small number of customers accounts for a large 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 and the Group has entered into time-limited framework agreements with a number of large construction companies in the Stockholm region. Hence, the Group relies on a strong relationship with its key customers in order for such agreements to be extended or renewed upon expiry. In addition, due to the importance of certain of the Group's material customers in terms of revenue, any delays or payment defaults in relation to such customers as well as a general deterioration in such customers' financial position or business would have a significant effect on the Group's revenue and therefore available liquidity. A loss of a substantial portion of revenue from the Group's material customers, regardless of cause, would have a material adverse effect on the Group's results of operations and, in the long term, financial position.

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

### **Risks relating to the project, project management and contractual chains**

The nature of the Group's business operations exposes the Group to project-related risks, such as the risk of faulty construction, risk for delay in completion, operating risks, risks relating to permissions, environmental risks, political risks etc. If the Group's projects are delayed due to such or other risks occurring, this could lead to partners and contractual counterparties claiming damages or compensation for liquidated damages from the Group.

The construction business in which the Group operates typically involves complex projects and a set-up where the main contractors rely on contractual chains of subcontractors for completing the relevant project. The Group typically acts as a subcontractor in relation to its customers. The use of subcontracting chains could increase the risk for non-completion or delays risk as well as that any contractual failure in the subcontracting chain affects the main contractor and other subcontractors and that potential liability for breach of contract or damages cannot be correctly allocated to the relevant main- or subcontractor. Where the Group itself, as a main contractor, uses subcontractors in its service delivery, the Group is responsible for fulfilling the contractual obligations vis-à-vis the customer, and the pricing of the services is, among other things, based on the subcontracting risks. Such risks could be subject to misjudgements which could lead to the Group being unable to compensate expenses or liability, including claims for liquidated damages, arising from subcontractors' failure to meet its contractual obligations.

Moreover, there can be no assurance that construction costs do not escalate during the time of the project, due to, for instance, misjudgements in budget estimates, unexpected or unforeseen challenges such as work- or employee related issues or injuries, political decisions, strikes, lock-downs and extreme weather events, some of which are difficult to predict. Unforeseen increases in project costs could not only result in increased expenses for the Group, but could also lead to delays and additional costs, and may as well hamper the Group's business continuation and harm the Group's business relationship with its customers, subcontractors and suppliers. Should any of the above risks materialise, it could have a material adverse effect on the Group's operations, earnings and financial position.

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

### **Risks related to the leasing of machines and vehicles and hire-purchase agreements**

In order to carry out its business activities the Group is dependent on the availability and functionality of a large number of machines and vehicles. In total, the Group engages about 1,900 machines and vehicles, whereof about 650 are owned by subcontractors servicing the Group on contractual basis, and as of 31 December 2021, the book value of the Group's plant and machinery amounted to SEK 338.8 million. The machines and vehicles used are large, complex and are typically high-value, such as wheel and track excavators, wheel loaders, dumpers, excavator loaders, crawler loaders, crane trucks, telehandlers with work platforms, graders, street sweepers, snowploughs and other types of specialist machinery. As a result, the Group's access to machines and vehicles is key to the Group's success as a full service provider and in order to carry out its business.

Certain of the vehicles and machines are held by the Group through leasing agreements. The Group has also purchased, and may in the future purchase, 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 becomes financially distressed prior to full settlement of payments, in which case the relevant object will form part of the seller's estate and made available to 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 such claim cannot be recovered. Furthermore, there is a risk that the Group's lease counterparties terminate the lease agreement to which it is a party, or utilises any rights of retention in relation to such lease agreements. There can be no assurance that the Group will be able to refinance such lease agreements on acceptable terms or at all.

Should any of the above risks materialise, it could materially negatively affect the Group's operations, earnings and financial position

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

### **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. For instance, in relation to the projects in which the Group is involved, only about one quarter of the operating units are owned by the Group, whereas the rest is owned by subcontractors. Moreover, Samgräv's transportation operations are outsourced to subcontractors. If any of the main suppliers or partners of the Group would terminate their contract with the Group, there is a risk that such supplier or partner cannot be replaced by an equivalent supplier or partner, e.g. in terms of price or quality, in a timely manner or at all. Further, various issues with suppliers or partners, such as delays, risky operations, erroneous construction work or inadequate workforce skills could adversely affect the Group's ability to operate and deliver under its customer agreements in a timely manner or at all, which could lead to the group breaching its contractual obligations, resulting in, for instance, fines or liquidated damages. Furthermore, if no spare capacity of services, equipment or machinery is available from the Group's collaboration partners, there is a risk that any delay result in the Group having to pay damages under its customer agreements. If any of these risks materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

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

### **Risks related to geographic concentration risk**

The Group operates in Sweden, and large construction and engineering projects often take place in the metropolitan areas. For the financial period of 1 January 2022 - 30 June 2022, approximately 33 per cent. of the Group's sales derived from greater Stockholm, whereas approximately 24 per cent. derived from the Gothenburg region. The Group is therefore highly dependent upon the continued urbanisation trend as well as continued investments in and development of infrastructural projects in, such regions. As the Group's largest ongoing projects, are publicly financed infrastructural initiatives, the Group is also dependent on a favourable political environment in such regions. Consequently, decreased investments, adverse developments or an unfavourable political climate in the Group's main geographical areas would adversely affect the Group's sales and growth opportunities. This would in turn have a material negative impact on the Group's earnings and financial position, and, in the long term, future prospects.

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

### **Risks related to the use of usufruct agreements**

Certain Group Companies have entered into several usufruct agreements in relation to landfill and blasting for Samgräv. Certain of these agreements have been entered into on indefinite time and may therefore be terminated at any time upon a certain notice period, and may also be terminated in advance in case of e.g. failure of payment or failure to receive or obtain relevant permits. If usufruct agreements entered into on indefinite time were to be terminated or if any other usufruct agreements were to be terminated in advance, it could have a material negative impact on the relevant Group Company's operations, and consequently also the Group's, earnings and financial position.

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

### **Risks relating to the supply of cement**

The Group's operations are dependent on cement from external suppliers. The primary supplier of cement in Sweden, Cementa, does not have a long term permit for production of cement at its site in Slite, Gotland. The permit was extended on 18 November 2021 until the end of 2022. However, there is still uncertainty as to whether the permit will be further prolonged or if Cementa's operations at Slite will cease at the end of the short term permit. If Cementa's production in Slite were to cease or sharply decrease, temporarily or permanently, there is a risk of a serious disruption of the supply of cement in Sweden, causing price increases and disruptions in availability of cement in the Swedish market, which could have an adverse effect on the Group's business, operations and financial condition.

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

## **Risks related to the Group's financial situation**

### **Refinancing risk**

The Group's business is, and may from time to time be, partly financed through borrowings such as bank loans and corporate bonds. Hence, the Group is dependent on its ability to obtain necessary financing besides equity and cash flow from time to time and may be required to refinance its outstanding debt, including the Bonds. The access to and terms of such debt capital depends on the conditions for lending in the financial system, and there is a risk that the Issuer is unable 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. This could result in a shortage of available investment funds or working capital, which could cause delays, reduced business activity or termination of certain operations or that investments such as acquisitions cannot be made as planned. This could, in turn, have a material negative impact on the Group's operations and financial position as well as growth opportunity.

Furthermore, existing or future financing in the Group may contain financial covenants and/or undertakings, which, if breached and not waived, could result in such financing being accelerated and/or due and payable. There is a risk that the Group in the future becomes subject to requirements of fulfilling financial covenants, and that the Group fails to meet any requirements under such covenants. If any of the Group's financing arrangements should be accelerated or declare due and payable, and the Group is unable to effect any remedies or refinance such accelerated debt in a timely manner or at all, it would have a material negative impact on the Group's financial position.

The Issuer considers that the probability of the above risks occurring and the probability of the risk that the Group will not be able to obtain financing, is medium. If the risks would occur, the Issuer considers the potential negative impact to be high.

### **Risks related to macroeconomic factors and global economic and market conditions**

The Group operates in the construction and industrial sectors, which are to a large extent affected by macroeconomic factors.

Economic downturn and uncertainty on the international financial markets (with for example increased inflation and interest rates) have adverse impacts on the global economy, which in turn may affect the financial position of customers of the Group and the cost for various projects, affecting their ability and willingness to request the Group's services. Even if investments in large infrastructural projects generally are carried out also in times of economic downturn, the demand for the Group's services is highly dependent on the construction cycle and general economic cycle. 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 sales decreased and business is negatively impacted, either temporarily or long-term, by unfavourable credit markets affecting construction companies' and end-users' access to credit, a decrease in production of new premises and residential properties, as well as adverse changes in infrastructure spending, whether due to budgetary restrictions in state-backed initiatives or decreased spending power for construction companies. Furthermore, macro-economic factors may adversely impact the cost of construction materials or an increase in interest rates, which would adversely affect the Groups earnings and cost for financing, respectively.

Furthermore, the price (especially fuel prices) and accessibility of raw materials and commodities may be negatively affected by macroeconomic factors. Supply and demand control pricing on the global market, and any price increases may be due to several factors, some of which are difficult to predict. The Group has not entered into any arrangements for hedging price volatility in fuel prices. Diesel and other fuels constitute important commodities for the Group. Such increased costs are not fully mitigated by the Group's commodity contracts and price volatility may therefore have significant effects on the Group's operating expenses and materially negatively affect the Group's earnings.

Deterioration of the global economy leading to deteriorations in relation to the construction and industrial sectors as described above could lead to decreased demand of the Group's services or increased expenses, which in turn would have a material negative impact on the Group's operations and earnings, as well as, in the long turn, financial position.

In February 2022, war broke out in Ukraine, which has had several consequential effects on the world economy. Due to dependencies in the supply chain that may so far be difficult to predict, this could lead to even greater shortages or delays. The conflict has also reinforced an already ongoing trend of cost increases on key commodities, not least on fuel, which affects the Group. The effects of the changing world situation are so far difficult to fully comprehend. A downturn in the economy and declining GDP as a result of a continued conflict in Ukraine, with supply disruptions and price increases as a result, could have an adverse effect on the Group's business, operations and financial condition.

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

### **Risks related to availability of capital**

The Group finances its business by borrowings and by generating profit through the Group's operations and the capital expenditures incurred are primarily related to acquisitions of new machines, vehicles and equipment. As a result and in order to maintain continuous service levels, the Group is dependent on that operations are successfully financed by borrowings or equity and a sufficient cash flow is generated by current operations. If the Group fails to maintain sufficient levels of liquidity, it may not be able to pursue existing or future business activities, take advantage of future growth opportunities or respond to competitive pressures.

The Issuer considers that the probability of the Group failing to maintain sufficient levels of cash is medium. If the risks would materialise the Issuer considers the potential negative impact to be medium.

### **Dependency on subsidiaries**

The Issuer is a holding company and holds no significant assets other than investments in its subsidiaries and the Group's operations are carried out by the Issuer's subsidiaries. As the major part of the Issuer's assets and revenues therefore relate to or are derived from its subsidiaries, the Issuer's ability to make payments of interest on its debts and funding is affected by the ability of its subsidiaries to transfer available funds to it. Consequently, the Issuer is dependent on its subsidiaries to fulfil its financial obligations and make payments under the Bonds.

The Issuer's subsidiaries are distinct and legally separate entities in relation to the Issuer and besides guarantees entered into in relation to the Bonds and Super Senior RCF (as defined below), such subsidiaries have no obligation to fulfil the Issuer's obligations with regard to its creditors or to make funds available for such payments. Even if such funds would be made available for the Issuer, there is a risk that such funds are non-distributable, restricted or prohibited by legal and contractual requirements applicable to the respective subsidiary, including the relevant subsidiaries' financing arrangements. If the subsidiaries do not generate liquidity or are prevented from distributing funds to the Issuer, there is a risk that the Issuer needs to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. This could in turn have a material adverse effect on the Group's results of operation and financial position.

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

## **Legal, regulatory, reputational and internal control risk**

### **Legal disputes**

The Group operates in a sector with a complex legal framework and numerous contracting parties. The Group is currently, and may in the future, from time to time, be involved in litigation, legal proceedings, disputes or be

subject to claims, which may be significant. Such proceedings may be initiated by, for instance, contracting parties and employees as well as public authorities, and may involve, for instance, settlement for payment obligations, contract breaches as well as claims for damages. The Group is currently involved in several dispute, however none of which that, in itself, is material.

There is a risk that present or future disputes, claims and investigations are time-consuming and result in costs, the size of which cannot always be foreseen. Furthermore, legal disputes may have significant effects on the Group's reputation, and even small disputes in terms of financial significance, may adversely affect the Group's reputation. As a result, should the Group be subject to disputes, claims and investigations, it could have a material negative impact on the Group's operations and earnings, as well as, in the long term, financial position.

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

### **Environmental risks and permits**

Since the Group carries out business activities in the construction business, the Group is subject to a wide range of environmental rules and regulations, for example, the Swedish Environmental Code (Sw. miljöbalken), under which the Group is subject to supervision and is required to hold several permits in order to carry out its business operations. Permits are held for the Group's landfill, aggregate and recycling centres and the Group regularly needs to apply for blasting and crushing permits for certain of its operations. In order to mitigate environmental impact, the Group also seeks ISO certifications. The Group is dependent on its ability to obtain, maintain and renew relevant approvals and permits in order to pursue its operations as currently conducted in compliance with applicable environmental laws and regulations. The Group is however also dependent on its ability to assess its environmental impact and to obtain, maintain and renew any voluntary certifications, such as ISO certifications, in order to remain an attractive business partner and generate revenue and growth. There is a risk that necessary permits for the existing operations or future operations cannot be obtained, maintained or renewed upon expiry, which could result in business disruption causing the Group to breach contractual obligations or lead to increased costs. There is also a risk for that the Group becomes subject to additional permits for any possible future changes to the Group's operations and that such permits cannot be obtained, or are significantly delayed, which could result in that business activities cannot be carried out as planned. Such future requirements for permits could result in that the supervisory scope is extended, and could lead to the Group incurring additional costs and a need for internal control measures. Furthermore, failure to meet any environmental or sustainability-related standards set by customers could have a negative impact on the relevant customer relationship, which could lead to loss of customers and/or revenue.

The Group's operations are exposed to risks for 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, could be costly and is not always covered by the Group's insurance policy. There is also a risk that the Group becomes liable for contaminations on former sites where it has operated its business. There is also a risk that the Group is held liable for contaminations that occur while performing contracted work on customer's premises. In addition, where the Group expands its business operation, the Group may acquire environmental liability in relation to any future operating site. Furthermore, Samgräv, SÅCAB Åkericentral and Norrvidinge operate landfills, recycling sites and quarries. If Samgräv, SÅCAB Åkericentral and Norrvidinge would cease such operations, they would be required to restore and to perform aftercare procedures to the site where the operations

have taken place, either according to the usufruct agreement regarding the site or according to the relevant operating permit.

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. Should any of the above risks materialise, or the Group incur additional or significant costs in relation to compliance with environmental rules, regulations or standards, or that are associated with pollution, contaminations, restoration and aftercare procedures, it could have a material negative impact on the Group's operations, earnings and financial position.

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

### **Risks related to tax issues, tax laws and charges**

Changes to taxes such as corporate tax, value added tax and other governmental charges risk 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.

Furthermore, the Group may from time to time, be subject to tax audits and investigations by tax authorities or other authorities. There are currently no outstanding audits or penalties in relation to tax but there is a risk that future audits or investigations by authorities result in lengthy legal disputes and in the payment of e.g. additional tax amounts, interest and penalties, which would negatively affect the Groups earnings and financial position as well as may generate negative publicity and harm the Group's reputation with its customers and other parties.

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

### **Risks related to reputation**

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 act in a manner that conflicts with the Group's values, or should the Group exhibit poor business ethics, including impropriety, bribery and corruption, it could harm the Group's reputation. Furthermore, there is a risk that the Group's reputation is damaged if any of the Group's projects not meet market expectation which could be due to numerous factors such as loss of control over subcontractors, unforeseen delay in operations or operational failure. Such loss of confidence in the Group's proposition could lead to decreased revenues and that business opportunities are missed. In addition, for long-term success, the Group and its subsidiaries need to be perceived as an attractive employer, and there is a risk that safety incidents, deteriorations of the working environment, negative publicity or employee dissatisfaction, whether warranted or not, could be detrimental for the Group's reputation as an attractive employer. This could in turn adversely affect the Group's ability to attract and retain a motivated and skilled workforce as described under risk factor "Risks relating to hiring and retaining experienced and motivated personnel and key persons".

Should the above risks materialise and the Group's reputation be negatively affected as described above, it could have a material negative impact on the Group's operations and financial position.

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

## **Social and governance risk**

### **Risks relating to hiring and retaining experienced and motivated personnel and key persons**

Personnel costs constitute a significant cost item for the Group, and the Group is dependent on an engaged, skilled and motivated workforce. As of the date of this Prospectus, the Group has approximately 700 employees, employed within the several Group Companies.

Carrying out work within large-scale complex construction projects involving heavy machines requires a high degree of experience and expertise and the Group thus depends upon its ability to attract, employ, train and retain qualified personnel with particular technical skill. Consequently, the Group's development and financial prospects are dependent on the ability to attract and develop the right personnel and to retain the workforce. There is a risk that the Group fails in its recruitment of skilled personnel, both in relation to the numbers and the qualifications needed. Such failure could adversely affect the Group's ability to maintain its production and supply efficiency as well as to develop its products, which in turn could result in business interruption, impaired brand recognition and failure to implement growth strategies.

Furthermore, 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. There is a risk that key individuals leave the Group and appropriate successors cannot be recruited which could lead to increased cost and business disruption.

Should any of the aforementioned risks materialise, it could have a material adverse effect on the Group's results of operation, financial position and future prospects.

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

### **Risks related to personal safety**

The Group's operations involve work on large machinery, vehicles and blasting, hence there is an increased risk of work accidents. Acting in accordance with applicable safety instructions is critical for avoiding personal injury and staff safety is highly prioritised in the Group. Consequently, the Group is dependent in internal and external investigation and reporting of risks, incidents and accidents in order to be able to take action in a timely and cost-efficient manner. The Group is also dependent on its ability to create and maintain safe workplaces, train staff on safety and change attitudes to counter risky behaviour.

If work related accidents occur, the Group may face claims from current or former employees, labour or trade unions as well as governmental agencies. Such incidents may also lead to a need for initiating remedial measures, suspension or the shutting down of operations. Personal injuries and accidents may also cause employee dissatisfaction and distrust, and would have a negative impact on the Group's reputation. This would in turn adversely affect the Group's operations and competitiveness. Furthermore, there is a risk that any insurance coverage acquired will be sufficient to cover the costs and losses incurred, and claims for coverage under the Group's insurances for such matters, may lead to increased insurance premiums.

Should any of the above materialise, in relation to the Group's employees it would expose the Group to risks for reputational damage, impaired competitiveness and increased costs and could in turn have an adverse effect on the Group's operations and financial position.

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

### **Risks relating to inadequate insurance coverage**

The Group is dependent on maintaining an insurance coverage tailored to its business activities and the Group Companies' current insurance solution covers, among other things, motor vehicle damages, property damages and business interruptions as well as transport liability. The Group works in collaboration with its customers by way of providing services integral to the customers' operations and on such customers' premises, resulting in an increased risk for the Group causing damages to the customers' equipment and premises or the Group incurring third-party liability. Where the sales and services are provided by subcontractors, any incidents caused by such collaboration partner are intended to be covered by the relevant contractors' own insurance policy and the Group closely assesses the coverage procured by any subcontractor with which the Group collaborates. There is a risk that the Group fails in its assessment of the subcontractor's insurance coverage or that claims directed at the Issuer for any damage caused by the subcontractor cannot be reimbursed by the subcontractor's insurance policy due to, among other things, liability caps. Hence, should any material insurance liability materialise that is not covered by the Group's or the subcontractor's insurances, the Group may incur significant loss, also where actual damages are not caused by the Group Companies. Furthermore, the operations conducted by the Group also entail risks for personal injuries and other occupational accidents, which risks may be uninsurable. In addition, any insurance claims made by the group may result in that insurance premiums increase, which would increase the costs for maintain such incidents may result in that insurance premiums are significantly increased.

Considering the risks pertaining to the business activities conducted by the Group, a sufficient and adequate insurance coverage scheme is material in order for the Group to be compensated for any unforeseen loss.

There is a risk that the Group is unable to maintain or procure adequate insurance coverage in relation to its current or future business on favourable terms or at all, that the insurance premiums increase significantly due to any insurance claims made, and that the Group's provisions for uninsured costs are insufficient to cover the final costs. Should any such risks materialise, it would result in increased cost for insurance, which, in turn would have a material negative impact on the Group's earnings and in the long term, financial position. In addition, a few material or several smaller insurance claims could negatively affect the group's reputation, which could negatively affect the Group's future prospects.

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

### **Employment related issues**

As the Group is dependent on its workforce to pursue its business operations, the Group is dependent on a well-functioning relationship and cooperation with trade- and labour unions. There is a risk that the Group's relationship with trade unions cannot be upheld in the future, which could be the case if the Group, for instance, would need to reduce its work force. This could lead to employee dissatisfaction and conflicts, including strikes and lock-downs, which in turn could cause severe business interruptions and adversely affect the Group's reputation and business as well as, in the long term, future prospects.

Furthermore, upon the expiry of existing collective bargaining agreements, there is a risk that negotiations lead to strikes or work stoppages or that the terms and conditions become more unfavorable to the Group, without the Group being able to influence such agreements due to their collective nature. This could lead to increased costs, which cannot necessarily be compensated by, inter alia, cost-saving initiatives, price increases or increased sales, and which consequently would have an adverse effect on the Group's results of operations.

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

## **RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS**

### **Risks relating to the nature of the Bonds**

#### **Ability to service debt and credit risk**

The Issuer's ability to service its debt under the Bonds will depend on the Issuer's ability to have liquid funds in order to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors of which some have been mentioned above, such as prevailing economic conditions and financial, business, regulatory and other factors.

If the Group's operating income is not sufficient to service its current or future indebtedness, the Group may be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital.

An increased credit risk for investors will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds (see risk factor "Refinancing risk"). This would in turn negatively affect the Issuer's ability to repay the Bonds and maturity.

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

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

As mentioned under the risk factor "*Dependency on subsidiaries*", the Issuer is dependent on the receipt of dividends and other distributions from its subsidiaries. In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer – as a shareholder – would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. Defaults by, or the insolvency of, certain subsidiaries of the Issuer may result in the obligation for the Issuer to make payments under financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Issuer and its assets would not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise.

In accordance with the Terms and Conditions, the Issuer and/or the Group may incur additional debt, provided that such debt constitutes permitted debt. Incurring such additional indebtedness and the provision of security and guarantees may reduce the amount (if any) recoverable by the Bondholders if the Issuer is subject to any dissolution, winding-up, liquidation, restructuring (Sw. *företagsrekonstruktion*), administrative or other bankruptcy or insolvency proceedings.

Furthermore, and as part of the Transaction Security for the Bonds, the shares of the Issuer and certain of the Issuer's subsidiaries' shares, certain existing floating charges and intercompany loans, as well as any additional security as set out with the provisions in the Terms and Conditions will be pledged. Hence, such Transaction Security may, in the future, and subject to the terms of the Intercreditor Agreement (as defined below), constitute

security under other debt permitted under the Bonds such as any Hedging Obligations and any New Debt (both as defined in the Terms and Conditions). Defaults by, or the insolvency of, such subsidiaries of the Group may result in that such security is enforced and may trigger the occurrence of cross defaults in relation to other borrowings of the Group. This could in turn have a material adverse effect on the Group's results of operation and financial position as well as the Bondholders' recovery under the Bonds.

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

## **Risks related to the Transaction Security and the Guarantee**

### **Risks related to the Transaction Security and the Guarantee**

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer. In the event of bankruptcy, re-organisation or winding-up of the Issuer, the Bondholders normally receive payment after any priority creditors have been fully paid to the extent that the Bondholders' claim is not secured and settled by the enforcement proceeds from the Transaction Security. Furthermore, certain Group companies have provided guarantees to the bondholders and the Bonds agent securing the Issuer's obligations under the Bonds. In addition, the Issuer has entered into a super senior revolving credit facility in an aggregate nominal amount of SEK 350,000,000 (with the possibility to increase such amount to 100.00 per cent. of adjusted EBITDA, if higher) to finance working capital and general corporate purposes, including acquisitions and any other capital expenditure purposes of the Group as well as prepayment of the Existing Bonds. The Transaction Security and the Guarantees are shared between the Bondholders, any Hedge Counterparty (if any), New Debt Creditor (if any) and the Lender under the Super Senior RCF (all as defined in the Super Senior RCF) (see further risk factor "Shared security package" below). Under the Terms and Conditions and in order to establish the relative rights of the creditors of the Issuer and the Group, as well as the sharing of the Transaction Security and the Guarantees, an intercreditor agreement has been entered into between, amongst others, the Issuer, certain Group companies, the Lender under the Super Senior RCF and Nordic Trustee & Agency AB (publ) (as Security Agent). The Bondholders will receive proceeds from an enforcement of the Transaction Security and the Guarantees only after obligations of other Secured Parties secured on a super senior basis have been repaid in full.

There is a risk that the Transaction Security may not be enforceable in the event of a default of the Issuer, or only be enforceable in part, which may limit the recovery of the Bondholders. Moreover, the Transaction Security may be subject to laws protecting debtors and creditors generally, including restrictions on hardening periods applicable under relevant bankruptcy laws. These restrictions may give an insolvency receiver or other creditors a right to challenge or void the Transaction Security. Furthermore, if a subsidiary that has provided a Guarantee or whose shares are pledged in favour of the Secured Parties, is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such share pledge may have limited value because all of the subsidiary's obligations must first be satisfied. This potentially leaves only little or no remaining payment ability or assets in the subsidiary for the Secured Parties.

Moreover, if the Issuer issues additional Bonds, or incur certain other permitted debt and provide security and guarantees for such indebtedness, the security position of the current Bondholders may be impaired. If the proceeds from an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the Bondholders will only have an unsecured claim against the remaining assets (if any).



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

### **Shared security package**

The Transaction Security and Guarantees are shared under the Intercreditor Agreement. The Bondholders (and the other secured creditors) are represented by a security agent in all matters relating to the transaction security. The Security Agent will only take enforcement instructions from the Secured Parties and no Secured Party may independently accelerate, seek payment and exercise other rights and powers to take enforcement actions. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the Transaction Security or the Guarantees. There is also a risk that in case of a consultation period occurring due to conflicting enforcement instructions, actions are not taken in a timely manner, or are taken in a manner that is detrimental to one of the secured parties.

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

## **Risks relating to the admission of the Bonds to trading on a regulated market**

### **Liquidity risks and secondary market**

Pursuant to the Terms and Conditions, the Issuer has undertaken to have the Subsequent Bonds admitted to trading on Nasdaq Stockholm within six (6) months after the issue date. Furthermore, if the Subsequent Bonds have not been admitted to trading within sixty (60) days after the First Issue Date, a listing failure would occur, which gives the Bondholders an option to request that its Bonds are repurchased.

There is a risk that the Bonds will not be admitted to trading within the aforementioned timeframe, or at all. If the Issuer fails to admit the Bonds to trading within sixty (60) calendar days, Bondholders may request that its Bonds are repurchased, which could adversely affect the secondary trading of the Bonds.

Even if the Bonds are admitted to trading, active trading in the securities may not always occur and thus, there can be no assurance that a liquid market for trading in the Bonds will exist or be maintained. In particular with regard to that the Bonds are traded over-the-counter (OTC), there is a risk for a smaller volume of trades. If a liquid market for trading in the Bonds will not exist or cannot be maintained, it may lead to Bondholders being unable to 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, or can only sell their Bonds at a loss. Consequently, lack of liquidity in the market may have a negative impact on the market value of the Bonds.

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

# THE BONDS IN BRIEF

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

## General

Issuer .....	Bellman Group AB (publ), Swedish reg. no. 559108-3729.
Resolutions, authorisations and approvals .....	The Issuer’s board of directors resolved to issue the Bonds on 15 September 2022.
The Bonds offered.....	Senior secured callable floating rate bonds in an aggregate principal amount of SEK 250,000,000 due 10 February 2026.
Nature of the Bonds .....	The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i> ), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i> ).
Number of Bonds .....	In total, 200 Bonds will be admitted to trading on the corporate bond list of Nasdaq Stockholm.
ISIN.....	SE0015221999.
Issue Date .....	23 September 2022.
Price .....	All Bonds issued on the Issue Date have been issued at an issue price of 100.00 per cent. of the Nominal Amount.
Interest Rate .....	Interest on the Bonds is paid at a rate equal to the sum of (i) 3 month STIBOR, plus (ii) 5.00 per cent. <i>per annum</i> , provided that if STIBOR is less than zero, it shall be deemed to be zero. Interest will accrue from, but excluding, the Issue Date.
Use of benchmark .....	Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR. As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) does not appear in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the regulation (EU) 2016/1011 (the Benchmark Regulation).
Interest Payment Dates.....	Quarterly in arrears on 10 February, 10 May, 10 August and 10 November each year (with the first Interest Payment Date being 10 November 2022 and the last Interest Payment Date being the Final Redemption Date, 10 February 2026), provided that if any such day is not a Business Day, the Interest Payment Date shall be 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. Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Final Redemption Date .....	10 February 2026.
Nominal Amount.....	The initial nominal amount of each Bond is SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds was SEK 1,250,000.
Denomination.....	The Bonds are denominated in SEK.
Status of the Bonds .....	Subject to the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank, without any preference among them, at least pari passu with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them and except for the obligations under the Super Senior RCF and the Hedging Obligations which, following the entering into of the Intercreditor Agreement, shall rank super senior to the Bonds.
Use of Proceeds.....	The Net Proceeds of the Bond Issue shall be applied towards general corporate purposes, including but not limited to acquisitions.

## Call options

Full redemption at any time .....	The Issuer may redeem all of the Bonds in full on any Business Day before the Final Redemption Date at the applicable Call Option Amount together with accrued but unpaid Interest, in accordance with Clause 12.3 ( <i>Early voluntary total redemption (call option)</i> ) of the Terms and Conditions.
Partial redemption upon Equity Listing Event.....	The Issuer may at one occasion, in connection with an Equity Listing Event, make a partial prepayment of the Bonds, provided that at least 65 per cent. of the aggregate Nominal Amount of the Initial Bond Issue remains outstanding after such prepayment and subject to the other terms in Clause 12.4 ( <i>Voluntary partial redemption upon an Equity Listing Event (call option)</i> ) of the Terms and Conditions.
Partial redemption at any time ..	The Issuer may at one occasion make a partial prepayment of Bonds in an amount corresponding to a maximum of 20 per cent. of the aggregate Nominal Amount of the Initial Bond Issue, provided that at least 65 per cent. of the aggregate Nominal Amount of the Initial Bond Issue remains outstanding after such prepayment and subject to the other terms in Clause 12.5 ( <i>Voluntary partial redemption (call option)</i> ) of the Terms and Conditions.

Full redemption upon illegality...	The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents, in accordance with Clause 12.6 ( <i>Early voluntary total redemption due to illegality (call option)</i> ) of the Terms and Conditions.
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## Put option

Put Option .....	Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of 30 calendar days following a notice from the Issuer of the relevant event, in accordance with Clause 12.7 ( <i>Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)</i> ) of the Terms and Conditions.
Change of Control .....	A Change of Control means the occurrence of an event or series of events (for the avoidance of doubt, except for the Shareholder Mergers) whereby (a) the Parent ceases to own and control 100 per cent. of the voting rights in the Issuer or (b) one or more Persons (other than the Main Shareholder), acting in concert, acquiring or controlling 50.00 per cent. or more of the votes of the Issuer.
De-listing .....	A De-listing means a situation where (a) following an Equity Listing Event, the occurrence of an event or series of events resulting in one or more Persons (other than the Main Shareholder), acting in concert, acquiring shares representing more than 30 per cent. of the votes in the Issuer or establishing control over more than 30 per cent. of the votes in the Issuer ("Control"), provided that a mandatory bid in accordance with the applicable securities laws is, or has to be, launched due to accrual of such Control and provided no exception has been granted by, the Swedish Securities Council (Sw. <i>Aktiemarknadsnämnden</i> ), or (b) once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).
Listing Failure .....	A Listing Failure means a situation where (a) the Initial Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within 60 calendar days after the First Issue Date, or (b) any Subsequent Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market

within 60 calendar days after the Issue Date in respect of such Subsequent Bonds.

## Undertakings

Certain undertakings .....	<p>The Terms and Conditions contain a number of undertakings that restrict the ability of the Issuer and other Group Companies, including, among others:</p> <ul style="list-style-type: none"> <li>• restrictions on making distributions;</li> <li>• undertaking to have the Bonds admitted to trading on a regulated market within six months after the Issue Date;</li> <li>• restrictions on incurring any new and prolonging existing Financial Indebtedness;</li> <li>• restrictions on providing or extending loans to other parties;</li> <li>• restrictions on providing guarantees or security over Group assets;</li> <li>• restrictions on disposals of assets; and</li> <li>• restrictions on dealings with related parties.</li> </ul>
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Each of the above undertakings is subject to significant exceptions and qualifications. See the Terms and Conditions for more information.

## Miscellaneous

Transfer restrictions .....	<p>The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which such Bondholder may be subject (due to, <i>e.g.</i>, its nationality, its residency, its registered address or its place(s) of business). The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.</p>
Credit rating .....	<p>No credit rating has been assigned to the Bonds.</p>
Admission to trading .....	<p>Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm, a Regulated Market, will be filed in connection with the SFSA's approval of this Prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 4 November 2022. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 250,000.</p>
Representation of the Bondholders .....	<p>Nordic Trustee &amp; Agency AB (publ), Swedish reg. no. 556882-1879, is acting as Agent for the Bondholders in relation to the Bonds and any other matter within its authority or duty in accordance with the Terms and Conditions.</p> <p>By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the Agent, set out in the Terms</p>

and Conditions. The Terms and Conditions are available at the Agent's office address, Norrlandsgatan 23, SE-111 43 Stockholm, Sweden, during normal business hours as well as at the Agent's website, [www.nordictrustee.com](http://www.nordictrustee.com) and at the Issuer's website [www.bellmangroup.se](http://www.bellmangroup.se).

Governing law .....	The Bonds are governed by Swedish law.
Time-bar.....	The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten 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 years from the relevant due date for payment.
Clearing and settlement.....	The Bonds are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. <i>VP-konto</i> ). No physical Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.
Risk factors .....	Investing in the Bonds involves substantial risks and prospective investors should refer to " <i>Risk Factors</i> " above for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

# DESCRIPTION OF THE GROUP

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## Overview of the Issuer and the Guarantors

### Bellman Group (Issuer and Guarantor)

Legal and commercial name.....	Bellman Group AB (publ)
Corporate reg. no. ....	559108-3729
LEI-code.....	549300DF0MS2EGNBJV86
Date and place of registration....	10 April 2017, Sweden
Date of incorporation .....	27 March 2017
Legal form.....	Swedish public limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Stockholm, Sweden
Head office and visiting address	Vallgatan 9, 170 67 Solna, Sweden
Phone number.....	+46 (0)70 87 450 41
Website.....	www.bellmangroup.se (the information provided at the website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Directly or indirectly, carry out construction operations within, primarily, the sectors of construction, infrastructure and land transport, as well as owning and administering property and movables (Sw. <i>lös egendom</i> ), carry out services within the Group and thereto related operations.
Credit rating	No credit rating has been assigned to the Issuer.

### Uppländska Berg (Guarantor)

Legal and commercial name.....	Uppländska Bergborrnings Aktiebolaget
Corporate reg. no. ....	556213-1556
Date and place of registration....	23 November 1981, Sweden
Date of incorporation .....	31 August 1981

Legal form.....	Swedish limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Norrtälje, Sweden
Head office and visiting address	Abborrvägen 14, 761 41 Norrtälje, Sweden
Phone number.....	+46 (0)176-766 40
Website.....	www.upplandskaberg.se (the information provided at the website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Carry out earthworks, rock crushing works and rock blasting works and thereto related operations.

### **Bellmans Åkeri & Entreprenad (Guarantor)**

Legal and commercial name.....	Bellmans Åkeri & Entreprenad Aktiebolag
Corporate reg. no. ....	556402-9006
Date and place of registration....	6 August 1990, Sweden
Date of incorporation .....	10 July 1990
Legal form.....	Swedish limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Nacka, Sweden
Head office and visiting address	Snickarvägen 12, 132 38 Saltsjö-Boo, Sweden
Phone number.....	+46 (0)8 15 00 90
Website.....	www.bellmans.se (the information provided at the website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Carry out excavation works and earthworks, transport operations and sale of excavators, dozers and cars as well as holding, managing and trade with securities and thereto related operations.



### **VSM Entreprenad (Guarantor)**

Legal and commercial name.....	VSM Entreprenad AB
Corporate reg. no. ....	556856-6011
Date and place of registration....	20 June 2011, Sweden
Date of incorporation .....	30 May 2011
Legal form.....	Swedish limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Järfälla, Sweden
Head office and visiting address	Galgbacken 2, 176 77 Järfälla, Sweden
Phone number.....	+46 (0)8-583 520 60
Website.....	www.vsm.se (the information provided at the website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Carry out earthworks, letting of construction machinery and thereto related operations.

### **Samgräv (Guarantor)**

Legal and commercial name.....	Samgräv Holding AB
Corporate reg. no. ....	556850-6363
Date and place of registration....	26 April 2011, Sweden
Date of incorporation .....	26 April 2011
Legal form.....	Swedish limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Gothenburg, Sweden
Head office and visiting address	Bilgatan 7B, 442 40 Kungälv, Sweden

Phone number.....	+46 (0)10 160 20 00
Website.....	www.samgrav.se (the information provided at the website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Hold and administrate shares and carry out letting of movables, including office equipment and inventories, e.g. furniture and hardwares, and thereto related operations.

#### **Samgräv Maskinförmedling AB (Guarantor)**

Legal and commercial name.....	Samgräv Maskinförmedling AB
Corporate reg. no. ....	556812-2252
Date and place of registration....	22 June 2010, Sweden
Date of incorporation .....	8 June 2010
Legal form.....	Swedish limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Gothenburg, Sweden
Head office and visiting address	Bilgatan 7B, 442 40 Kungälv, Sweden
Phone number.....	+46 (0)10 160 20 00
Website.....	www.samgrav.se (the information provided at the website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Carry out letting of construction machinery and trucks, including operating personnel, and sale of gravel products and carry out minor construction works under subcontracts, and thereto related operations.

#### **SÅCAB Åkericentral (Guarantor)**

Legal and commercial name.....	SÅCAB Åkericentral Aktiebolag (publ)
Corporate reg. no. ....	556527-8529
Date and place of registration....	12 December 1995, Sweden
Date of incorporation .....	9 November 1995

Legal form.....	Swedish public limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Huddinge, Sweden
Head office and visiting address	Fräsarvägen 18, 142 50 Skogås, Sweden
Phone number.....	+46 (0)8 609 09 09
Website.....	www.sacab.se (the information provided at the Issuer's website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Carry out transport operations and construction works within the construction sector and thereto related operations.

### **Norrvidinge (Guarantor)**

Legal and commercial name.....	Norrvidinge Lastbilscentral AB
Corporate reg. no. ....	556765-7571
Date and place of registration....	15 September 2008, Sweden
Date of incorporation .....	28 August 2008
Legal form.....	Swedish limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554))
Registered office .....	Svalöv, Sweden
Head office and visiting address	Bunkagårdsgatan 4, 253 68 Helsingborg, Sweden
Phone number.....	+46 (0)10 457 99 00
Website.....	www.norrvidinge.se/ (the information provided at the Issuer's website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)
Objective in articles of association	Carry out transport operations, transport services, trading with agricultural products, ballast material and environmental recycling products and thereto related operations.

## History and development

The key events in the Group's history are outlined below.

Year	Event
2017	<ul style="list-style-type: none"> <li>The Company is founded</li> <li>The Company acquires Modern Sprängteknik i Norden AB (including <i>inter alia</i> its subsidiary Uppländska Berg) ("<b>Modern Sprängteknik</b>"), Bellmans Åkeri &amp; Entreprenad and Grundab Entreprenader i Stockholm Aktiebolag ("<b>Grundab</b>")</li> <li>The Company issues SEK 220 million bonds in series 2017/2021</li> </ul>
2018	<ul style="list-style-type: none"> <li>The Company acquires VSM Entreprenad</li> <li>The Company issues an additional amount of SEK 280 million bonds in series 2017/2021</li> </ul>
2019	<ul style="list-style-type: none"> <li>The Company acquires Samgräv</li> <li>Grundab is merged with Bellmans Åkeri &amp; Entreprenad, whereby Bellmans Åkeri &amp; Entreprenad is the surviving entity</li> <li>Modern Sprängteknik is merged with Uppländska Berg, whereby Uppländska Berg is the surviving entity</li> <li>The Company issues an additional amount of SEK 100 million bonds in series 2017/2021</li> </ul>
2020	<ul style="list-style-type: none"> <li>The Company acquires SÅCAB Åkericentral</li> <li>The Company acquires Losshållningsbolaget</li> <li>The Company acquires Bugärde Utveckling AB</li> </ul>
2021	<ul style="list-style-type: none"> <li>The Company acquires Ivarssons</li> <li>The Company acquires Norrvidinge</li> <li>The Company issues the Bonds</li> <li>The Company redeems bonds in series 2017/2021</li> </ul>
2022	<ul style="list-style-type: none"> <li>The Company acquires Holmgrens</li> <li>The Company acquires Öhmans</li> <li>Uppländska Berg acquires all assets of Axelssons Diamanthåltagning</li> <li>Haimos Alexander Holding AB and Haimos Holding 26 AB are merged with Haimos HoldCo AB, whereby Haimos HoldCo AB is the surviving entity</li> </ul>

## **Business and operations**

### **The Group**

The Group operates in the construction, haulage and industrial sectors in, primarily, Sweden, and carries out blasting, excavation and groundwork, mass transport as well as landfill, recycling and mass handling. The Group has a key role in the construction projects, being a subcontractor that, through its range of services to construction companies, enables the carrying through of construction projects. For the financial period of 1 January 2022 - 30 June 2022, approximately 33 per cent. of the Group's sales were in the Greater Stockholm region, and approximately 24 per cent. from the Gothenburg region. However, many projects are carried out outside the major cities as well. For example, VSM Entreprenad has worked on projects including Sälen Airport, and Uppländska Berg is frequently involved in the construction of new windpower plants.

The Group operations are carried out within three market segments: infrastructure, housing as well as industrial and commercial properties. The Group's business is mainly carried out in the Stockholm, Gothenburg, South Sweden and North Sweden regions, but also in other parts of Sweden. The sales by geographical region for the financial period of 1 January 2022 - 30 June 2022 are: Stockholm region 33 per cent., Gothenburg region 24 per cent., south of Sweden 18 per cent. and other regions 25 per cent.. In 2021, net sales for the Group were SEK 2.9 billion. The Group, has its registered offices in Solna, Sweden, currently has approximately 700 employees and 900 subcontractors.

As construction and infrastructure initiatives typically feature complexity, this places demands on the collaborative partners of construction and civil engineering companies. The Group offers both scale and breadth in its services and has extensive experience of complex projects, where the demand for project management capabilities, skills and scheduling are critical success factors. With each Group entity offering unique and complementing capabilities, the Group is able to have a unique and leading position in its sector by being a full-service provider.

Furthermore, the Group operates through subcontractors. By appointing subcontractors, the Group can adjust the number of available machines and vehicles to match customer needs, which increases flexibility and reduces risk.

### **Bellman Group (Issuer and Guarantor)**

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 and their respective subsidiaries and associated entities. The Company is thus dependent on its subsidiaries and associated companies.

### **Uppländska Berg (Guarantor)**

Uppländska Berg carries out rock drilling works, blasting works and wire sawing works nationwide in Sweden and operates approximately 80 machines, of approximately 15 per cent. are owned by subcontractors. Approximately 60 per cent. of the sales during 2021 were generated from infrastructure projects and remaining sales were generated from quarry blasting services and work related to industrial, commercial real estate and residential construction projects.

### **Bellmans Åkeri & Entreprenad (Guarantor)**

Bellmans Åkeri & Entreprenad operates within the haulage business, mainly within the fields of building and construction. Bellmans Åkeri & Entreprenad also offers other services, such as mediation of road and safety vehicles as well as mediation of blasting and drilling services. Bellmans Åkeri & Entreprenad is primarily an

intermediary with a network of selected sub-suppliers. Bellmans Åkeri & Entreprenad's operations are concentrated in the Stockholm region.

#### **VSM Entreprenad (Guarantor)**

VSM Entreprenad is a construction machinery company with business in the Nordic countries, mainly in Sweden and Norway. The customers are mainly construction companies where VSM Entreprenad assists in various excavation works requiring machinery too large for public road transport. VSM Entreprenad is mainly contracted to infrastructure projects, such as roads, railways or airfields, such as *Västlänken* and *Förbifart Stockholm*. Its operations comprise of handling of gravel and other masses at stationary and mobile crushing plants, excavation within road, tunnels, plants and exploitation projects and rental of machinery and operators.

#### **Samgräv (Guarantor), including its subsidiary Samgräv Maskinförmedling AB (Guarantor)**

Samgräv, headquartered in Kungälv, owns and runs landfills, recycle stations and quarries and offers services within transport and machinery in western Sweden. Samgräv provides major construction projects in the Gothenburg region, for example *Västlänken*, with products and services within handling of masses and materials. One of Samgräv's competitive advantages is that the company's landfills and recycle stations, where Samgräv also offers services within transport- and machinery, are on the same locations. This results in environmental, cost effective and holistic services for the customers, since transport distances are shortened and emissions are reduced.

#### **SÅCAB Åkericentral (Guarantor)**

SÅCAB Åkericentral mediates vehicles and machinery to all types of excavations with transports within the construction business and owns a landfill south of Stockholm. SÅCAB Åkericentral carries out various types of services for the construction business, recycling of masses and decontamination of masses.

#### **Norrvidinge (Guarantor)**

Norrvidinge operates mainly in the south of Sweden and provides transport and machine services as well as engineering materials in the south of Sweden and performs all kinds of assignments within civil engineering logistics and construction.

#### **Ivarssons**

Ivarssons is a land and civil engineering company that operates mainly in the Gothenburg region. Ivarssons performs all types of ground and civil engineering work and is also specialized in areas such as deep shafts and marine related assignments with a focus on stability enhancing measures and erosion protection.

#### **Holmgrens**

Holmgrens performs all types of land construction work regarding road, water, foundation and drainage.

#### **Öhmans**

Öhmans is located in the north of Sweden and provides full services within construction, blasting, crushing, road and railway construction and transport of masses.

### **Material agreements**

Other than the agreements described in this section, the Issuer, the Guarantors or any other Group Company have not entered into any material agreements outside the ordinary course of such company's business which could result in any Group Company being under an obligation or entitlement that is material to the Issuer's or any Guarantor's ability to meet its obligations to the Bondholders.

### **The Super Senior RCF**

On 22 January 2021, the Issuer entered into the Super Senior RCF (as amended and restated) with Swedbank, under which the Issuer may utilise credit under a credit facility, due in 2025, up to an amount of SEK 350 million to finance working capital and general corporate purposes, including acquisitions and any other capital expenditure purposes of the Group. The undertakings of the Issuer under the Super Senior RCF largely mirrors the Terms and Conditions in material parts. None of the deviating undertakings in the Super Senior RCF vis-à-vis the Terms and Conditions are deemed material by the Issuer or any Guarantor.

### **The Intercreditor Agreement and the Transaction Security Documents**

The Transaction Security and the Guarantees are shared between the Bondholders, any hedge counterparty, any new debt creditor and the lender under the Super Senior RCF (Swedbank). In order to regulate the rights of the creditors of the Issuer and the Group, as well as the priority of the Transaction Security and the Guarantees in case of default and enforcement, the Intercreditor Agreement was concluded on 23 February 2021. Such agreement has been entered into between, or acceded to (as applicable) by, amongst others, the Issuer, certain Group companies, the Lender under the Super Senior RCF and the Agent (as security agent for all secured parties). The Intercreditor Agreement provides that enforcement proceeds shall be allocated among the creditors on waterfall priority basis, entailing that the Bondholders will receive proceeds from an enforcement of the Transaction Security and the Guarantees after obligations of other secured parties secured on a super senior basis (currently only Swedbank) have been repaid in full.

The current Transaction Security and Guarantees are regulated by the Intercreditor Agreement and the below agreements, each agreement securing the secured obligations (currently the Issuer's obligations under the Terms and Conditions, the Super Senior RCF and all related finance documents).

- Pledge agreements in respect of all shares in the Issuer, Bellmans Åkeri & Entreprenad, Uppländska Berg, VSM Entreprenad, SÅCAB Åkericentral, Samgräv, Samgräv Maskinförmedling AB and Norrvidinge.
- Pledge agreement in respect of any shareholder loans provided by the Parent.
- Pledge agreement in respect of all present and future Material Intragroup Loans.
- Pledge agreements in respect of existing floating charges (*Sw. företagsinteckningar*) issued in Bellmans Åkeri & Entreprenad, Uppländska Berg, VSM Entreprenad, SÅCAB Åkericentral, Samgräv Maskinförmedling AB and Norrvidinge.
- Guarantee Agreement under which the Guarantors provide the Guarantee (see immediately below under "*The Guarantee and the Guarantee Agreement*" and further below under "*Guarantee Agreement*").

Additional security and guarantees may be provided in accordance with, and as further described in, the Terms and Conditions of the Bonds and the Super Senior RCF, tested on an annually basis in connection with the Annual Report and upon a Permitted Acquisition.

### **The Guarantee and the Guarantee Agreement**

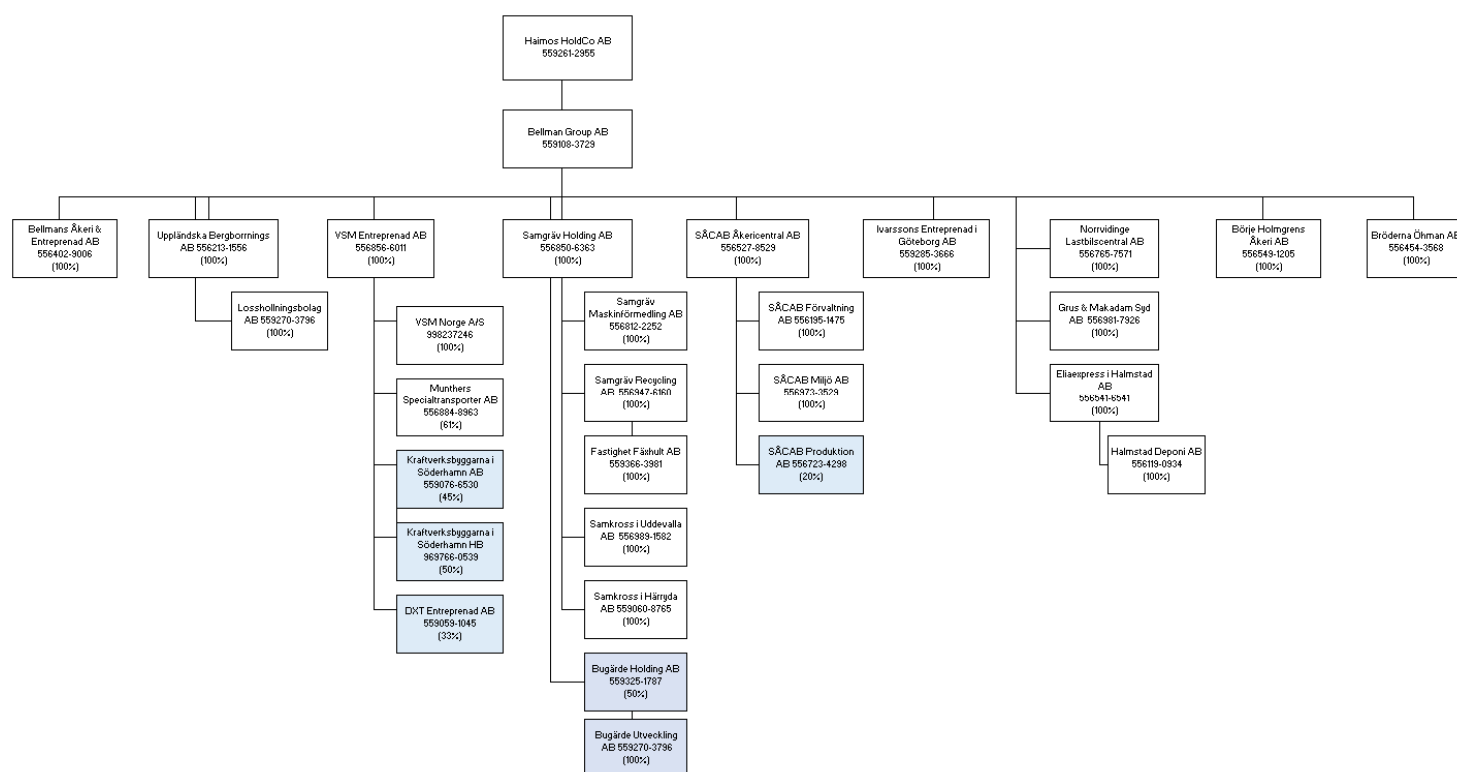
Pursuant to the Terms and Conditions and the Super Senior RCF, the Issuer shall procure that the Guarantor Coverage Ratio is met in accordance with the terms set out therein, *i.e.* that the Guarantors in aggregate represent at least 80 per cent. of total assets (being the gross assets of the Group calculated on a consolidated basis) and 80 per cent. of EBITDA of the Group, excluding intra-group items and investments in subsidiaries of any member of the Group.

The terms of the Guarantee is further set out in the Guarantee Agreement concluded on 23 February 2021 between, or acceded to by (as applicable), the Issuer and the Guarantors, the Agent and Swedbank, whereby the Issuer and each Guarantor guarantees to each secured party (including Swedbank and the Bondholders) as for its own debt

(Sw. *såsom för egen skuld*) the full and punctual payment and performance by each Guarantor (including the Issuer and any future guarantors acceding the Guarantee Agreement) of the secured obligations (including the Issuer's obligations under the Super Senior RCF and the Terms and Conditions). The full terms of the Guarantee Agreement are included in this Prospectus, see under “*Guarantee Agreement*”.

## Group and ownership structure

The Issuer has nine direct wholly-owned subsidiaries: Uppländska Berg, Bellmans Åkeri & Entreprenad, VSM Entreprenad, Samgräv, SÅCAB Åkericentral, Ivarssons, Norrvidinge, Holmgrens and Öhmans (for more information, see under “*Business and operations*” above and below Group chart). The Group's operations are conducted through, and the all revenues of the Company emanates from, the Company's operational subsidiaries and associated entities. The Company is dependent on its subsidiaries and associated entities in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.



The direct parent company of the Issuer at the date of this Prospectus is Haimos HoldCo AB (“**Haimos**”) following upstream mergers with Haimos Holding 26 AB (previously Verdane Holding 26 AB) (the “**Original Parent**”) and Haimos Alexander Holding AB (previously Verdane Alexander Holding AB) (the “**Intermediate Parent**”).

Formally, the fund VC 2020 (D) AB (“**VC20D**”) is the ultimate parent company of the Issuer and the Group. VC20D and its sister fund VC 2020 (E) AB (“**VC20E**” and jointly with VC20D, the “**VC20 Funds**”), jointly and indirectly hold 57.2 per cent. of the voting shares in the Issuer as of the date of this Prospectus. The VC20 Funds are managed by a Verdane fund manager which exercises its influence through decisions made at the general meetings of the Issuer and the intermediate holding companies between the Issuer and the VC20 Funds. To ensure



that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). In addition, the Issuer acts in compliance with the rules of Nasdaq Stockholm and has initiated a process of voluntary implementation of the Swedish Corporate Governance Code (Sw. *Koden för svensk bolagsstyrning*).

The majority shareholders of Haimos have entered into a shareholders' agreement ("**SHA**") containing a drag along clause entailing that if a bona fide third party offers to purchase 90 per cent. of all shares in Haimos, and if BJP Holdco AB (being an intermediate holding company for the VC20 Funds shareholdings in Haimos) 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 BJP Holdco AB the right to request that an investment bank or corporate finance advisor is appointed in order to initiate a sales or listing process.

In addition, there is also one shareholders' agreement for persons participating in the share incentive scheme in Haimos implemented for the Group. Such shareholders' agreement contain a similar drag along provision.

## **Recent events**

In January 2022, the Issuer, through Uppländska Berg, completed the acquisition of assets, consisting of production equipment and personnel, from Axelssons Diamanthålltagning AB for a purchase price of SEK 9.1 million paid in cash.

On 23 May 2022, the Issuer announced its acquisition of Holmgrens. The purchase price amounted to SEK 106.5 million, of which SEK 37.5 million was paid in shares in Haimos and the remaining part was paid in cash and cash equivalents and. The transaction was completed on 1 June 2022.

On 10 June 2022, the Issuer announced its acquisition of Öhmans. The purchase price amounted to SEK 285.9 million, of which SEK 110.4 million was paid in shares in Haimos and the remaining part was paid in cash and cash equivalents. The transaction was completed on 6 July 2022.

Other than the above described events and the issuance of the Bonds there have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

## **Material adverse changes, significant changes and trend information**

There has been no material adverse change in the prospects of the Issuer since the date of publication of its last audited financial report, being the consolidated audited annual report for the financial years ended 31 December 2021.

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which the Group has published interim financial information, being the second quarter report for 2022, to the date of this Prospectus.

There have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Group has published interim financial information, being the second quarter report for 2022, to the date of this Prospectus.

There have been no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for the current financial year. However, the war in Ukraine and dependencies in the supply chain, that may so far be difficult to predict, could lead to greater shortages or delays. The conflict has also reinforced an already ongoing trend of cost increases on key commodities, not least on fuel, which affects the Group. The effects of the changing world situation are so far difficult to fully comprehend. A downturn in the economy and declining GDP poses a risk in the longer term. In Sweden, there is further still uncertainty about the long-term supply of cement as the primary supplier does not have a long-term permit for continued operations. Hence there is a risk of serious disruption if cement production, in Slite on Gotland, were to cease or sharply decrease both temporarily and for a longer period. It should also be noted that the Group has provided services to SET AB of which invoices of approximately SEK 30 million is still outstanding. A payment plan has been made for payment of such invoices but the Group will need to make a reservation for credit loss in respect thereof since SET AB is in financial distress.

## **Governmental, legal or arbitration proceedings**

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

# THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

## General

The board of directors and the executive management of the Issuer and each Guarantor may be contacted through the Issuer at its head office at Vallgatan 9, 170 67 Solna, Sweden. Information regarding the members of the board of directors and the executive management, including significant commitments outside the Group, is set out below.

None of the members of the board of directors and executive management of the Issuer and the Guarantors has a private interest that may be in conflict with the interests of the Group. However and as described below, certain board members and executives have financial interests in the Issuer by way of holding of shares in Haimos. Although there are currently no conflicts of interest between any duties to the Issuer of the members of the board of directors or the executive management, and any of their other duties, it cannot be excluded that conflicts of interest may arise in the future.

## Board of directors of the Issuer and each Guarantor

According to the Issuer's articles of association, the board of directors shall consist of at least three and not more than ten members, with not more than five deputies. The board of directors of the Issuer currently consists of five members and no deputy board member, as set out below.

Name	Title	Holding in Haimos <sup>1</sup>
Björn Andersson	Chairman	12,000 shares
Charlotte Hybinette	Board member	1,390 shares
Anne-Lie Lind	Board member	500 shares
Per Rosenmüller Nordlander	Board member	-
Ingalill Östman	Board member	1,400 shares

<sup>1</sup> Held directly or through holding company (as applicable).

### Björn Andersson, born 1959

Björn Andersson has been a member of the board of directors since 2017 and chairman since 2018. Current commitments outside the Group include Umia Sweden AB (chairman) as well as CEO and membership of the board of Derigo Rådgivning AB. Björn Andersson holds shares representing circa 0.7 per cent. of all shares in Haimos and is appointed as chairman of its board of directors.

### Charlotte Hybinette, born 1973

Charlotte Hybinette has been a member of the board of directors since 2019. Current material commitments outside the Group include Head of Legal (acting) at NatWest Nordisk Renting, advisor and board member of Hybinette & Partners AB, chairman of Platzer Fastigheter Holding AB (publ) and membership of the boards of Collector Bank AB. Charlotte Hybinette holds shares representing circa 0.08 per cent. of all shares in Haimos and is appointed as member of its board of directors.

### Anne-Lie Lind, born 1971

Anne-Lie Lind has been a member of the board of directors since 2019. Current material commitments outside the Group include CEO and board member of Tamro AB. Anne-Lie Lind holds shares representing circa 0.03 per cent. of all shares in Haimos and is appointed as member of its board of directors.

**Per Rosenmüller Nordlander, born 1967**

Per Rosenmüller Nordlander has been a member of the board of directors since 2017. Current material commitments outside the Group include membership of the boards of Livförsäkringsbolaget Skandia and Nordic Finance Business Partner AB. Per Rosenmüller Nordlander is also partner at Verdane Capital Advisors and a member of the boards of the VC20 Funds (representing 57.2 per cent. of all shares in Haimos) and is appointed as member of Haimos' board of directors

**Ingalill Östman, born 1956**

Ingalill Östman has been a member of the board of directors since 2019. Current material commitments outside the Group include membership of the boards of Allgon AB (publ), Länsförsäkringar Göteborg och Bohuslän and StyrelseAkademien Västsverige Service Aktiebolag. Ingalill Östman holds shares representing circa 0.08 per cent. of all shares in Haimos and is appointed as member of its board of directors.

**Board members of the Guarantors**

Magnus Persson (chairman) and Håkan Lind are the only board members of all Guarantors (see information below under "*Håkan Lind, born 1963*" and "*Magnus Persson, born 1969*" respectively), except for the Issuer and SÅCAB Åkericentral. The board of directors of SÅCAB Åkericentral consists, in addition to Magnus Persson as chairman and Håkan Lind as board member, of board member Roger Axelsson (see information below under "*Roger Axelsson, born 1959*").

**Håkan Lind, born 1963**

Håkan Lind has been a member of the board of directors of the Guarantors (except for the Issuer) since 2022 and was previously the CEO of the Issuer. Current material commitments outside the Group include membership of the boards of Grundab Fastigheter i Stockholm Aktiebolag and Hasseludd Holding AB. Håkan Lind holds shares representing 1.37 per cent. of all shares in Haimos and is appointed as its deputy CEO.

**Executive management of the Issuer, the Group and each Guarantor**

Information on the Group executive management is set forth below.

<b>Name</b>	<b>Title</b>	<b>Holding in Haimos<sup>1</sup></b>
Magnus Persson	Group CEO	63,200 shares
Håkan Lind	Group deputy CEO	24,982 shares
Roger Axelsson	Group CFO	9,000 shares
Thomas Johansson	CEO, Uppländska Berg	1,300 shares
Staffan Haglund	CEO, VSM Entreprenad	150 shares
Tony Persson	CEO, Bellmans Åkeri & Entreprenad and SÅCAB Åkericentral	-
Mathias Cederblad	CEO, Samgräv and Samgräv Maskinförmedling AB	1,392 shares
David Rhudin	CEO, Norrvidinge	-

<sup>1</sup> Held directly or through holding company (as applicable).

**Magnus Persson, born 1969**

Magnus Persson has been the CEO of the Group since 2022. Current material commitments outside the Group include chairman of Maskinentreprenörerna Sverige AB and Maskinentreprenörerna Sverige Fastighets AB. Magnus Persson holds shares representing circa 3.5 per cent. of all shares in Haimos and is appointed as its CEO.

**Håkan Lind, born 1963**

See information above under "*Håkan Lind, born 1963*".

**Roger Axelsson, born 1959**

Roger Axelsson has been CFO of Bellman Group since 2017. Roger Axelsson holds shares representing circa 0.5 per cent. of all shares in Haimos.

**Thomas Johansson, born 1966**

Thomas Johansson has been CEO of Uppländska Berg since 2021. Thomas Johansson holds shares representing circa 0.07 per cent. of all shares in Haimos.

**Staffan Haglund, born 1973**

Staffan Haglund has been CEO of VSM Entreprenad since 2020. Staffan Haglund holds shares representing circa 0.01 per cent. of all shares in Haimos.

**Tony Persson, born 1972**

Tony Persson has been CEO of Bellmans Åkeri & Entreprenad and SÅCAB Åkericentral since 2022.

**Mathias Cederblad, born 1984**

Mathias Cederblad has been CEO of Samgräv and Samgräv Maskinförmedling AB since 2019. Mathias Cederblad holds shares representing circa 0.8 per cent. of all shares in Haimos.

**David Rhudin, born 1980**

David Rhudin has been CEO of Norrvinge since 2022.

**Auditors**

The Issuer's and the Guarantors' auditor is PricewaterhouseCoopers AB. Nicklas Kullberg is the auditor in charge of the Issuer. PricewaterhouseCoopers AB was elected as the Issuer's auditor at the annual general meeting 2021 and has been the Issuer's auditor since May 2017. Linda Andersson is the auditor in charge of Uppländska Berg and Bellmans Åkeri & Entreprenad since 2017, VSM Entreprenad since 2018, SÅCAB Åkericentral since 2020 and Norrvinge since 2021. Mattias Celind is the auditor in charge of Samgräv and Samgräv Maskinförmedling AB since 2019. Nicklas Kullberg, Linda Andersson and Mattias Celind are members of FAR (the professional institute for authorised public accountants in Sweden). The business address of PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden. Henrik Nilsson, of Baker Tilly, was previously personally elected as auditor of Norrvinge and the responsible auditor for the annual report of Norrvinge for the financial year ended 31 December 2020. The reason for the auditor change from Henrik Nilsson to PricewaterhouseCoopers AB was that PricewaterhouseCoopers AB should be auditor for the entire Group. Henrik Nilsson is member of FAR (the professional institute for authorised public accountants in Sweden) and his address is c/o Baker Tilly, Helsingborg KB, Kanongatan 155, SE-254 67 Helsingborg.

# SUPPLEMENTARY INFORMATION

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## Information about the Prospectus

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

## Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 23 September 2022 was resolved upon by the board of directors of the Issuer on 15 September 2022.

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

## Information from third parties

Any information in this Prospectus which has been sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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

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

## Documents available for inspection

Copies of the following documents are available at the Issuer's head office in paper format during the validity period of this Prospectus and also available in electronic format at the Issuer's website, [www.bellmangroup.se](http://www.bellmangroup.se).

- The Issuer's articles of association.
- The Issuer's certificate of registration.
- This Prospectus, including *inter alia* the Guarantee Agreement.
- The Terms and Conditions.

- The Group's consolidated audited annual report for the financial year ended 31 December 2021, including the applicable audit report.
- The Group's consolidated audited annual report for the financial year ended 31 December 2020, including the applicable audit report.
- The Group's unaudited consolidated report for the second quarter of 2022.

# FINANCIAL INFORMATION

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## Historical financial information

The Group's consolidated audited annual reports and the Issuer's audited annual reports for the financial years ended 31 December 2020 and 31 December 2021 and the unconsolidated audited annual reports for the financial year 2021 relating to each Guarantor, excluding the Issuer, and the unconsolidated audited annual report for the financial year 2020 relating to Norrvidinge have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the 2022 financial period or 30 June 2022 derives from the Groups consolidated unaudited interim report for the second quarter of 2022 information and has not been audited or reviewed by the Issuer's auditor.

## Accounting standards

The consolidated financial information for the financial years ended 31 December 2020 and 31 December 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the European Union. In addition, the financial information has have been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups.

Each Guarantor's annual report set out under the section "*Incorporation by reference*" below which has been incorporated by reference has been prepared in accordance with the accounting standards specified below in relation to each such annual report:

Guarantors	Annual reports	Accounting standards
Uppländska Berg	Annual report for 2021	Swedish Annual Accounts Act and BFNAR 2012:1 (K3).
Bellmans Åkeri & Entreprenad	Annual report for 2021	Swedish Annual Accounts Act and BFNAR 2012:1 (K3).
VSM Entreprenad	Annual report for 2021	Swedish Annual Accounts Act and BFNAR 2012:1 (K3).
Samgräv	Annual report for 2021	Swedish Annual Accounts Act and BFNAR 2012:1 (K3).
Samgräv Maskinförmedling AB	Annual report for 2021	Swedish Annual Accounts Act and BFNAR 2012:1 (K3).
SÅCAB Åkericentral	Annual report for 2021	Swedish Annual Accounts Act and BFNAR 2012:1 (K3).
Norrvidinge	Annual reports for 2021 and 2020	Swedish Annual Accounts Act and BFNAR 2012:1 (K3).



## Auditing of the historical financial information

The Group's consolidated audited annual reports and the Issuer's audited annual reports for the financial years ended 31 December 2020 and 31 December 2021 have been audited by PricewaterhouseCoopers AB, with Nicklas Kullberg as the auditor in charge. The unconsolidated audited annual reports of Uppländska Berg, Bellmans Åkeri & Entreprenad, VSM Entreprenad, SÅCAB Åkericentral and Norrvidinge for the financial years ended 31 December 2021 have been audited by PricewaterhouseCoopers AB, with Linda Andersson as the auditor in charge and Norrvidinge for the financial year ended 31 December 2020 has been audited by Henrik Nilsson of Baker Tilly. The unconsolidated audited annual reports of Samgräv and Samgräv Maskinförmedling AB for the financial years ended 31 December 2021 have been audited by PricewaterhouseCoopers AB, with Mattias Celind as the auditor in charge. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

## Incorporation by reference

The following information in the Group's consolidated audited annual reports and the Issuer's audited annual reports for the financial years 2020 and 2021 (available at the Issuer's website, <https://bellmangroup.se/investerare/rapporter-och-presentationer/>), and the unconsolidated audited annual reports for the financial year 2021 relating to each Guarantor, excluding the Issuer, and the unconsolidated audited annual report for the financial year 2020 relating to Norrvidinge (available at the Issuer's website, <https://bellmangroup.se/investerare/finansiell-information/finansiering/>) is incorporated in this Prospectus by reference. For particular financial figures, please refer to the pages set out below.

Reference	Pages
<b>The Group's consolidated annual report 2021</b>	
Consolidated income statement	59
Consolidated statement of comprehensive income	59
Consolidated balance sheet	60 and 61
Consolidated changes in equity	62
Consolidated cash flow statement	63
Notes for consolidated statements	64-93
Auditor's report	106-109
<b>The Group's consolidated annual report 2020</b>	
Consolidated income statement	48
Consolidated statement of comprehensive income	48
Consolidated balance sheet	49 and 50
Consolidated changes in equity	51
Consolidated cash flow statement	52
Notes for consolidated statements	53-79
Auditor's report	90-93

**Issuer's annual report 2021**

Income statement	94
Balance sheet	94-95
Notes	97-104
Auditor's report	106-109

**Uppländska Berg's annual report 2021**

Income statement	4
Balance sheet	5-6
Notes	8-14
Auditor's report	18-20

**Bellmans Åkeri & Entreprenad's annual report 2021**

Income statement	4
Balance sheet	5-6
Notes	10-14
Auditor's report	16-18

**VSM Entreprenad's annual report 2021**

Income statement	4
Balance sheet	5-6
Notes	9-16
Auditor's report	19-21

**Samgräv's annual report 2021**

Income statement	3
Balance sheet	4-5
Notes	6-10
Auditor's report	11-12

**Samgräv Maskinförmedling AB's annual report 2021**

Income statement	3
Balance sheet	4-5
Notes	7-11
Auditor's report	13-14

**SÅCAB Åkericentral's annual report 2021**

Income statement	4
Balance sheet	5-6
Notes	8-16
Auditor's report	21-23

**Norrvidinge's annual report 2021**

Income statement	4
Balance sheet	5-6
Notes	8-15
Auditor's report	16-17

**Norrvidinge's annual report 2020**

Income statement	3
Balance sheet	4-5
Notes	7-13
Auditor's report	15-16

# TERMS AND CONDITIONS

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**Bellman Group AB (publ)**  
**Maximum SEK 1,500,000,000**  
**Senior Secured Callable Floating Rate Bonds**  
**2021/2026**

ISIN: SE0015221999  
LEI: 549300DF0MS2EGNBJV86  
First Issue Date: 10 February 2021

## **SELLING RESTRICTIONS**

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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. 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.

## **PRIVACY STATEMENT**

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

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

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

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

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

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

The Issuer's, the Trustee's and the Issuing Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: [www.nordictrustee.com](http://www.nordictrustee.com), [www.bellmangroup.se](http://www.bellmangroup.se) and [www.arctic.com](http://www.arctic.com).

# TERMS AND CONDITIONS

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## 1 DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

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

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

“**Add-on Acquisition Incurrence Test**” has the meaning set forth in Clause 15.2 (*Add-on Acquisition Incurrence Test*).

“**Adjusted EBITDA**” means EBITDA as adjusted in accordance with Clause 15.3 (*Calculation principles*).

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

“**Advance Purchase Agreement**” means:

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than one hundred and twenty (120) calendar days after the date of supply; or
- (b) any other trade credit incurred in the ordinary course of business.

“**Affiliate**” means, in respect of any Person, any other Person directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, “**control**” in 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.

“**Agreed Security Principles**” has the meaning set forth in the Intercreditor Agreement.

“**Annual Report**” means the annual audited consolidated Financial Statements of the Group.

“**Bond**” means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

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

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 18.2 (*Bondholders’ Meeting*).

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

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

“**Call Option Amount**” means:

- (a) if the call option is exercised on or after the First Issue Date up to, and including, the First Call Date, an amount equivalent to the sum of:
  - (i) 102.50 per cent. of the Nominal Amount; and
  - (ii) the remaining interest payments up to, and including, the First Call Date;
- (b) 102.50 per cent. of the Nominal Amount, together with accrued but unpaid interest, if the call option is exercised after the First Call Date up to, but not including, the date falling thirty-six (36) months after the First Issue Date;
- (c) 102.00 per cent. of the Nominal Amount, together with accrued but unpaid interest, 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) 101.50 per cent. of the Nominal Amount, together with accrued but unpaid interest, 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) 101.00 per cent. of the Nominal Amount, together with accrued but unpaid interest, 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;



- (f) unless paragraph (g) below applies, 100.50 per cent. of the Nominal Amount, together with accrued but unpaid interest, 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; or
- (g) provided that such redemption is financed in part or in full by way of the Issuer issuing new Market Loans, 100.00 per cent. of the Nominal Amount, together with accrued but unpaid interest, 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.

**“Cash and Cash Equivalents”** means cash and cash equivalents of the Group in accordance with the Accounting Principles as set forth in the latest Financial Statements, including proceeds standing to the credit of the Escrow Account.

**“Change of Control”** means the occurrence of an event or series of events (for the avoidance of doubt, except for the Shareholder Mergers) whereby:

- (a) the Parent ceases to own and control one hundred (100.00) per cent. of the voting rights in the Issuer; or
- (b) one or more Persons (other than the Main Shareholder), acting in concert, acquiring or controlling 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.

**“Clean-Up Period”** has the meaning set forth in paragraph (a) of Clause 17.11 (*Clean-Up Period*).

**“Compliance Certificate”** means a certificate substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*), unless otherwise agreed between the Trustee and the Issuer.

**“CSD”** means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB (reg. no. 556112-8074).

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

**“De-listing”** means:

- (a) following an Equity Listing Event, the occurrence of an event or series of events resulting in one or more Persons (other than the Main Shareholder), acting in concert,

acquiring shares representing more than thirty (30.00) per cent. of the votes in the Issuer or establishing control over more than thirty (30.00) per cent. of the votes in the Issuer (“**Control**”), provided that a mandatory bid in accordance with the applicable securities laws is, or has to be, launched due to accrual of such Control and provided no exception has been granted by, the Swedish Securities Council (Sw. *Aktiemarknadsnämnden*); or

- (b) once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds),

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.

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

“**EBITDA**” means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Statements (without double counting):

- (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 deducting* any Transaction Costs;
- (d) *before taking into account* any extraordinary items or non-recurring items which are not in line with the ordinary course of business in an aggregate amount not exceeding ten (10) per cent. of consolidated EBITDA (before adjusting for such costs or items and any costs or items pursuant to paragraph (e) below);
- (e) *before taking into account* fees, costs and expenses incurred by the Issuer or any other Group Company directly or indirectly in connection with any actual or aborted Permitted Acquisition or Permitted Disposal in aggregate not exceeding ten (10) per cent. of EBITDA (before adjusting for such costs or items and any costs or items pursuant to paragraph (d) above);
- (f) *not including* any accrued interest owing to any Group Company;

- (g) *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);
- (h) *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;
- (i) *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;
- (j) *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
- (k) *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. *ovillkorat aktieägartillskott*).

**“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 a bank account:

- (a) held by the Issuer with a reputable bank in Sweden;
- (b) subject to perfected Security in favour of the Trustee and the Bondholders (represented by the Trustee) under the Escrow Account Pledge Agreement; and
- (c) from which no withdrawals may be made by any member of the Group except as contemplated by the Finance Documents.

**“Escrow Account Pledge”** means the first priority pledge over the Escrow Account granted by the Issuer in favour of the Trustee and the Bondholders (represented by the Trustee).

**“Escrow Account Pledge Agreement”** means the pledge agreement entered into between the Issuer and the Trustee prior the First 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 Trustee and the Bondholders (represented by the Trustee).

**“Event of Default”** means an event or circumstance specified as such in Clause 17 (*Termination of the Bonds*).

**“Existing Bonds”** means the Issuer’s maximum SEK 600,000,000 senior secured callable floating rate bonds 2017/2022 with ISIN SE0009889553, under which SEK 600,000,000 is outstanding.

**“Existing Debt”** means:

- (a) the Existing Working Capital Facility; and
- (b) the Vendor Loan Note.

**“Existing Working Capital Facility”** means the existing working capital facility incurred by the Group, amounting to approximately SEK 44,000,000.

**“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*).

**“Final Redemption Date”** means 10 February 2026.

**“Finance Charges”** means, for the Reference 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 Statements (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 and excluding any interest on Bonds that have been repurchased, and not resold, by any Group Company during the Reference Period and any payment-in-kind interest accruing on Shareholder Loans which is payable after the Final Redemption Date.

**“Finance Documents”** means the Terms and Conditions, the Escrow Account Pledge Agreement, the Transaction Security Documents, the Guarantee Agreement, the Intercreditor Agreement and any other document designated by the Issuer and the Trustee as a Finance Document.

**“Finance Lease”** means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability.

**“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 Lease;
- (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, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in paragraphs (a) to (f) above.

**“Financial Statements”** means the annual audited consolidated financial statements of the Group and the quarterly interim unaudited consolidated reports of the Group, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 14.1 (*Financial Statements*), in each case prepared in accordance with the Accounting Principles.

**“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 the application of the Business Day Convention.

**“First Issue Date”** means 10 February 2021.

**“First Shareholder Merger”** means the upstream merger whereby the Original Parent is absorbed by the Intermediate Parent, following which the Intermediate Parent becomes the owner, directly, of one hundred (100) per cent. of the shares in the Company.

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

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

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

**“Guarantee”** means the guarantees provided by the Guarantors under the Guarantee Agreement.

**“Guarantee Agreement”** means the guarantee and adherence agreement entered into or to be entered into between the Issuer, each Guarantor and the Trustee pursuant to which the Secured Obligations will be guaranteed by the Guarantors.

**“Guarantor”** means:

- (a) the Initial Guarantors; and
- (b) any other Group Company which has entered into or acceded to the Guarantee Agreement following the First Issue Date.

**“Guarantor Coverage Ratio”** has the meaning set out in paragraph (c) of Clause 16.8 (*Additional Security and Guarantees*).

**“Hedge Counterparty”** has the meaning set forth in the Intercreditor Agreement.

**“Hedging Agreement”** has the meaning set forth in the Intercreditor Agreement.

**“Hedging Obligations”** has the meaning set forth in the Intercreditor Agreement.

**“ICA Group Companies”** has the meaning set forth in the Intercreditor Agreement.

**“Incurrence Test”** has the meaning set forth in Clause 15.1 (*Incurrence Test*).

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

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

**“Initial Guarantors”** means the Issuer, Uppländska Bergborrnings Aktiebolaget (reg. no. 556213-1556), Bellmans Åkeri & Entreprenad AB (reg. no. 556402-9006), VSM Entreprenad AB (reg. no. 556856-6011), Samgräv Holding AB (reg. no. 556850-6363), Samgräv Maskinförmedling AB (reg. no. 556812-2252) and Såcab Åkericentral AB (reg. no. 556527-8529).

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

**“Intercreditor Agreement”** means the intercreditor agreement entered into between, amongst others, the Issuer, the Parent, the Trustee and the Initial Guarantors on or about the First Issue Date.

**“Interest Payment Date”** means 10 February, 10 May, 10 August and 10 November 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 10 May 2021 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

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

**“Interest Rate”** means STIBOR plus 5.00 per cent. *per annum*.

**“Intermediate Parent”** means Verdane Alexander Holding AB (reg. no. 559040-9313).

**“Intragroup Debt”** has the meaning set forth in the Intercreditor Agreement.

**“Issue Date”** means the First Issue Date or any date when Subsequent Bonds are issued.

**“Issuer”** means Bellman Group AB (publ), a limited liability company incorporated in Sweden with reg. no 559108-3729.

**“Issuer Share Pledge Agreement”** means the pledge agreement entered into by the Original Parent, the Intermediate Parent and the New Parent as pledgors and the Trustee as Security Agent on behalf of itself and the Bondholders in respect of a first priority pledge of all shares in the Issuer, granted in favour of the Trustee and the Bondholders (represented by the Trustee).

**“Issuing Agent”** means Arctic Securities AS, filial Sverige, reg. no. 556643-3891, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**“Landfill Security”** means guarantees or other Security provided by a Group Company, or provided by a financial institution on behalf of the Group, to any third party in relation to any of the Group’s landfill sites.

**“Leverage Ratio”** means the ratio of Net Interest Bearing Debt to Adjusted EBITDA.

**“Listing Failure”** shall be deemed to have occurred if:

- (a) the Initial Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date; or
- (b) any Subsequent Bonds have not been admitted to trading on the relevant Regulated Market within sixty (60) days after the relevant Issue Date.

**“Main Shareholder”** means:

- (a) Verdane Capital 2020 (D) AB and Verdane Capital 2020 (E) AB (through one or more holding companies directly or indirectly);
- (b) any funds, partnerships and other entities owned, managed, controlled or advised by and/or administrated by Verdane Fund Manager Future AB or any other company or vehicle within the Verdane sphere, in each case together with any directly or indirectly held associated co-investment vehicles;
- (c) any of Verdane’s co-investors (such co-investors investing alongside Verdane being subject to customary drag along provisions); and/or
- (d) any of their respective Affiliates (excluding any portfolio company).

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

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

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

**“Material Group Company”** means:

- (a) the Issuer;
- (b) each Guarantor;
- (c) each Group Company owning shares in an Obligor or Material Group Company; and
- (d) any other Group Company with gross assets or earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA and on an unconsolidated basis and excluding intra-group items and investments in subsidiaries of any member of the Group) representing 10.00 per cent. or more of consolidated gross assets of the Group or EBITDA,

in each case calculated on the latest financial statements of that Group Company and the latest Financial Statements of the Group.

**“Material Intragroup Loan”** means any intra-group loan provided by the Issuer to any of its Subsidiaries where:

- (a) the term is at least twelve (12) months; and
- (b) the principal amount, when aggregated with all other intra-group loans with a term of at least twelve (12) months between the Issuer as creditor and the same Subsidiary as debtor exceeds SEK 25,000,000.

**“Nasdaq Stockholm”** means the Regulated Market of Nasdaq Stockholm AB (reg. no. 556420-8394).

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

**“Net Interest Bearing Debt”** means the consolidated interest bearing Financial Indebtedness of the Group less Cash and Cash Equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding any Bonds owned by the Issuer, guarantees, bank guarantees, subordinated and pledged shareholder loans, any claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Trustee, and interest bearing Financial Indebtedness borrowed from any Group Company (and excluding



any earn-out obligations or deferred purchase price should such be considered as an interest bearing Financial Indebtedness).

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue, after deduction has been made for any Transaction Costs payable by the Issuer to the bookrunners and the relevant Issuing Agent for the services provided in respect of the relevant Bond Issue.

“**New Debt**” has the meaning set forth in the Intercreditor Agreement.

“**New Parent**” means Goldcup 25889 AB (u.c.n.t. Boreas HoldCo AB) (reg. no. 559261-2955).

“**Nominal Amount**” means, in respect of each Bond, the Initial Nominal Amount less the aggregate amount by which that Bond has been redeemed in part pursuant to Clause 12.4 (*Voluntary partial redemption upon an Equity Listing Event (call option)*) or Clause 12.5 (*Voluntary partial redemption (call option)*).

“**Obligor**” means the Issuer or a Guarantor.

“**Original Parent**” means Verdane Holding 26 AB (reg. no. 556877-1926).

“**Parent**” means:

- (a) prior to the First Shareholder Merger, the Original Parent;
- (b) following the First Shareholder Merger but prior to the Second Shareholder Merger, the Intermediate Parent; and
- (c) following the Second Shareholder Merger, the New Parent.

“**Permitted Acquisition**” means each of the following:

- (a) the incorporation of a limited liability company or the purchase of shares in an off-the-shelf limited liability company, in each case incorporated in the Nordics; or
- (b) an acquisition or acquisitions by a Group Company of shares or equivalent ownership interests of an entity, business or undertaking or in any landfills (each a “**Proposed Target**”), *provided that*:
  - (i) the business of the Proposed Target is similar or complementary to that of the Group;
  - (ii) the Proposed Target is incorporated (or equivalent) in the Nordics;
  - (iii) the Add-on Acquisition Incurrence Test is met (if applicable); and
  - (iv) no Event of Default is continuing or would occur on the date of or result from such acquisition.

“**Permitted Basket**” has the meaning set forth in paragraph (r) of the definition of 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 the Existing Bonds and the Existing Debt, subject to the terms set out under Clause 6 (*Conditions Precedent*) and Clause 16.7 (*Conditions Subsequent*);
- (c) incurred by the Issuer, or any other member of the Group under the Super Senior RCF (and any refinancing, amendment or replacements thereof);
- (d) arising under any Finance Leases entered into in the ordinary course of the Group’s business in a maximum aggregate capital amount not exceeding the higher of:
  - (i) SEK 250,000,000; or
  - (ii) 100.00 per cent. of Adjusted EBITDA for the relevant period ending on the last day of the most recent Financial Statements;
- (e) under any pension or tax liabilities incurred in the ordinary course of business;
- (f) arising under any earn-out obligations or obligation to pay any deferred purchase price in relation to any acquisitions;
- (g) arising under any promissory note issued by a Group Company as consideration for a Permitted Acquisition, provided that such promissory note promptly following issuance is set-off by the seller against a new share issue in a holding company of the Issuer;
- (h) taken up from a Group Company;
- (i) incurred by way of Shareholder Debt;
- (j) incurred by the Issuer if such Financial Indebtedness ranks *pari passu* (i.e. constituting any New Debt in accordance with the Intercreditor Agreement) or is subordinated to the obligations of the Issuer under the Finance Documents, meets the Incurrence Test or the Add-on Acquisition Incurrence Test (as applicable) (calculated *pro forma* including such incurrence) and has a final maturity date or final redemption date and, when applicable, early redemption dates or instalment dates which occur on or after the Final Redemption Date;
- (k) incurred as a result of any Group Company acquiring another entity which holds Financial Indebtedness, provided that the Incurrence Test is met (calculated *pro forma* including the acquired entity’s indebtedness in question, provided however that such

indebtedness is refinanced no later than ninety (90) calendar days from the acquisition with Financial Indebtedness constituting Permitted Debt (if applicable);

- (l) arising under any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (m) 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;
- (n) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises or sites provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company's business;
- (o) arising under any Hedging Obligations or, if a hedge counterparty does not wish to accede to the Intercreditor Agreement and benefit from the Transaction Security, arising under any other derivative transaction (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, including foreign exchange, interest or commodities, or in respect of payments to be made under the Terms and Conditions (excluding for the avoidance of doubt any Derivative Transaction which in itself is entered into for investment or speculative purposes);
- (p) incurred in the ordinary course of business under Advance Purchase Agreements;
- (q) incurred in relation to Landfill Security, in a total amount not exceeding SEK 20,000,000; and
- (r) not permitted by paragraphs (a) to (q) above, in an aggregate amount not at any time exceeding the higher of (i) SEK 50,000,000 or (ii) twenty (20.00) per cent. of Adjusted EBITDA (all such Financial Indebtedness is together referred to as the "**Permitted Basket**").

"**Permitted Distribution**" means (whether directly or indirectly):

- (a) a payment made by a Group Company to another Group Company, provided that if such payment is made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis;
- (b) a payment (but for the avoidance of doubt, neither payments of interest nor payments of principal may be made in respect of Shareholder Debt) by a Group Company for regulatory costs, audit fees, administrative costs and any other expenses required to

maintain the corporate existence of the Parent or to fund its operating costs or to pay their taxes, in a maximum aggregate amount of SEK 1,000,000 (or its equivalent in any other currency or currencies) in any financial year;

- (c) a dividend distribution (but for the avoidance of doubt, neither payments of interest nor of principal may be made in respect of Shareholder Debt) by the Issuer, provided that:
  - (i) the aggregate amount of all Permitted Distributions of the Group in a financial year (including the Permitted Distribution in question, excluding any Permitted Distribution made in accordance with paragraph (a) above, paragraph (ii) in this paragraph (c) and paragraph (d) below) does not exceed 50.00 per cent. of the Group's consolidated net profit (Sw. *årets resultat*) according to the annual audited financial statements for the previous financial year; or
  - (ii) without prejudice to the right set out in paragraph (i) above, but subject to the requirements set out in Clause 16.9 (*Disposals of assets*), such consists of the difference of (A) the net proceeds received from a disposal of any of the Group's landfill sites and (B) the accumulated investments (including but not limited to acquisition and machinery) made in respect of that particular landfill site,

in each case for paragraphs (i) and (ii) above that the ratio of Net Interest Bearing Debt to EBITDA (calculated on a *pro forma* basis including the Permitted Distribution) does not exceed 2:1; and

- (d) by a Group Company to its shareholders as a group contribution (Sw. *koncernbidrag*), provided that no cash or other funds are transferred as a result thereof unless the distribution made to another Group Company for tax netting purposes (in which case a cash distribution shall be permitted) and, in each case, provided that the parent company receiving the group contribution makes a shareholders' contribution (Sw. *ovillkorat aktieägartillskott*) in the same amount, and simultaneously with the group contribution, to the grantor of the group contribution,

in each case provided that:

- (i) such transaction is permitted by law; and
- (ii) no Event of Default is continuing or would result from such transaction or would occur after the expiry of any applicable grace period.

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

- (a) provided in accordance with the Senior Finance Documents;

- (b) provided under the Existing Bonds and the Existing Debt, provided that such Security is released and discharged in full in connection with the cancellation and repayment of the Existing Bonds and the Existing Debt in accordance with the terms set out under Clause 16.7 (*Conditions Subsequent*);
- (c) provided in respect of the Super Senior RCF in accordance with the Intercreditor Agreement;
- (d) created in respect of any Finance Lease constituting Permitted Debt but only in relation to the leased asset;
- (e) 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 but not consisting of security interests in shares in any Group Company or Security over any other asset which constitutes Transaction Security;
- (f) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;
- (g) provided in relation to a Derivative Transaction but not consisting of security interests in shares in any Group Company or Security over any other asset which constitutes Transaction Security;
- (h) provided under the pension or tax liabilities but not consisting of security interests in shares in any Group Company or Security over any other asset which constitutes Transaction Security;
- (i) provided pursuant to paragraph (k) of the definition of Permitted Debt provided that such Security is released within 90 calendar days from the acquisition;
- (j) 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;
- (k) 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);
- (l) provided in respect of Landfill Security pursuant to paragraph (q) of the definition of Permitted Debt but not consisting of security interests in shares in any Group Company or Security over any other asset which constitutes Transaction Security; and
- (m) provided in relation to the Permitted Basket but not consisting of security interests in shares in any Group Company or Security over any other asset which constitutes Transaction Security.

**“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.

**“Proceeds Account”** has the meaning set forth in the Intercreditor Agreement.

**“Proposed Target”** has the meaning set forth in paragraph (b) of the definition of Permitted Acquisition.

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

**“Record Date”** means (as applicable) (i) in relation to Clause 12.3 (*Early voluntary total redemption (call option)*), the Business Day agreed upon in accordance with Clause 12.3.3, or (ii) the fifth (5th) Business Day prior to (a) an Interest Payment Date, (b) a Redemption Date, (c) a date on which a payment to the Bondholders is to be made under Clause 17.11 (*Distribution of proceeds*), (d) the date of a Bondholders’ Meeting, or (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**“Redemption Date”** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 12 (*Redemption and repurchase of the Bonds*).

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

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

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

**“Samgräv Recycling”** means Samgräv Recycling AB (reg. no. 556947-6160).

**“Second Shareholder Merger”** means the upstream merger whereby the Intermediate Parent is absorbed by the New Parent, following which the New Parent becomes the owner, directly, of one hundred (100) per cent. of the shares in the Company.

**“Secured Obligations”** has the meaning set forth in the Intercreditor Agreement.

**“Secured Parties”** has the meaning set forth in the Intercreditor Agreement.

**“Securities Account”** means the account for dematerialised securities (Sw. *avstämningsregister*) maintained by the CSD pursuant to the Financial Instruments Accounts

Act in which an owner of such securities is directly registered or an owner's holding of securities is registered in the name of a nominee.

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

**"Security Agent"** means the Secured Parties' agent under the Senior Finance Documents from time to time; initially Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879).

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

**"Senior Finance Documents"** has the meaning set forth in the Intercreditor Agreement.

**"Share Disposal"** has the meaning set forth in the Intercreditor Agreement.

**"Shareholder Debt"** means any debt under any shareholder loan to the Issuer as debtor (or to another Group Company as debtor provided by a shareholder to the Issuer), if such shareholder loan:

- (a) in the case of shareholder loans from the Parent to the Issuer, is pledged in favour of the Secured Parties as part of the Transaction Security;
- (b) is subordinated to the obligations of all obligors under the Senior Finance Documents in accordance with the Intercreditor Agreement;
- (c) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (d) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date (unless permitted under the Finance Documents).

**"Shareholder Mergers"** means the First Shareholder Merger and the Second Shareholder Merger.

**"SSRCF Creditor"** means any creditor under a Super Senior RCF.

**"STIBOR"** means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Swedish Financial Benchmark Facility (or the replacing administrator or calculation agent) for the offering of deposits in Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Thomson Reuters screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day; or

- (b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period and (ii) the applicable screen rate for the shortest period (for which that screen rate is available) which exceeds that Interest Period, as of or around 11.00 a.m. on the Quotation Day; or
- (c) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate is available for the relevant Interest Period pursuant to paragraphs (a) and (b) above and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period,

provided that if STIBOR is less than zero, it shall be deemed to be zero.

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

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

**“Subsidiary”** means, in relation to the Issuer, any legal entity (whether incorporated or not), in respect of which the Issuer, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners;
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or
- (d) exercises control as determined in accordance with the Accounting Principles.

**“Super Senior RCF”** means any revolving credit facility for working capital and general corporate purposes and prepayment of the Existing Bond (including acquisitions and any other capital expenditure purposes of the Group), and any refinancing, amendment or replacements thereof, in an aggregate amount not exceeding the higher of (i) SEK 250,000,000 or (ii) 100.00 per cent. of Adjusted EBITDA for the relevant period ending on the last day of the most recent Financial Statements (any downward adjustment of total commitments under the Super Senior



RCF shall only occur in connection with the publication of the annual audited consolidated financial statements but shall not be required to be decreased below SEK 250,000,000).

“**Third Party Disposal**” has the meaning set forth in the Intercreditor Agreement.

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

“**Transaction Costs**” means all fees, costs and expenses incurred by the Issuer or any other Group Company directly in connection with the Initial Bond Issue, any Subsequent Bond Issue, under the Existing Bonds, the Super Senior RCF, the admission to trading of the Bonds.

“**Transaction Security**” means, subject to the Agreed Security Principles, Security in respect of:

- (a) all shares in the Issuer and all shares held by a Group Company in each other Material Group Company and/or Guarantor;
- (b) any existing business mortgage certificates (Sw. *företagsinteckningar*) issued by any Guarantor;
- (c) all present and future Material Intragroup Loans; and
- (d) all present and future shareholders loans from the Parent to the Issuer.

“**Transaction Security Documents**” means the security documents pursuant to which the Transaction Security is created.

“**Trustee**” means the Bondholders’ agent under these Terms and Conditions from time to time; initially Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879).

“**Trustee Agreement**” means the agreement entered into on or prior to the First Issue Date between the Issuer and the Trustee, or any replacement agency agreement entered into after the First Issue Date between the Issuer and the Trustee.

“**Vendor Loan Note**” means the vendor loan note with an outstanding nominal amount of approximately SEK 1,300,000 issued by the Issuer to Hasseludd Holding AB (reg. no. 556394-8313).

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18.3 (*Written Procedure*).

## **1.2 Construction**

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

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

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

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

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

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

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

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

### **1.3 Conflict of terms**

In case of any conflict of terms between the Intercreditor Agreement and any other Finance Document, the terms of the Intercreditor Agreement shall take precedent.

## **2 STATUS OF THE BONDS**

Subject to the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank, without any preference among them, at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them and except for the obligations under the Super Senior RCF and the Hedging Obligations which, following the entering into of the Intercreditor Agreement, shall rank super senior to the Bonds.

### **3 THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS**

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.
- 3.3 The aggregate amount of the bond loan will be an amount of up to SEK 1,500,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Initial Nominal Amount**”). The total aggregate nominal amount of the Initial Bonds is SEK 900,000,000 (“**Initial Bond Issue**”).
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount. The price of Subsequent Bonds may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0015221999.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 1,500,000,000, provided that (i) the Incurrence Test or, if applicable, the Add-on Acquisition Incurrence Test is met (in each case tested on a *pro forma* basis with the new debt being incurred as a result of the Subsequent Bond Issue) and (ii) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the Subsequent Bond Issue. Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Initial Bonds shall apply also to Subsequent Bonds.

### **4 USE OF PROCEEDS**

- 4.1 The Net Proceeds of the Initial Bond Issue shall be applied towards:
- (a) *firstly*, repayment in full of the Existing Bonds;
  - (b) *secondly*, payment of costs and expenses in connection with the issuance of the Initial Bonds and refinancing of the Existing Bonds; and
  - (c) *thirdly*, general corporate purposes including acquisitions.

- 4.2 The proceeds from any Subsequent Bond Issue shall be used towards general corporate purposes (including but not limited to acquisitions).

## **5 ESCROW OF PROCEEDS**

- 5.1 The Net Proceeds of the Initial Bond Issue shall be deposited on the Escrow Account pending application in accordance with Clause 4.1 (*Use of Proceeds*) above.
- 5.2 If the Trustee determines that it has not received the conditions precedent set out in Part 2 (*Conditions precedent for Disbursement – Initial Bond Issue*) of Schedule 1 (*Conditions Precedent*) within sixty (60) calendar days from the First Issue Date and the Trustee has not amended or waived such conditions in accordance with Clause 19 (*Amendments and waivers*), the Issuer shall redeem all, but not some only, of the outstanding Bonds in full at a price equal to one hundred (100) per cent. of the Nominal Amount, together with any accrued but unpaid interest (a “**Mandatory Redemption**”). The Mandatory Redemption shall fall no later than thirty (30) calendar days after the ending of the sixty (60) calendar days period referred to above. The funds on the Escrow Account shall in such case be applied towards redemption of the Bonds on behalf of the Issuer. Any shortfall shall be covered by the Issuer.
- 5.3 A Mandatory Redemption shall be made by the Issuer giving notice to the Bondholders and the Trustee promptly following the date when the Mandatory Redemption is triggered pursuant to Clause 5.2 above. Any such notice shall state the Redemption Date and the relevant Record Date.

## **6 CONDITIONS PRECEDENT**

### **6.1 Conditions Precedent for Settlement – Initial Bond Issue**

- 6.1.1 The settlement of the Initial Bond Issue is subject to the Trustee being satisfied it has received all of the documents and other evidence listed in Part 1 (*Conditions Precedent for Settlement – Initial Bond Issue*) of Schedule 1 (*Conditions Precedent*).
- 6.1.2 The Trustee shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 6.1.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The First Issue Date shall not occur (i) unless the Trustee makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Day prior to the First Issue Date (or later, if the Issuing Agent so agrees) or (ii) if the Issuing Agent and the Issuer agree to postpone the First Issue Date (subject to the rules and regulations of the CSD).
- 6.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 6.1.2, the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds of the Initial Bond Issue to the Escrow Account on the First Issue Date.

### **6.2 Conditions Precedent for Disbursement – Initial Bond Issue**

- 6.2.1 The Trustee's approval of the disbursement of any Net Proceeds from the Escrow Account is subject to the Trustee being satisfied it has received all of the documents and other evidence listed in Part 2 (Conditions precedent for Disbursement – Initial Bond Issue) of Schedule 1 (Conditions Precedent).
- 6.2.2 When the Trustee is satisfied that the conditions in Clause 6.2.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)), the Trustee shall (i) promptly confirm such fulfilment to the Issuer and (ii) without delay instruct the relevant account bank to transfer funds from the Escrow Account to the bank account of the Issuer affiliated with the CSD (such disbursement to occur no earlier than one (1) Business Day prior to the redemption date for the Exiting Bonds, unless otherwise agreed with the Trustee for technical reasons, always provided that the Trustee is satisfied that the conditions in Clause 6.2.1 have been fulfilled).

### **6.3 Conditions Precedent for Settlement – Subsequent Bond Issue**

- 6.3.1 The settlement of any Subsequent Bond Issue is subject to the Trustee being satisfied it has received all of the documents and other evidence listed in Part 3 (Conditions Precedent for Settlement – Subsequent Bond Issue) of Schedule 1 (Conditions Precedent).
- 6.3.2 The Trustee shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 6.3.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Trustee makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Day prior to the relevant Issue Date (or later, if the Issuing Agent so agrees) or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date (subject to the rules and regulations of the CSD).
- 6.3.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 6.3.2, the Issuing Agent shall settle the issuance of the Subsequent Bonds.

### **6.4 No responsibility for documentation**

The Trustee may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Trustee does not have to verify or assess the contents of any such documentation or evidence. Neither the conditions precedent nor the conditions subsequent are reviewed by the Trustee from a legal or commercial perspective of the Bondholders.

## **7 THE BONDS AND TRANSFERABILITY**

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

- 7.2 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.
- 7.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 7.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 7.5 For the avoidance of doubt a Bondholder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Bondholder hereunder in each case until such allegations have been resolved.

## **8 BONDS IN BOOK-ENTRY FORM**

- 8.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.
- 8.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 8.3 The Issuer (and the Trustee when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the Debt Register. At the request of the Trustee, the Issuer shall promptly obtain such information and provide it to the Trustee.
- 8.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register. If the Trustee does not otherwise obtain information from such Debt Register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Trustee obtain information from the Debt Register and provide it to the Trustee.
- 8.5 At the request of the Trustee, the Issuer shall promptly obtain information from the Debt Register and provide it to the Trustee.

- 8.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Trustee, as notified by the Trustee, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Trustee or unless consent thereto is given by the Bondholders.
- 8.7 The Issuer (and the Trustee when permitted under the CSD's applicable regulations) may use the information referred to in Clause 8.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

## **9 RIGHT TO ACT ON BEHALF OF A BONDHOLDER**

- 9.1 If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.
- 9.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 9.3 The Trustee shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 9.1 and 9.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Trustee has actual knowledge to the contrary.
- 9.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

## **10 PAYMENTS IN RESPECT OF THE BONDS**

- 10.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 10.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be

able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.

- 10.3 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 11.4 during such postponement.
- 10.4 If payment or repayment is made in accordance with this Clause 10, 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.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

## **11 INTEREST**

- 11.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 11.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 11.3 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).
- 11.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Trustee or the CSD, in which case the Interest Rate shall apply instead.



## **12 REDEMPTION AND REPURCHASE OF THE BONDS**

### **12.1 Redemption at maturity**

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

### **12.2 Purchase of Bonds by Group Companies**

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

### **12.3 Early voluntary total redemption (call option)**

- 12.3.1 The Issuer may redeem all, but not only some, of the Bonds on any Business Day before the Final Redemption Date. Each Bond shall be redeemed at the applicable Call Option Amount together with accrued but unpaid interest.
- 12.3.2 Redemption in accordance with Clause 12.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Trustee. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.
- 12.3.3 For the purpose of calculating the remaining interest payments pursuant to paragraph (a) of the definition of Call Option Amount, it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant Record Date shall be agreed upon between the Issuer, the CSD and the Trustee in connection with such repayment.

### **12.4 Voluntary partial redemption upon an Equity Listing Event (call option)**

- 12.4.1 Provided that at least sixty-five (65) per cent. of the aggregate Nominal Amount of the Initial Bond Issue remains outstanding after such prepayment, the Issuer may at one occasion, in connection with an Equity Listing Event, make a partial prepayment of Bonds, 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).

- 12.4.2 The repayment must occur on an Interest Payment Date within one hundred and eighty (180) calendar 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).
- 12.4.3 The repayment per Bond shall equal the repaid percentage of the Nominal Amount (rounded down to the nearest SEK 1.00) plus (i) a premium on the repaid amount as set forth in the Call Option Amount for the relevant period and shall for the period until the First Call Date be the price set out in paragraph (b) of the definition of Call Option Amount and (ii) accrued but unpaid interest on the repaid amount.

## **12.5 Voluntary partial redemption (call option)**

- 12.5.1 Provided that at least 65.00 per cent. of the aggregate Nominal Amount of the Initial Bond Issue remains outstanding after such prepayment, the Issuer may at one occasion make a partial prepayment of Bonds in an amount corresponding to a maximum of twenty (20.00) per cent. of the aggregate Nominal Amount of the Initial Bond Issue, 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).
- 12.5.2 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 Trustee and the Bondholders.
- 12.5.3 The repayment per Bond shall equal the repaid percentage of the Nominal Amount (rounded down to the nearest SEK 1.00) plus (i) a premium on the repaid amount as set forth in the Call Option Amount for the relevant period and shall for the period until the First Call Date be the price set out in paragraph (b) of the definition of Call Option Amount and (ii) accrued but unpaid interest on the repaid amount.

## **12.6 Early voluntary total redemption due to illegality (call option)**

- 12.6.1 The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.
- 12.6.2 The applicability of Clause 12.6.1 shall be supported by a legal opinion issued by a reputable law firm.
- 12.6.3 The Issuer may give notice of redemption pursuant to Clause 12.6.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a Person shall be registered

as a Bondholder to receive the amounts due on such Redemption Date. The Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

- 12.7.1 Upon the occurrence of a Change of Control, De-listing or Listing Failure each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (d) of Clause 14.4. In relation to a Change of Control, the thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control.
- 12.7.2 The notice from the Issuer pursuant to paragraph (d) of Clause 14.4 shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (d) of Clause 14.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.7.1.
- 12.7.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 12.7, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 12.7 by virtue of the conflict.
- 12.7.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.7, if a third party in connection with the occurrence of a Change of Control, a De-listing or a Listing Failure offers to purchase all Bonds in the manner and on the terms set out in this Clause 12.7 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 12.7, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 12.7.5 Any Bonds repurchased by the Issuer pursuant to this Clause 12.7 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.

## **13 TRANSACTION SECURITY AND GUARANTEES**

- 13.1.1 Subject to the Intercreditor Agreement, as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants, and shall procure that each other Group Company (as applicable) grants, the Transaction Security as first ranking Security to the Secured Parties as represented by the Trustee at the times set out in these Terms and Conditions. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Transaction Security Documents.
- 13.1.2 The Trustee shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents and the Intercreditor Agreement.
- 13.1.3 Subject to the Agreed Security Principles, the Issuer shall ensure that first ranking Security is granted in favour of the Secured Parties in accordance with and at the times stipulated in Clause 6 (*Conditions precedent*), Clause 16.7 (*Conditions Subsequent*) and Clause 16.8 (*Additional Security and Guarantees*) in respect of:
- (a) the shares in the Issuer;
  - (b) all shares held by a Group Company in each Material Group Company and/or Guarantor (as applicable);
  - (c) any existing business mortgage certificates (Sw. *företagsinteckningar*) issued by a Guarantor;
  - (d) all present and future Material Intragroup Loans; and
  - (e) any shareholder loans provided by the Parent to the Issuer.
- 13.1.4 Subject to the terms of the Intercreditor Agreement, unless and until the Trustee has received instructions from the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*), the Trustee shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.
- 13.1.5 Subject to the terms of the Intercreditor Agreement, each Guarantor shall, at the time set out in these Terms and Conditions, irrevocably and unconditionally, in accordance with Swedish law, as principal obligor (Sw. *proprieborgen*), guarantee to the Trustee and the Bondholders the punctual performance of the Secured Obligations in accordance with and subject to the Guarantee Agreement.

### **13.2 Miscellaneous**

- 13.2.1 For the purpose of exercising the rights of the Secured Parties, the Trustee may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Trustee provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee and the CSD), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 13.

### **13.3 Further assurance**

- 13.3.1 The Issuer shall, and shall ensure that each other Group Company will, promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Trustee may reasonably specify (and in such form as the Trustee may reasonably require in favour of the Trustee or its nominee(s)):

- (a) to perfect the Transaction Security created or intended to be created or for the exercise of any rights, powers and remedies of the Finance Parties provided by or pursuant to the Finance Documents or by law; and/or
- (b) to (after the Transaction Security has become enforceable) facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.

- 13.3.2 The Issuer shall (and shall ensure that each other member of the Group will) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Transaction Security conferred or intended to be conferred on the Finance Parties by or pursuant to the Finance Documents.

### **13.4 Enforcement**

- 13.4.1 Subject to the Intercreditor Agreement, if the Bonds are declared due and payable according to Clause 17 (*Termination of the Bonds*), or following the Final Redemption Date, the Trustee is, without first having to obtain the Bondholders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Trustee finds acceptable (if in accordance with the Transaction Security Documents).
- 13.4.2 If a Bondholders' 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 Trustee is obligated to take actions in accordance with the Bondholders' 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 the Finance Documents, the Trustee shall not enforce the Transaction Security. If the Bondholders, without any prior initiative from the Trustee 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 Clause 18 (*Decisions by Bondholders*), the Trustee shall promptly declare the Bonds terminated and enforce the Transaction Security. The Trustee is however not liable to take action if the Trustee considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Trustee indemnified and, at the Trustee's own discretion, grant sufficient security for the obligation.

- 13.4.3 For the purpose of exercising the rights of the Bondholders and the Trustee under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Trustee to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Bondholders in accordance with Clause 13.4.2 above. To the extent permissible by law, the powers set out in this Clause 13.4.3 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Trustee provide the Trustee with any such documents, including a written power of attorney, which the Trustee deems necessary for the purpose of carrying out its duties under Clause 17.12.3 below (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Trustee's request, provide the Trustee with a written power of attorney empowering the Trustee to change the bank account registered with the CSD to a bank account in the name of the Trustee and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 13.4.2 above to the Bondholders through the CSD.

## **13.5 Release of Transaction Security and Guarantees**

- 13.5.1 Subject to the Intercreditor Agreement, the Trustee shall be entitled to release the Transaction Security and Guarantees in accordance with the terms of the Transaction Security Documents and the Guarantee Agreement.
- 13.5.2 The Trustee shall be entitled to release the security over the Escrow Account in accordance with the Escrow Account Pledge Agreement in order to fund a Mandatory Redemption in accordance with Clause 5.2.

## **14 INFORMATION UNDERTAKINGS**

### **14.1 Financial Statements**

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

- (a) not later than four (4) months after the expiry of each financial year, the annual audited consolidated financial statements of the Group (in English); and
- (b) not later than two (2) months after the expiry of each quarter of each of its financial years, the quarterly interim unaudited consolidated financial statements or year-end report of the Group (in English).

### **14.2 Requirements as to Financial Statements**

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

14.2.2 Each of the Financial Statements shall include a profit and loss account, a balance sheet, a cash flow statement and a management commentary or report from the Issuer's board of directors.

### **14.3 Compliance Certificate**

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

- (a) in connection with the delivery of Financial Statements in accordance with paragraph (a) of Clause 14.1 (*Financial Statements*);
- (b) in connection with the testing of an Incurrence Test or Add-on Acquisition Incurrence Test; and
- (c) at the Trustee's reasonable request, within twenty (20) Business Days from such request.

14.3.2 In each Compliance Certificate, the Issuer shall:

- (a) certify 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;
- (b) if provided in connection with the testing of the Incurrence Test or Add-on Acquisition Incurrence Test, certify that the Incurrence Test or Add-on Acquisition Incurrence Test (as applicable) is met and including calculations and figures in respect of the Incurrence Test or Add-on Acquisition Incurrence Test (as applicable); and
- (c) if provided in connection with an Annual Report, provide information on any new Material Group Companies and confirmation of compliance with the Guarantor Coverage Ratio.

### **14.4 Miscellaneous**

The Issuer shall:

- (a) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) available on its website;
- (b) make available in its financial statements information regarding the aggregate number of Bonds held and/or cancelled by the Issuer and, as far as the Issuer is aware, any other Group Company and/or any Affiliate of the Issuer, from time to time;

- (c) upon request by the Trustee, provide the Trustee with any information relating to a disposal made pursuant to Clause 16.9 (*Disposal of assets*), which the Trustee deems necessary (acting reasonably); and
- (d) promptly notify the Trustee (and, as regards a Change of Control, De-listing or Listing Failure, the Bondholders) upon becoming aware of the occurrence of a Change of Control, De-listing, Listing Failure or an Event of Default, and shall provide the Trustee with such further information as the Trustee may request (acting reasonably) following receipt of such notice.

The Trustee shall keep a copy of the latest version of the Intercreditor Agreement (including documents amending the Intercreditor Agreement) available for the Bondholders at its office during normal business hours.

## **15 FINANCIAL COVENANTS**

### **15.1 Incurrence Test**

15.1.1 Unless the Add-on Acquisition Incurrence Test applies in respect of the relevant incurrence, the Incurrence Test shall be made in respect of any transaction which is stated to be subject to the Incurrence Test pursuant to these Terms and Conditions.

15.1.2 The Incurrence Test is met if the Leverage Ratio is not greater than:

- (a) 3.50:1 if tested from, and including, the First Issue Date to, and including, 31 December 2021;
- (b) 3.25:1 if tested on or after 1 January 2022 to, and including, 31 December 2022; and
- (c) 3.00:1 if tested on or after 1 January 2023 to, and including, the Final Redemption Date,

in each case calculated in accordance with Clause 15.2 (*Calculation principles*).

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

15.2.1 The Add-on Acquisition Incurrence Test shall be applied in connection with the incurrence of:

- (a) Financial Indebtedness to be used for Permitted Acquisition; and
- (b) any Subsequent Bond Issue, if:
  - (i) incurred to refinance Financial Indebtedness incurred under the Super Senior RCF for the purpose of a Permitted Acquisition; and
  - (ii) the Subsequent Bonds are issued no later than six (6) month following the incurrence of the Financial Indebtedness under the Super Senior RCF.

15.2.2 The Add-on Acquisition Incurrence Test is met if the Leverage Ratio is not greater than 3.50:1.



### **15.3 Calculation principles**

- 15.3.1 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 is met, and adjusted so that any assets acquired with the Financial Indebtedness (as applicable) shall be included calculated *pro forma*.
- 15.3.2 The figures for EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Statements (including the new Financial Indebtedness *pro forma*) shall be used for the Incurrence Test or Add-on Acquisition Incurrence Test (as applicable), but adjusted so that:
- (a) entities acquired or disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period;
  - (b) any entity to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period; and
  - (c) any *pro forma* increases in EBITDA reasonably projected by the Group as a result of synergy effects and costs savings are included up to a cap of ten (10.00) per cent. of EBITDA which are reasonably likely to be realisable within eighteen (18) months resulting from an acquired entity subject to such synergy effects and costs savings being certified by the CFO (or similar) of the Issuer.
- 15.3.3 For the purpose of any Add-on Acquisition Incurrence Test:
- (a) 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 Group, including the target company on a *pro forma* basis; and
  - (b) the Net Interest Bearing Debt shall be measured on the relevant testing date so determined but *include* the new Financial Indebtedness, *pro forma*, incurred by the Group for the acquisition.
- 15.3.4 When calculating compliance with the Incurrence Test or Add-on Acquisition Incurrence Test (as applicable) in connection with the incurrence of new Financial Indebtedness, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce Net Interest Bearing Debt.

## **16 SPECIAL UNDERTAKINGS**

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 16.

## **16.1 Distributions**

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

- (a) pay any dividend on shares;
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders; or
- (d) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the Issuer's or its Subsidiaries' direct and indirect shareholders or the Affiliates of such direct and indirect shareholders,

unless such transaction is a Permitted Distribution.

## **16.2 Admission to trading of Bonds**

The Issuer shall ensure that:

- (a) the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within six (6) months of the First Issue Date or, if such admission to trading is not possible to obtain or maintain, that such Bonds are admitted to trading on any other Regulated Market within six (6) months after the First Issue Date; and
- (b) any Subsequent Bonds are admitted to trading on the same Regulated Market as the Initial Bonds within six (6) months of the Issue Date in respect of the relevant Subsequent Bonds.

## **16.3 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 as of the First Issue Date if such subsequent change would have a Material Adverse Effect.

## **16.4 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.

## **16.5 Loans out**

The Issuer shall not, and shall procure that no other Group Company will, extend any loans in any form to any other party, save for (subject to the Intercreditor Agreement):

- (a) to other Group Companies and associated entities (Sw. *intressebolag*) of the Group; or
- (b) to any other party provided that such loan is provided within the ordinary course of the Group's business.

## **16.6 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.

## **16.7 Conditions Subsequent**

The Issuer shall no later than one (1) Business Day following the date the Existing Bonds have been repaid in full, and the Security provided thereunder released, provide the following documents/evidence to the Trustee, unless being waived by the Trustee (in its sole discretion):

- (a) evidence that:
  - (i) the Existing Bonds have been repaid in full and that the Security provided thereunder has been released; and
  - (ii) that the Existing Working Capital Facility has been rolled-over to and established as an ancillary facility under the Super Senior RCF and that any Security provided thereunder (if any) has been released and/or transferred to the Trustee (in its capacity as Security Agent) (as applicable) and that the Vendor Loan Note has been repaid in full and that the Security provided thereunder has been released;
- (b) copies of the following Transaction Security Documents, duly executed by the relevant Group Companies (as applicable):
  - (i) a pledge agreement in respect of the shares in each Initial Guarantor;
  - (ii) pledge agreement in respect of any present and future Material Intragroup Loans; and
  - (iii) pledge agreement in respect of existing business mortgages (Sw. *företagsinteckningar*) issued by the Initial Guarantors (if any),and evidence that all perfection requirements thereunder has been delivered in accordance with the terms of such Transaction Security Document;
- (c) evidence that the Issuer and each Initial Guarantor has entered into the Intercreditor Agreement and due execution of the relevant documents; and
- (d) evidence that the Issuer and each Initial Guarantor has entered into the Guarantee Agreement and due execution of the relevant documents.

## **16.8 Additional Security and Guarantees**

- 16.8.1 Subject to Agreed Security Principles, the Issuer shall, or shall procure that the relevant Group Companies will, no later than sixty (60) calendar days following the publication of each Annual Report, provide the Trustee with the following documents and evidence in respect of any Group Company nominated as a new Material Group Company in the Compliance Certificate delivered with the Annual Report (provided that such company is wholly owned by the Issuer (directly or indirectly)) and, if required to meet the Guarantor Coverage Ratio, in respect of any additional Group Company (including any non-wholly owned Material Group Company):
- (a) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the relevant Finance Documents) for each acceding Guarantor and its shareholder(s) evidencing that the Finance Documents set out in paragraphs (b) and (d) below have been duly executed;
  - (b) evidence that each Group Company required to become a Guarantor has entered into or acceded to:
    - (i) the Guarantee Agreement as a Guarantor; and
    - (ii) the Intercreditor Agreement as an ICA Group Company or a subordination agreement with corresponding provisions regarding subordination of Intragroup Debt;
  - (c) evidence in the form of a certificate signed by the Issuer that the Guarantors in aggregate represent at least eighty (80) per cent. of Total Assets and eighty (80) per cent. of EBITDA of the Group, excluding intra-group items and investments in subsidiaries of any member of the Group, (the “**Guarantor Coverage Ratio**”);
  - (d) copies of Transaction Security Documents in respect of:
    - (i) subject to the Agreed Security Principles, the shares held by the Group in each Material Group Company, duly executed by the relevant shareholder; and
    - (ii) existing business mortgages issued by each Guarantor (if any),duly executed by the relevant Guarantor and evidence that the documents, notices and other evidences to be delivered pursuant to such Transaction Security Documents have been delivered and satisfied;
  - (e) a legal opinion, in form and substance satisfactory to the Trustee, on the capacity and due execution, in respect of any entity being party to the relevant Transaction Security Document unless it is incorporated in Sweden, issued by a reputable law firm; and
  - (f) a legal opinion on the validity and enforceability in respect of the relevant Transaction Security Document unless it is governed by Swedish law which, if requested by the Trustee, shall also include customary opinions regarding the role of the Trustee in such

jurisdiction (such as no residency or registration requirement and no need to deposit funds), issued by a reputable law firm.

16.8.2 Subject to Agreed Security Principles, the Issuer shall, or shall procure that the relevant Group Companies will, no later than the later of:

- (a) sixty (60) calendar days following the completion of an acquisition of a wholly-owned Material Group Company (calculated pro forma at the time of the acquisition) (the “Target Company”); and
- (b) sixty (60) calendar days following the publication of the first Annual Report following the acquisition of the Target Company,

provide the Trustee with the documents set out in paragraphs (a), (b), (d), (e) and (f) of Clause 16.8.1 (in respect of the Target Company only).

16.8.3 Prior to a Third Party Disposal, the Issuer shall, or shall procure that the relevant Group Company will, provide perfected Security in favour of the Secured Parties in respect of the relevant Proceeds Account subject to and in accordance with the Intercreditor Agreement.

16.8.4 In connection with a Share Disposal, the Issuer shall, or shall procure that the relevant Group Company will, provide Security in favour of the Secured Parties in accordance with the Intercreditor Agreement.

16.8.5 In connection with the Shareholder Mergers, the Company shall procure that the Intermediate Parent and the New Parent (as applicable) confirms that the Transaction Security remains in full force and effect following the Shareholder Mergers and that the share ledger of the Company and the share certificates issued by the Company are updated to reflect the Shareholder Mergers.

16.8.6 Notwithstanding anything to the contrary herein, neither the shares in Samgräv Recycling nor any assets of Samgräv Recycling shall be required to form part of the Transaction Security and Samgräv Recycling shall not be required to become a Guarantor, unless required to meet the Guarantor Coverage Ratio. Save as set out above, if Samgräv Recycling should become a Material Group Company, all other terms set out herein applicable to Material Group Companies in general shall apply also to Samgräv Recycling.

## **16.9 Disposals of assets**

Subject to the terms of the Intercreditor Agreement, the Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of any shares in any Group Company or of any substantial assets or operations to any person not being the Issuer or a Material Group Company, unless the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect and provided that no Event of Default is continuing or would result from such transaction.

## **16.10 Acquisitions**

The Issuer shall not, and shall procure that no other Group Company will, acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them) save for any Permitted Acquisition.

#### **16.11 Dealings with related parties**

The Issuer shall, and shall procure that each other Group Company will, conduct all dealings (other than Permitted Distributions) with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms (other than contributions to wholly owned Subsidiaries).

#### **16.12 Compliance with laws and authorisations**

The Issuer shall, and shall make sure that each other Group Company will, (i) comply with all laws and regulations applicable to the Group from time to time and (ii) obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence, registration or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

#### **16.13 Affiliation with a CSD**

The Issuer shall keep the Bonds affiliated with a CSD and comply with all applicable CSD Regulations.

#### **16.14 Trustee Agreement**

The Issuer shall, in accordance with the Trustee Agreement:

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

### **17 TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 17 is an Event of Default (save for Clause 17.10 (*Termination*), Clause 17.11 (*Clean-Up Period*) and Clause 17.12 (*Distribution of proceeds*)).

#### **17.1 Non-payment**

An Obligor 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 its due date.

## **17.2 Other obligations**

An Obligor or the Parent does not comply with its obligations under the Finance Documents in any other way than as set out under paragraph Clause 17.1 (*Non-payment*) above, unless the non-compliance is:

- (a) capable of being remedied; and
- (b) is remedied within fifteen (15) Business Days of the earlier of:
  - (i) the Trustee giving notice; and
  - (ii) the Issuer becoming aware of the non-compliance.

## **17.3 Cross payment default/cross-acceleration**

- (a) Any Financial Indebtedness of a Material Group Company or of the Parent 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 the Parent; or
- (b) any security interest securing Financial Indebtedness over any asset of any Material Group Company or the Parent is enforced,

provided however that the amount of Financial Indebtedness referred to under paragraph (a) and/or (b) above, individually or in the aggregate exceeds an amount corresponding to SEK 15,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

## **17.4 Insolvency**

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

## **17.5 Insolvency proceedings**

- (a) Any corporate action, legal proceedings or other procedures are taken in relation to:

- (i) the suspension of payments, winding-up, dissolution, bankruptcy (Sw. *konkurs*), administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company or the Parent;
  - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or the Parent, or any of their assets; or
  - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company or the Parent.
- (b) Paragraph (a) above shall not apply to:
- (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised; or
  - (ii) in relation to Subsidiaries of the Issuer, solvent liquidations.

#### **17.6 Merger and demergers:**

- (a) Subject to the terms of the Intercreditor Agreement, any Material Group Company (other than the Issuer) is demerged or merged into a company which is not a Group Company (and if a pledged Group Company, provided that the pledge remains), unless:
  - (i) such constitutes a permitted disposal in accordance with Clause 16.9 (*Disposal of assets*); or
  - (ii) the Trustee 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
- (b) the Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity.

#### **17.7 Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company or the Parent having an aggregate value equal to or exceeding SEK 15,000,000 and is not discharged within thirty (30) calendar days.

#### **17.8 Impossibility or illegality**



It is or becomes impossible or unlawful for the Obligors to fulfil or perform any of the provisions of the Finance Documents which has a detrimental effect on the interests of the Bondholders or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

## **17.9 Cessation of business**

A Material Group Company ceases to carry on its business and such discontinuation is likely to have a Material Adverse Effect.

## **17.10 Termination**

- 17.10.1 If an Event of Default has occurred and is continuing, the Trustee is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.10.3 or 17.10.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Trustee determines (such later date not falling later than twenty (20) Business Days from the date on which the Trustee made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 17.10.2 The Trustee may not terminate the Bonds in accordance with Clause 17.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 17.10.1.
- 17.10.3 The Trustee shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Trustee received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Trustee may postpone a notification of an Event of Default (other than in relation to Clause 17.1 (*Non-payment*)) up until the time stipulated in Clause 17.10.4 for as long as, in the reasonable opinion of the Trustee such postponement is in the interests of the Bondholders as a group. The Trustee shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 17.10.4 The Trustee shall, within twenty (20) Business Days of the date on which the Trustee received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Trustee has decided not to terminate the Bonds, the Trustee shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 18 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Trustee to terminate the Bonds, the Trustee shall promptly declare

the Bonds terminated. However, if the cause for termination according to the Trustee's appraisal has ceased before the termination, the Trustee shall not terminate the Bonds. The Trustee shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased.

- 17.10.5 If the Bondholders, without any prior initiative to decision from the Trustee or the Issuer, have made a decision regarding termination in accordance with Clause 18 (*Decisions by Bondholders*), the Trustee shall promptly declare the Bonds terminated. The Trustee is however not liable to take action if the Trustee considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Trustee harmless from any loss or liability and, if requested by the Trustee in its discretion, grant sufficient security for such indemnity.
- 17.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Trustee shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 17.10.8 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 Trustee or following instructions from the Bondholders' pursuant to Clause 18 (*Decisions by Bondholders*).
- 17.10.9 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 for the relevant period and shall for the period until the First Call Date be the price set out in paragraph (b) of the definition of Call Option Amount, in each case plus accrued and unpaid interest.

#### **17.11 Clean-Up Period**

- (a) For the purpose of this Agreement and provided that all other conditions in respect of Permitted Acquisitions have been met, for the period from the date of completion of the acquisition of a Proposed Target, until the date falling ninety (90) days thereafter (the "**Clean-Up Period**"), a breach of the undertakings specified in Clause 16 (*Special Undertakings*) or the occurrence of any Event of Default (other than an Event of Default under Clause 17.1 (*Non-Payment*)) will be deemed not to be a breach of representation or warranty or a breach of covenant or an Event of Default (as the case may be) if it would have been (but for this provision) a breach of representation or warranty or a breach of covenant or an Event of Default only by reason of circumstances relating exclusively to the Proposed Target or any of its Subsidiaries,

and provided that such breach of representation or warranty or a breach of covenant or Event of Default:

- (i) is capable of being remedied within the Clean-Up Period and the Company is taking appropriate steps to remedy such breach of representation or warranty or a breach of covenant or Event of Default;
  - (ii) does not have a Material Adverse Effect; and
  - (iii) was not procured by or approved by a Group Company which was not the subject of such Permitted Acquisition.
- (b) Notwithstanding the above, if the relevant circumstances are continuing after the expiry of the Clean-Up Period, there shall be a breach of representation or warranty, breach of covenant or Event of Default, as the case may be (and without prejudice to any rights and remedies of the Finance Parties).
- (c) The Company shall promptly notify the Trustee upon becoming aware of the occurrence or existence of any event or circumstance which, but for this Clause 17.11 would constitute an Event of Default and the steps, if any, being taken to remedy it.
- (d) Until the expiry of the Clean-Up Period in respect of the relevant Permitted Acquisition, any intra-Group indebtedness between members of the relevant acquired entities and the Group Companies shall be permitted without restriction.

## **17.12 Distribution of proceeds**

17.12.1 Subject to the Intercreditor Agreement, if the Bonds have been declared due and payable in accordance with this Clause 17, all payments by the Issuer relating to the Bonds and any proceeds received from an enforcement of the Transaction Security or the Guarantees shall be distributed in accordance with the Intercreditor Agreement:

- (a) *firstly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights, (iii) any non-reimbursed costs incurred by the Trustee for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Trustee in relation to a Bondholders' meeting or a written procedure;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid interest under the Bonds (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the 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 Bondholders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- 17.12.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 17.12.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 17.12.1.
- 17.12.3 Funds that the Trustee receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Trustee shall arrange for payments of such funds in accordance with this Clause 17.11 as soon as reasonably practicable.
- 17.12.4 If the Issuer or the Trustee shall make any payment under this Clause 17.11, the Issuer or the Trustee, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 10.1 shall apply.

## **18 DECISIONS BY BONDHOLDERS**

### **18.1 Request for a decision**

- 18.1.1 A request by the Trustee for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 18.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Trustee and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Trustee. The Person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 18.1.3 The Trustee may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Trustee that an approval will not be given or the suggested decision is not in accordance with applicable regulations.

- 18.1.4 The Trustee shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Trustee.
- 18.1.5 Should the Trustee not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 18.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Trustee to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 18.1.6 Should the Issuer want to replace the Trustee, it may convene a Bondholders' Meeting in accordance with Clause 18.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 18.3.1. After a request from the Bondholders pursuant to Clause 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18.2.1. The Issuer shall inform the Trustee before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Trustee is proposed to be replaced is sent and supply to the Trustee a copy of the dispatched notice or communication.

## **18.2 Bondholders' Meeting**

- 18.2.1 The Trustee shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Trustee shall send a copy of the notice to the Issuer.
- 18.2.2 The notice pursuant to Clause 18.2.1 shall include:
- (a) the time for the meeting;
  - (b) the place for the meeting;
  - (c) a agenda for the meeting (including each request for a decision by the Bondholders);
  - (d) a form of power of attorney; and
  - (e) should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

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

- 18.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 18.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Trustee may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. The Bondholders' Meeting may also decide that the Issuer and representatives of the Issuer may not attend the Bondholders' Meeting during certain parts of the meeting. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.
- 18.2.5 Without amending or varying these Terms and Conditions, the Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Trustee may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in Person.

### **18.3 Written Procedure**

- 18.3.1 The Trustee shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Trustee shall send a copy of the communication to the Issuer.
- 18.3.2 A communication pursuant to Clause 18.3.1 shall include:
- (a) each request for a decision by the Bondholders;
  - (b) a description of the reasons for each request;
  - (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights;
  - (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;
  - (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 18.3.1); and
  - (f) if the voting shall be made electronically, instructions for such voting.

- 18.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 18.4.2 and 18.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 18.4.2 or 18.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

#### **18.4 Majority, quorum and other provisions**

- 18.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 9 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 18.3.2, in respect of a Written Procedure,

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

- 18.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds (66<sup>2</sup>/<sub>3</sub>) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 16 (*Special undertakings*);
- (b) except as expressly regulated elsewhere in the relevant Finance Document, release any Transaction Security or Guarantee, in whole or in part;
- (c) a mandatory exchange of the Bonds for other securities;
- (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 18.4.2 or in Clause 18.4.3.

- 18.4.3 Any matter not covered by Clause 18.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 19.1) or a termination of the Bonds.

- 18.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Trustee in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 18.4.3.
- 18.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 18.4.2, and otherwise at least twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 18.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18.2.1) or initiate a second Written Procedure (in accordance with Clause 18.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 18.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 18.4.7 Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under these Terms and Conditions shall be subject to the Issuer's or the Trustee's consent, as appropriate.
- 18.4.8 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 18.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 18.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 18.4.11 All costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.



- 18.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 18.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Trustee, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

## **19 AMENDMENTS AND WAIVERS**

- 19.1 The Issuer and the Trustee (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Trustee is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders;
  - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
  - (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
  - (d) is necessary for the purpose of having the Bonds admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders; or
  - (e) has been duly approved by the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.
- 19.2 The Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Trustee. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 19.3 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Bondholders' Meeting, in the Written Procedure or by the Trustee, as the case may be.

## **20 THE TRUSTEE**

### **20.1 Appointment of Trustee**

- 20.1.1 By subscribing for Bonds, each initial Bondholder appoints the Trustee to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Trustee to act on its behalf.
- 20.1.2 Each Bondholder shall immediately upon request provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), as the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Trustee is under no obligation to represent a Bondholder which does not comply with such request.
- 20.1.3 The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents and the Trustee Agreement.
- 20.1.4 The Trustee is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Trustee Agreement and the Trustee's obligations as Trustee under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 20.1.5 The Trustee may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### **20.2 Duties of the Trustee**

- 20.2.1 The Trustee shall represent the Bondholders in accordance with the Finance Documents.
- 20.2.2 When acting pursuant to the Finance Documents, the Trustee is always acting with binding effect on behalf of the Bondholders. The Trustee is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Trustee does not bind the Bondholders or the Issuer.
- 20.2.3 When acting pursuant to the Finance Documents, the Trustee shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 20.2.4 The Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not

be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

- 20.2.5 The Trustee is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Trustee shall however remain liable for any actions of such parties if such parties are performing duties of the Trustee under the Finance Documents.
- 20.2.6 The Issuer shall on demand by the Trustee pay all costs for external experts engaged by it:
- (a) after the occurrence of an Event of Default;
  - (b) for the purpose of investigating or considering:
    - (i) an event which the Trustee reasonably believes is or may lead to an Event of Default; or
    - (ii) a matter relating to the Issuer or the Finance Documents which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
  - (c) in connection with any Bondholders' Meeting or Written Procedure;
  - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 17.11 (*Distribution of proceeds*).

- 20.2.7 The Trustee shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Trustee, as may be necessary in order for the Trustee to carry out its duties under the Finance Documents.
- 20.2.8 Other than as specifically set out in the Finance Documents, the Trustee shall not be obliged to monitor:
- (a) whether an Event of Default has occurred;
  - (b) the financial condition of the Issuer and the Group;
  - (c) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
  - (d) whether any other event specified in any Finance Document has occurred or is expected to occur.

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

20.2.9 The Trustee shall:

- (a) review each Compliance Certificate delivered to it to determine that it meets the requirements set out herein and as otherwise agreed between the Issuer and the Trustee; and
- (b) verify that the Issuer according to its reporting in the Compliance Certificate meets the relevant financial covenant(s) or tests.

The Issuer shall promptly upon request provide the Trustee with such information as the Trustee reasonably considers necessary for the purpose of being able to comply with this Clause 20.2.9.

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

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

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

### **20.3 Limited liability for the Trustee**

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

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

- 20.3.3 The Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Trustee to the Bondholders, provided that the Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Trustee for that purpose.
- 20.3.4 The Trustee shall have no liability to the Issuer or the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 20.3.5 Any liability towards the Issuer which is incurred by the Trustee in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents

## **20.4 Replacement of the Trustee**

- 20.4.1 Subject to Clause 20.4.6, the Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.
- 20.4.2 Subject to Clause 20.4.6, if the Trustee is insolvent or becomes subject to bankruptcy proceedings, the Trustee shall be deemed to resign as Trustee and the Issuer shall within ten (10) Business Days appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Trustee be dismissed and a new Trustee appointed.
- 20.4.4 If the Bondholders have not appointed a successor Trustee within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
  - (b) the Trustee was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Trustee which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 20.4.5 The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under the Finance Documents.

- 20.4.6 The Trustee's resignation or dismissal shall only take effect upon the earlier of:
- (a) the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee; and
  - (b) the period pursuant to paragraph (b) of Clause 20.4.4.
- 20.4.7 Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Trustee.
- 20.4.8 In the event that there is a change of the Trustee in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents and the Trustee Agreement. Unless the Issuer and the new Trustee agree otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee.

## **21 THE ISSUING AGENT**

- 21.1 The Issuer shall when necessary appoint an 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.
- 21.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 21.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.
- 21.4 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.

## **22 THE CSD**

- 22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 22.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (Sw. *lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **23 NO DIRECT ACTIONS BY BONDHOLDERS**

- 23.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Trustee.
- 23.2 Clause 23.1 shall not apply if the Trustee has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1.2), 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 Trustee under the Finance Documents or the Trustee Agreement or by any reason described in Clause 20.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.12 before a Bondholder may take any action referred to in Clause 23.1.
- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 12.4 (*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 Bondholders.

## **24 TIME-BAR**

- 24.1 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 Bondholders' right to receive payment has been time-barred and has become void.

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

## **25 NOTICES AND PRESS RELEASES**

### **25.1 Notices**

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

- (a) if to the Trustee, 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 Trustee to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Trustee to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Trustee by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Trustee, to such e-mail address as notified by the Issuer to the Trustee from time to time; and
- (c) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Trustee.

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

- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1.1;
- (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1; or



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

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

## **25.2 Press releases**

- 25.2.1 Any notice that the Issuer or the Trustee shall send to the Bondholders pursuant to Clause 5.3 (*Escrow of Proceeds*), Clause 12.3 (*Early voluntary total redemption (call option)*), Clause 12.4 (*Early voluntary total redemption due to illegality (call option)*), Clause 12.5 (*Voluntary partial redemption (call option)*), Clause 12.6 (*Early voluntary total redemption due to illegality (call option)*), Clause 12.7 (*Mandatory repurchase due to a Change of Control, Delisting or Listing Failure (put option)*), paragraph (b) of Clause 14.4 or Clauses 17.10.3, 17.12.4, 18.4.13, 18.2.1, 18.3.1, 19.2, 20.2.12 or 20.4.1 shall also be published by way of press release by the Issuer or the Trustee, as applicable.
- 25.2.2 In addition to Clause 25.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Trustee may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Trustee shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Trustee considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Trustee shall be entitled, but not obligated to issue such press release.

## **26 FORCE MAJEURE**

- 26.1 Neither the Trustee nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Trustee or the Issuing Agent itself takes such measures, or is subject to such measures.
- 26.2 Should a Force Majeure Event arise which prevents the Trustee or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 26.3 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **27 ADMISSION TO TRADING**

- 27.1 The Issuer shall use its reasonable endeavours to procure that the Initial Bonds are listed on the corporate bond list of Nasdaq Stockholm within thirty (30) calendar days after the First Issue Date and remain listed on such exchange.
- 27.2 The Issuer has in accordance with Clause 16.2 (*Admission to trading of Bonds*) undertaken to have the Initial Bonds admitted to trading within six (6) months after the First Issue Date on the corporate bond list of Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within six (6) months after the First Issue Date).
- 27.3 The Issuer shall ensure that the Bonds, once admitted to trading on a Regulated Market continue being listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

## **28 GOVERNING LAW AND JURISDICTION**

- 28.1 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.
- 28.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 28.3, be determined by Swedish courts and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 28.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Trustee (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
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## **SCHEDULE 1**

### **CONDITIONS PRECEDENT**

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#### **Part 1**

#### **Conditions Precedent for Settlement – Initial Bond Issue**

##### **1. The Issuer**

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer.
- (b) A copy of a resolution of the board of directors of the Issuer:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
  - (ii) authorising a specified person or persons to execute the Finance Documents on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it under or in connection with the Finance Documents to which it is a party.

##### **2. Finance Documents**

- (a) A duly executed copy of the Terms and Conditions.
- (b) A duly executed copy of the Trustee Agreement.
- (c) A duly executed copy of the Escrow Account Pledge Agreement, including evidence that the security purported to be created under the Escrow Account Pledge Agreement in respect of the Escrow Account has been duly perfected.

## **Part 2**

### **Conditions Precedent for Disbursement – Initial Bond Issue**

#### **1. The Issuer, the Parent and the Initial Guarantors**

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer, the Original Parent, the Intermediate Parent, the New Parent and each Initial Guarantor.
- (b) A copy of a resolution of the board of directors of the Issuer, the Original Parent, the Intermediate Parent, the New Parent and each Initial Guarantor:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
  - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it under or in connection with the Finance Documents to which it is a party.

#### **2. Finance Documents**

A duly executed copy of the Issuer Share Pledge Agreement.

#### **3. Miscellaneous**

- (a) The documents set forth under Part 1 (*Conditions Precedent for Settlement – Initial Bond Issue*).
- (b) Evidence that any remaining amount necessary in order to redeem the Existing Bonds in full will be transferred to the Issuer's Euroclear Sweden affiliated account no later than one (1) Business Day prior to the early redemption date of the Existing Bonds (if any).
- (c) Evidence that the Existing Bonds have been unconditionally and irrevocably called for repayment, such repayment to take place no later than upon the disbursement of the Net Proceeds from the Escrow Account (however, with due regard to the payment mechanisms of the CSD).
- (d) A duly executed release notice from the agent and security agent and the bank (as applicable) under (i) the Existing Bonds confirming that any guarantee or security provided under the Existing Bonds will be released promptly upon such agent

receiving a transcript from the CSD evidencing the redemption of the Existing Bonds in full and (ii) the Existing Debt.

- (e) Evidence, in the form of a duly signed unconditional and irrevocable payment instruction to be attached to the Trustee's instruction to the escrow bank for release of Net Proceeds, specifying that the Net Proceeds to be released from the Escrow Account shall be used towards repayment of the Existing Bonds in full.

### **Part 3**

#### **Conditions Precedent for Settlement – Subsequent Bond Issue**

##### **1. The Issuer**

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer.
- (b) A copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into any documents necessary in connection therewith.

##### **2. Miscellaneous**

- (a) A Compliance Certificate from the Issuer confirming that the Incurrence Test or the Add-on Acquisition Incurrence Test (as applicable) is met and that no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue.
- (b) Such other documents and evidence as is agreed between the Trustee and the Issuer.

## SCHEDULE 2

### FORM OF COMPLIANCE CERTIFICATE

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#### COMPLIANCE CERTIFICATE

To: [Nordic Trustee & Agency AB (publ)] as Trustee

From: Bellman Group AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

#### **Bellman Group AB (publ)**

**Maximum SEK 1,500,000,000 senior secured callable fixed rate bonds 2021/2026 with  
ISIN: SE0015221999**

#### **(the “Bonds”)**

- (1) We refer to the terms and conditions for the Bonds (the “**Terms and Conditions**”). This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

#### [(2)] **[Incurrence Test]**

This Compliance Certificate is furnished to you in connection with [describe transaction] (the “**Incurrence**”). We confirm that the Incurrence Test is met in relation to the Incurrence and that in respect of the date of the Incurrence Test, [date] (falling no more than two (2) months prior to the incurrence of the new Financial Indebtedness):

- (a) the Net Interest Bearing Debt was SEK [♦], EBITDA was SEK [♦] and therefore the Leverage Ratio was less than [♦]; and
- (b) no Event of Default is continuing or would occur upon the Incurrence.

in each case including the Incurrence on a pro forma basis and otherwise calculated in accordance with Clause 15.3 (*Calculation principles*).

Computations as to compliance with the Incurrence Test are attached hereto.<sup>1]2</sup>

#### [(2)] **[Add-on Acquisition Incurrence Test]**

This Compliance Certificate is furnished to you in connection with [describe transaction] (the “**Incurrence**”). We confirm that the Add-on Acquisition Incurrence Test is met in relation to

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<sup>1</sup> To include calculations of the Incurrence Test and any adjustments pursuant to Clause 15.3 (*Calculation principles*).

<sup>2</sup> This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.

the Incurrence and that in respect of the date of the Add-on Acquisition Incurrence Test, [date] (falling no more than two (2) months prior to the incurrence of the new Financial Indebtedness):

- (a) the Net Interest Bearing Debt was SEK [♦], EBITDA was SEK [♦] and therefore the Leverage Ratio was less than 3.50:1; and
- (b) no Event of Default is continuing or would occur upon the Incurrence.

in each case including the Incurrence on a pro forma basis and otherwise calculated in accordance with Clause 15.3 (*Calculation principles*).

Computations as to compliance with the Add-on Acquisition Incurrence Test are attached hereto.<sup>3]</sup><sup>4</sup>

[(2/3)] **[Material Group Companies and Guarantor Coverage Ratio]**

[We confirm that, as of [date], the following Group Companies are Material Group Companies:]<sup>5</sup>

[include list of Material Group Companies]

[We further confirm that:

- (a) each Material Group Company identified above has acceded or will accede to the Guarantee Agreement as a Guarantor in accordance with Clause 16.8 (*Additional Security and Guarantees*); and
- (b) as of [date] the Guarantors in aggregate represent [♦] of Total Assets and [♦] of EBITDA of the Group,

and that the Guarantor Coverage Ratio therefore has been attained.]<sup>6</sup>

[(3/4)] [We confirm that, so far as we are aware, no Event of Default is continuing.]<sup>7</sup>

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<sup>3</sup> To include calculations of the Add-on Acquisition Incurrence Test and any adjustments pursuant to Clause 15.3 (*Calculation principles*).

<sup>4</sup> This section to be used if the Compliance Certificate is delivered in connection with an Add-on Acquisition Incurrence Test.

<sup>5</sup> This section to be used if the Compliance Certificate is delivered in connection with the Annual Report or a Permitted Acquisition.

<sup>6</sup> This section to be used if the Compliance Certificate is delivered in connection with the Annual Report or a Permitted Acquisition.

<sup>7</sup> Should be included in each Compliance Certificate. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.



**Bellman Group AB (publ)**

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Name:

*Authorised signatory*

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Name:

*Authorised signatory*

# GUARANTEE AGREEMENT

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## Guarantee and Adherence Agreement

dated 23 February 2021

between

**Bellman Group AB (publ)**

as Issuer

**certain entities**

as Original Guarantors

**Nordic Trustee & Agency AB (publ)**

as Security Agent

and

**Swedbank AB (publ)**

as Original Super Senior RCF Agent

**THIS GUARANTEE AND ADHERENCE AGREEMENT** (the "**Agreement**") is entered into on the date first stated above and made between the following parties:

- (1) **BELLMAN GROUP AB (PUBL)** (reg. no. 559108-3729) (the "**Issuer**");
- (2) **THE COMPANIES SET OUT IN APPENDIX 1 (ORIGINAL GUARANTORS)** as Original Guarantors (each an "**Original Guarantor**" and together the "**Original Guarantors**");
- (3) **NORDIC TRUSTEE & AGENCY AB (PUBL)** acting for itself and on behalf of the Secured Parties (as defined below) (the "**Security Agent**"); and
- (4) **SWEDBANK AB (PUBL)** acting for itself and as agent for the Original Super Senior RCF Creditor (as defined in the Intercreditor Agreement, as defined below) (the "**Original Super Senior RCF Agent**").

## **BACKGROUND**

- (A) Reference is made to the SEK 250,000,000 super senior revolving credit facility agreement dated 22 January 2021 entered into between Bellman Group AB (publ) as Company and Original Borrower, Swedbank AB (publ) as Arranger, Original Lender and Facility Agent (as supplemented, amended and/or restated from time to time, the "**Super Senior RCF**").
- (B) Reference is further made to the terms and conditions for the maximum SEK 1,500,000,000 senior secured callable floating rate bonds 2021/2026 with ISIN SE0015221999 issued by the Issuer (as supplemented, amended and/or restated from time to time, the "**Terms and Conditions**").
- (C) Reference is lastly made to the intercreditor agreement dated 23 February 2021 between, *inter alios*, Bellman Group AB (publ) as Issuer, Verdane Holding 26 AB, Verdane Alexander Holding AB and Haimos HoldCo AB as Original Shareholder Creditor, Swedbank AB (publ) as Original Super Senior RCF Agent, Original Super Senior RCF Creditor and Original Hedge Counterparty and Nordic Trustee & Agency AB (publ) as Original Bonds Agent and Original Security Agent (the "**Intercreditor Agreement**").
- (D) Pursuant to the Super Senior RCF and the Terms and Conditions, the Issuer has, *inter alios*, agreed to procure that the Original Guarantors provide guarantees to the Secured Parties for the Secured Obligations (each as defined below).
- (E) Pursuant to the Intercreditor Agreement, the Security Agent shall hold any guarantee created hereunder for itself and as agent for the Secured Parties (each as defined below).

# 1 DEFINITIONS AND INTERPRETATION

## 1.1 Definitions

In this Agreement:

“**Accession Letter**” means a letter substantially in the form set out in Appendix 2 (*Form of Accession Letter*).

“**Additional Guarantor**” means a member of the Group which becomes a Guarantor in accordance with Clause 4 (*Additional Guarantors*).

“**Finance Documents**” has the meaning ascribed to the term “Senior Finance Documents” in the Intercreditor Agreement.

“**Guarantor**” means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with Clause 6 (*Resignation of Guarantors*).

“**Obligor**” means the Issuer or a Guarantor.

“**Resignation Letter**” means a letter substantially in the form set out in Appendix 4 (*Form of Resignation Letter*).

“**Secured Obligations**” has the meaning ascribed to that term in the Intercreditor Agreement.

“**Secured Parties**” has the meaning ascribed to that term in the Intercreditor Agreement.

## 1.2 Construction

- (a) Unless this Agreement provides otherwise or the context otherwise requires, a term which is defined (or expressed to be subject to a particular construction) in the Intercreditor Agreement shall have the same meaning (or be subject to the same construction) in this Agreement.
- (b) A reference in this Agreement to any agreement or document or to any agreement or document entered into pursuant to or in accordance with any such agreement or document is a reference to:
  - (i) this Agreement or other agreement or document as amended, novated, supplemented, extended or restated; and
  - (ii) any other agreement or document whereby such agreement or document is so amended, restated, varied, novated or supplemented or which is entered into pursuant to or in accordance with any such agreement or document.
- (c) A provision of law is a reference to that provision as amended or re-enacted.

## **2 SUPERIORITY OF THE INTERCREDITOR AGREEMENT**

This Agreement is subject to the terms of the Intercreditor Agreement. In the event of any inconsistency between this Agreement and the Intercreditor Agreement, the Intercreditor Agreement shall, notwithstanding anything to the contrary herein, prevail.

## **3 GUARANTEE AND INDEMNITY**

### **3.1 Guarantee and indemnity**

Each Guarantor hereby irrevocably and unconditionally, jointly and severally (Sw. *solidariskt*), but subject to any limitations set out in Clause 3.10 (*Guarantee limitations*):

- (a) guarantees to each Secured Party, as represented by the Security Agent, as for its own debt (Sw. *såsom för egen skuld*) the full and punctual payment and performance by the Obligors of the Secured Obligations including, but not limited to, the payment of principal and interest under the Finance Documents when due, whether at maturity, by acceleration, by redemption or otherwise, and interest on any such obligation which is overdue, and of all other monetary obligations of the Obligors to the Secured Parties under the Finance Documents;
- (b) undertakes with each Secured Party, as represented by the Security Agent, that whenever any Obligor does not pay any amount when due under or in connection with the Finance Documents, that Guarantor shall on demand pay that amount as if it was the principal obligor; and
- (c) agrees with the Security Agent that if any obligation guaranteed by it, is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Secured Parties immediately on demand against any cost, loss or liability which any of the Security Parties incurs as a result of any Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by such Obligor under the Finance Documents on the date when it would have been due. The amount payable by a Guarantor under this paragraph (c) will not exceed the amount which the Guarantor would have had to pay under this Clause 3 if the amount claimed had been recoverable on the basis of a guarantee.

### **3.2 Continuing guarantee**

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

### **3.3 Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Secured Party in whole or in

part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Guarantor under this Clause 3 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

### **3.4 Waiver of defences**

The obligations of each Guarantor under this Clause 3 will not be affected by an act, omission, matter or thing which, but for this Clause 3, would reduce, release or prejudice any of its obligations under this Clause 3 (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

### **3.5 Guarantor intent**

Without prejudice to the generality of Clause 3.4 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount (including, without limitation, any Subsequent Bonds (as defined in the Terms and Conditions)) made available under any of the Finance Documents and any fees, costs and/or expenses associated with any of the foregoing.

### **3.6 Immediate recourse**

Each Guarantor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Agreement. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

### **3.7 Appropriations**

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Secured Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Clause 3.

### **3.8 Deferral of Guarantors' rights**

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 3:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under 3.1 (*Guarantee and indemnity*);
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If a Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution separated from its other assets and promptly pay, transfer or distribute an amount equal to that receipt or recovery to the Security Agent or as the Agent may direct for application in accordance with Clause 7 (*Payments*).

### **3.9 Additional security**

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party.

### **3.10 Guarantee limitations**

- (a) The obligations and liabilities of each Guarantor incorporated in Sweden under this Agreement shall be limited if (and only if) and to the extent required by an application of the mandatory provisions of the Swedish Companies Act (Sw. *Aktiebolagslagen* (2005:551)), as amended, regulating unlawful distribution of assets and other value transfers (Chapter 17, Sections 1 to 4) (or its equivalent from time to time) and it is understood that the obligations and liabilities of each Guarantor under this Agreement only applies to the extent permitted by the abovementioned provision of the Swedish Companies Act and the relevant guarantee shall be limited in accordance herewith.
- (b) *Additional Guarantors*: The obligations and liabilities of and the guarantee issued by each Additional Guarantor under this Agreement shall also be limited to any limitation language explicitly set out in any Accession Letter in respect of such Additional Guarantor.

## **4 ADHERENCE**

Each Guarantor undertakes to adhere to, make and comply with any representations, undertakings and obligations set out in the Finance Documents which are specified to apply to the Guarantors.

## **5 ADDITIONAL GUARANTORS**

- (a) The Issuer may request that any of its Subsidiaries become an Additional Guarantor.
- (b) A member of the Group shall become an Additional Guarantor if:
  - (i) the Issuer and the proposed Additional Guarantor deliver to the Security Agent a duly completed and executed Accession Letter; and
  - (ii) the Security Agent has received all of the documents and other evidence listed in Appendix 2 (*Conditions Precedent*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Security Agent (acting reasonably).



- (c) The Security Agent shall notify the Issuer promptly upon being satisfied that it has received (in form and substance satisfactory to it acting reasonably) all the documents and other evidence listed in Appendix 2 (*Conditions precedent*).
- (d) For the avoidance of doubt, the Security Agent may agree with the Issuer that the requirements under paragraph (b)(ii) above are to be delivered and/or satisfied at a date later than the date on which the relevant entity becomes an Additional Guarantor.

## **6 RESIGNATION OF GUARANTORS**

### **6.1 Resignation of a Guarantor**

- (a) Subject to paragraph (b) below, the Issuer may request that a Guarantor ceases to be a Guarantor by delivering to the Security Agent a Resignation Letter if the relevant Guarantor, or its Holding Company, provided that the resignation of such Guarantor is permitted pursuant to the Finance Documents.
- (b) The Security Agent shall accept a Resignation Letter and notify the Issuer and the Secured Parties of its acceptance if:
  - (i) the Issuer has confirmed that no Event of Default is continuing or would result from the acceptance of the Resignation Letter;
  - (ii) no payment is due from that Guarantor under this Agreement; and
  - (iii) immediately following the resignation of the resigning Guarantor as a Guarantor, the Issuer will remain in compliance with the Guarantor Coverage Ratio.
- (c) Each resignation shall become effective upon the counter signing of the Resignation Letter by the Security Agent.

### **6.2 Release of Guarantors' right of contribution**

If any Guarantor (a “**Retiring Guarantor**”) ceases to be a Guarantor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Retiring Guarantor then on the date such Retiring Guarantor ceases to be a Guarantor:

- (a) that Retiring Guarantor is released by each other Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Guarantor arising by reason of the performance by any other Guarantor of its obligations under the Finance Documents; and
- (b) each other Guarantor waives any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Finance Document or of any other security taken pursuant to, or in

connection with, any Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Guarantor.

## **7 PAYMENTS**

### **7.1 Intercreditor Agreement**

All moneys received by the Security Agent, or its designee, in exercise of the rights under this Agreement shall be applied by the Security Agent in discharge of the Secured Obligations in accordance with the terms of the Intercreditor Agreement.

### **7.2 Grossing Up**

Each payment made by a Guarantor to the Secured Parties under this Agreement shall be made free and clear of and without deduction for or on account of tax unless such Guarantor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by that Guarantor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction or withholding, the Security Parties receive and retain (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

### **7.3 Payments without Set-Off**

All payments to be made by a Guarantor under this Agreement shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim.

### **7.4 Manner of Payment**

Each payment made by a Guarantor under this Agreement shall be paid in the manner, currency and place specified by the Security Agent from time to time.

## **8 COSTS AND EXPENSES**

### **8.1 Stamp Taxes**

Each Guarantor shall promptly on demand pay all stamp, registration and other taxes to which this Agreement or any judgment given in connection with this Agreement is or at any time may be subject and shall on demand indemnify the Secured Parties against any liabilities, costs, claims and expenses (including legal fees) resulting from any failure to pay or delay in paying any such tax.

### **8.2 Indemnity**

Each Guarantor shall indemnify and hold harmless the Secured Parties on demand from and against any and all costs, claims losses, expenses (including legal fees) and liabilities, which

the Secured Parties may incur as a result of the exercise, preservation and/or enforcement by the Secured Parties of any of their rights and powers under this Agreement or by law.

## **9 REMEDIES AND WAIVERS**

Neither failure by the Secured Parties to exercise, nor any delay by the Secured Parties in exercising, any right or remedy under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise of any such right or remedy prevent any further or other exercise thereof or the exercise of any other such right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

## **10 ADDITIONAL PROVISIONS**

### **10.1 Partial Invalidity**

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect or this Agreement is or becomes ineffective in any respect under the law of any jurisdiction, such illegality, invalidity, unenforceability or ineffectiveness shall not affect:

- (a) the legality, validity or enforceability of the remaining provisions of this Agreement or the effectiveness in any other respect of this Agreement under such law; or
- (b) the legality, validity or enforceability of such provision or the effectiveness of this Agreement under the law of any other jurisdiction.

### **10.2 Potentially Avoided Payments**

If any of the Secured Parties (acting reasonably) determines that an amount paid to it under any Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the person by whom such amount was paid, then for the purposes of this Agreement, such amount shall be regarded as not having been paid.

### **10.3 Currency Indemnity**

If any sum due from a Guarantor under this Agreement or any order or judgment given or made in relation to this Agreement has to be converted from the currency (the “**first currency**”) in which the same is payable under this Agreement or under such order or judgment into another currency (the “**second currency**”) for the purpose of:

- (a) making or filing a claim or proof against that Guarantor;
- (b) obtaining an order or judgment in any court or other tribunal; or
- (c) enforcing any order or judgment given or made in relation to this Agreement,

each Guarantor shall on demand indemnify and hold harmless the Secured Parties from and against any loss suffered or incurred as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the

second currency and (ii) the rate or rates of exchange at which the Secured Parties may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

#### **10.4 Rights Cumulative**

The rights and remedies provided by this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

### **11 ASSIGNMENTS AND TRANSFERS**

#### **11.1 The Guarantors' rights and obligations**

The rights and obligations of the Guarantors under this Agreement are not assignable or transferable and no Guarantor shall purport to assign or transfer any or all such rights or obligations.

#### **11.2 The Security Agent's rights**

The rights of the Security Agent under this Agreement are assignable in whole or in part and the Security Agent may assign all or any such rights without the consent of the Guarantor in the event that the Security Agent transfers any of its rights and obligations under the Finance Documents subject to Clause 22.8 (*Resignation of Agents*) of the Intercreditor Agreement.

### **12 AMENDMENTS**

Amendments of this Agreement will only be effective if agreed to by all parties in writing.

### **13 NOTICES**

Any notice or other communication to be made under or in connection with this Agreement shall be made in accordance with and be subject to the terms of Clause 23 (*Notices*) of the Intercreditor Agreement. Any notice or other communication made to a Guarantor shall be deemed received such Guarantor if made to the Issuer in accordance with Clause 23 (*Notices*) of the Intercreditor Agreement.

### **14 COUNTERPARTS**

This Agreement may be executed in counterparts and such counterparts taken together shall constitute one and the same instrument.

### **15 GOVERNING LAW AND JURISDICTION**

- (a) Subject to paragraph (b) below, this Agreement, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.

- (b) Any dispute or claim arising in relation to these Terms & Conditions shall, subject to paragraph (c) below, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- (c) The submission to the jurisdiction of the Swedish courts shall not limit the right of the Security Agent (or the Bondholders, as applicable) to take proceedings against the Issuer or a Guarantor in any court which may otherwise exercise jurisdiction over the Issuer, a Guarantor or any of their assets

**This Agreement has been entered into on the date stated at the beginning of this Agreement.**

## APPENDIX 1

### ORIGINAL GUARANTORS

Name of Original Guarantor	Registration number (or equivalent, if any)	Jurisdiction
Bellman Group AB (publ)	559108-3729	Sweden
Uppländska Bergborrnings Aktiebolaget	556213-1556	Sweden
Bellmans Åkeri & Entreprenad AB	556402-9006	Sweden
VSM Entreprenad AB	556856-6011	Sweden
Samgräv Holding AB	556850-6363	Sweden
Samgräv Maskinförmedling AB	556812-2252	Sweden
Såcab Åkericentral AB	556527-8529	Sweden

## APPENDIX 2

### CONDITIONS PRECEDENT FOR ADDITIONAL GUARANTORS

1. An Accession Letter executed by the parties thereto.
2. A copy of the constitutional documents of the Additional Guarantor.
3. To the extent required by law, a copy of a resolution of the board of directors or equivalent body of the Additional Guarantor:
  - (a) approving the terms of, and the transactions contemplated by, the Accession Letter and resolving that it execute, deliver and perform the Accession Letter;
  - (b) authorising a specified person or persons to execute on its behalf the Accession Letter; and
  - (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Accession Letter.
4. A copy of the passport, driver's license, identity card or specimen signature of each person authorised by the resolution referred to in paragraph 3 above.
5. To the extent required by law, a copy of a resolution signed by all the holders of the issued shares in each Additional Guarantor approving the terms of, and the transactions contemplated by, the Accession Letter.
6. A certificate of an authorised signatory of the relevant Additional Guarantor certifying that each copy document relating to it and specified in this Appendix 2 as being delivered by it is a correct and complete copy of the original and in full force and effect and has not been amended or superseded as at a date no earlier than the date of the Accession Letter.
7. In respect of any Additional Guarantor which is not incorporated in Sweden, legal opinion(s) addressed to the Security Agent (on behalf of the Secured Parties) from legal advisers in the relevant jurisdiction(s).
8. Such documentation and other evidence needed for the Security Agent or any Secured Party to carry out and be satisfied it has complied with all necessary “*know your customer*” or other similar checks under all applicable laws and regulations in respect of the Additional Guarantor.
9. Such documentation and other evidence reasonably required by the Security Agent (on behalf of itself or the other Secured Parties) within what may be considered reasonable prior notice.

### APPENDIX 3

#### FORM OF ACCESSION LETTER

To: [♦] as Security Agent (on behalf of the Secured Parties)

From: [Subsidiary] and Bellman Group AB (publ)

Dated: [♦]

**Bellman Group AB (publ)**  
**Guarantee Agreement dated 23 February 2021**  
**(the “Agreement”)**

1. We refer to the Agreement. This is an Accession Letter. Terms defined in the Agreement have the same meaning in this Accession Letter unless given a different meaning in this Accession Letter.
2. [Subsidiary] agrees to become an Additional Guarantor and to be bound by the terms of the Agreement as an Additional Guarantor pursuant to Clause 4 (*Additional Guarantors*) of the Agreement.
3. [Subsidiary] is a company duly incorporated under the laws of [name of relevant jurisdiction] under registration number [registration number] with the following contact details:

Address: [♦]

E-mail: [♦]

Attention: [♦]
4. [The following limitations apply: [Any limitation language required in respect of the Subsidiary.]]
5. This Accession Letter and any non-contractual obligations arising out of or in connection with it are governed by Swedish law.

Accepted by the Security Agent on [♦]

[Security Agent]

By:



## **APPENDIX 4**

### **FORM OF RESIGNATION LETTER**

To: [♦] as Security Agent (on behalf of the Secured Parties)

From: [resigning Guarantor] and Bellman Group AB (publ)

Dated: [♦]

#### **Bellman Group AB (publ) – Guarantee Agreement dated 23 February 2021 (the “Agreement”)**

1. We refer to the Agreement. This is a Resignation Letter. Terms defined in the Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.
2. Pursuant to Clause 6.1 (*Resignation of a Guarantor*) of the Agreement, we request that [resigning Guarantor] be released from its obligations as a Guarantor under the Agreement
3. We confirm that:
  - (a) no Event of Default is continuing or would result from the acceptance of this request;
  - (b) no payment is due from [resigning Guarantor] under the Agreement; and
  - (c) immediately following the resignation of [resigning Guarantor] as a Guarantor, the Issuer will remain in compliance with the Guarantor Coverage Ratio.
4. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by Swedish law.

#### **Bellman Group AB (publ)**

By:

**[resigning Guarantor]**

By:

Accepted by the Security Agent on [♦].

**[Security Agent]**

By:

# ADDRESSES

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## Issuer

### **Bellman Group AB (publ)**

c/o Bellmans Åkeri & Entreprenad AB,  
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Tel: +46 (0)70 87 450 41  
Web page: [www.bellmangroup.se](http://www.bellmangroup.se)

## Issuing agent and bookrunner

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## Auditor

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

## Bookrunner

### **Swedbank AB (publ)**

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Web page: [www.swedbank.se](http://www.swedbank.se)

## Legal advisor

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Web page: [www.gda.se](http://www.gda.se)

## Agent

### **Nordic Trustee & Agency AB (publ)**

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## Central securities depository

### **Euroclear Sweden AB**

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Tel: +46 (0)8 402 90 00  
Web page: [www.euroclear.com](http://www.euroclear.com)