

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) on 26 November 2020. After the expiration date of this Prospectus, being 26 November 2021, the obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies ceases to apply.

24STORAGE

24Storage AB (publ)

relating to the listing of

SEK 400,000,000 Senior Unsecured Floating Rate Bonds due 2023

ISIN: SE0014957551

Joint Bookrunners



Prospectus dated 26 November 2020 and valid until 26 November 2021

IMPORTANT NOTICE:

This prospectus (the "**Prospectus**") has been prepared by 24Storage AB (publ) (the "**Issuer**", or the "**Company**" or together with its direct and indirect subsidiaries unless otherwise indicated by the context, the "**Group**"), a public limited liability company incorporated in Sweden, having its headquarters located at the address, Luntmakargatan 46, 111 37 Stockholm, Sweden, with reg. no. 556996-8141, in relation to the application for the listing of the senior unsecured floating rate bonds denominated in SEK (the "**Bonds**") on the corporate bond list on Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394 ("**Nasdaq Stockholm**"). Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) have acted as joint bookrunners in connection with the issue of the Bonds (the "**Joint Bookrunners**"). This Prospectus has been prepared in accordance with the standards and requirements of Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council (the "**Regulation**") and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 and repealing Commission Regulation (EC) No 809/2004 (the "**Delegated Regulation**"). The Regulation and the Delegated Regulation are jointly referred to as the "**Prospectus Regulations**".

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") as the competent authority under the Regulation. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the bonds that are subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 31 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Company's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding 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 incorporated by reference in, and any supplements to, this Prospectus. In this Prospectus, references to "**SEK**" refer to Swedish krona.

Investing in bonds is not appropriate for all investors. Each investor should therefore evaluate the suitability of an investment in the Bonds in light of its own circumstances. In particular, each investor should:

- (a) have sufficient knowledge and experience to carry out an effective evaluation of (i) the Bonds, (ii) the merits and risks of investing in the Bonds, and (iii) the information contained or incorporated by reference in the Prospectus or any supplements;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate in the context of its particular financial situation the investment in the Bonds and the impact that such investment will have on the investor's overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks resulting from an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the investor's own currency;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios relating to the economy, interest rates and other factors that may affect the investment and the investor's ability to bear the risks.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on the corporate bond list on Nasdaq Stockholm. This Prospectus may not be distributed in or into any country where such distribution or disposal would require any additional prospectus, registration or additional measures or contrary to the rules and regulations of such jurisdiction. 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 US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold outside the United States to purchasers who are not, or are not purchasing for the account of, U.S. persons in reliance upon Regulation S under the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act.

The offering is not made to individuals domiciled in Australia, Japan, Canada, Hong Kong, the Italian Republic, New Zealand, the Republic of Cyprus, the Republic of South Africa, the United Kingdom, the United States (or to any U.S. person), or in any other country where the offering, sale and delivery of the Bonds may be restricted by law.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Company's management or are assumptions based on information available to the Group. The words "**considers**", "**intends**", "**deems**", "**expects**", "**anticipates**", "**plans**" and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Although the Company believes that the forecasts of, 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 the section "**Risk factors**" below.

Interest payable on the Bonds will be calculated by reference to STIBOR. As at the date of this Prospectus, no administrator of STIBOR appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (the "**ESMA**") pursuant to Article 36 of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that no administrator of STIBOR is currently required to obtain authorisation or registration.

This Prospectus shall be read together with all documents that are incorporated by reference, see subsection "**Documents incorporated by reference**" under section "**Other information**" below, and possible supplements to this Prospectus.

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Risk Factors

Risk factors deemed to be of importance for the Group's business and future development and risks relating to the Bonds are described below. The risk factors presented below are categorised as "RISKS RELATING TO THE GROUP" or "RISKS RELATING TO THE BONDS" on the basis of whether they pertain to the Group or to the Bonds. The risk factors categorised as "RISKS RELATING TO THE GROUP", are categorised as risk factors pertaining to the Group and not as risk factors pertaining to the Issuer, as the major part of the business operations in the Group are conducted by the Issuer's subsidiaries. The materiality of the risk factors has been based on the probability of their occurrence and the expected magnitude of their negative impact. The risk factors have been presented in a limited amount of categories, with the most material risk factors placed first in each category.

RISKS RELATING TO THE GROUP

RISKS RELATED TO THE GROUP'S BUSINESS AND INDUSTRY

Risks related to competition in the Group's market, occupancy rate and price level in relation to the Group's storage facilities

Medium level risk

The Group conducts rental operations of storage units, so-called self storage, to private individuals and companies, mainly in Sweden's three metropolitan regions Stockholm, Gothenburg and Malmö. As per 31 December 2019 the Group represented approximately 13 per cent. of the Swedish self storage market. The market for rental of storage space is subject to fierce competition from a number of large and established companies offering similar services as the Group, including e.g. Shurgard Self Storage, Pelican Self Storage and City Self Storage. In addition, the Issuer believes that there is a risk of increased competition from new players, with new service offerings and logistic solutions that could potentially change the market. These new players are for example companies that offer services where the company picks up one or several boxes for storage instead of requiring the customer to travel to the storage facility. Furthermore, there are smaller competitors with strong local roots in local markets in which the Group operates. Increased competition from existing as well as new players may mean that the Group's market shares and occupancy rates will decrease. As a consequence, there is a risk that the Group may experience difficulties in attracting new customers, which could have a negative impact on the Group's revenues, operating income and operations.

The Group's long-term objective for each storage facility is to achieve an occupancy rate (calculated on the number of storages leased) of approximately 90 per cent. The Group estimates that, from the time of launch of a storage facility, it will take approximately six years to achieve the long-term objective. The Group is in an expansive phase and at the date of this Prospectus the Group has 23 storage facilities and several ongoing projects. It is generally difficult to predict future occupancy rate and as per 30 June 2020 the Group had an occupancy rate of 71.7 per cent. per square meter and 70.3 per cent. per storage unit (as stated on pages 1 and 16 of the Group's unaudited interim report for the second quarter of the financial year 2020 (the "**Q2 2020 Report**"). There is a risk that the Group will not achieve a sufficiently high occupancy rate or that the occupancy rate will be

achieved much later than the Group planned in relation to each storage facility. Failure to achieve the Group's target for the storage facilities may lead to the Group being forced to lower their prices, which would result in reduced revenues, which in turn would have a material adverse effect on the Group's operating profit. If a storage facility is not profitable for an extended period of time, the Group may need to sell the property. There is a risk that the value of the property has decreased from the time of acquisition and that the Group therefore sells the property at a loss, which may affect the Group's financial position. Failure to achieve the Group's target for storage facilities would result in decreased revenue that would have a material adverse effect on the Group's operating profit.

Risks related to the Group's IT system

Medium level risk

The Group uses an internally developed business system with a modern architecture that is integrated with a number of systems and components developed by third parties. Third-party IT systems allow the Group to offer an automated system for, *inter alia*, entry and exit from the Group's storage facilities without the presence of personnel from the Group. If the Group's IT system or third party systems are down due to, for example, disruptions or computer crashes, the Group's customers would not be able to access their storage facilities without the Group's staff being present. If the Group's IT system or third party's IT system linked to the Group's storage facilities on repeated or longer occasions is down, it can lead to increased costs for, for example, personnel, upgrades and troubleshooting of the Group's system and can adversely affect the Group's reputation.

The Group's website is also operated and maintained by third parties. The Group's website is used to present the Group's various storage services and also enables the Group's customers to enter into agreements online. As per 31 December 2019, approximately 35 per cent. of the Group's customer agreements are entered into through the Group's website. If the Group's website would have downtime for an extended period of time, there is a risk of reduced revenues as agreements cannot be concluded via the website and that the customers choose another provider of storage services.

A high degree of digitalisation and automation is the cornerstone of the Group's business model and one of the Group's competitive advantages. The Group is a data-driven group and has smart properties that are connected for central operation. Technology development takes place continuously and will drive further changes in the Group's operations. Technology and digitalisation affect people's behavior, which can lead to rapidly changing customer requirements. There is a risk that the Group is unable to adapt in the same pace as its customers or competitors, which can lead to decreased revenue that would have a negative effect on the Group's operating profit.

Risks related to destruction or damage of the Group's storage facilities

Low level risk

The Group's operations are dependent on the fact that the buildings managed by the Group have a high degree of protection and security, both directly and indirectly. There is a risk that some or all of the Group facilities will be exposed to, for example, fire, damage or other impact on the properties. At the end of 2019, a storage facility in Eskilstuna, Sweden, owned by the Group, was damaged by a fire. The affected storage facility constituted approximately 2.5 per cent. of the Group's property portfolio at the time. There is a continued risk of further such fires or damage in the Group's storage facilities. Such a risk exists, among other things, as the Group does not have direct control over what the Group's customers keep in their storage spaces or what customers do during their visits to a facility. In addition, people with access to a facility can also move freely in the storage facilities without the Group's staff present. If one of the Group's buildings is destroyed or damaged, there is a risk that the incident will also result in damage to the Group's reputation with existing and potential customers, partners and municipalities, which may lead to existing or potential customers choosing another supplier for storage services. Furthermore, there is a risk that the Group's access to properties for future projects will be impaired through a decreased reputation and that the Group will to a lesser extent be prioritised by, for example, municipalities.

Risks related to demand for storage in metropolitan areas

Low level risk

The Group's storage facilities are located in metropolitan areas of Stockholm, Gothenburg and Malmö. There is a risk that the demand for storage in these regions will decrease due to the slowdown of urbanisation, reduced mobility in the housing market or changed housing conditions for private individuals. Since the Group has chosen to locate the majority of its storage facilities in metropolitan regions and most of the Group's income derives from these storage facilities, such negative changes can have a material adverse effect on the Group's operating profit. If the leasing revenue had been reduced by 10 per cent., this would have reduced the Group's total revenue with approximately SEK 6,400,000 during the financial year of 2019.

Risks related to external partners and contractors

Low level risk

In the construction, development and renovation of the Group's storage facilities, the Group uses consultants and contractors to carry out the work. Furthermore, the Group is dependent on suppliers in both operating and maintaining the infrastructure of the storage facilities as third parties conduct these tasks. The Group's costs in connection with the construction of a storage facility on an acquired property is approximately SEK 7,000 per square meter gross building area (excluding cost of land). The Group's operating costs were, per 31 December 2019, approximately SEK 55,300,000, which represented approximately 77 per cent. of the Group's net sales. There is a risk that the costs of contracting and consulting assignments will increase due to unforeseen events in connection with the construction, development, renovation or operation and infrastructure of the storage facilities. Increased costs for consulting services would affect the Group's operating profit. There is also a risk that the Group may not enter into or renegotiate agreements with existing suppliers or that these agreements may not be entered into on terms favorable to the Group. If the Group is unable to enter into agreements with suppliers, certain operational functions in the

Group's storage facilities cannot be used, which would affect the Group's operational activities. Furthermore, the Group's ongoing project may be delayed, which affects the Group's ability to conduct operations and thus receive revenue from the storage facility. Furthermore, there is a risk that the contracting companies which the Group uses will go bankrupt, which may result in the Group not being able to recover payments made for incomplete work, increased costs to procure a new contract with another contracting company and legal processes, and that one or several projects are delayed, which in the long run leads to loss of revenue. Further, there is also a risk that the current ongoing pandemic caused by the COVID-19 virus ("**COVID-19**") could cause delays in the Group's ongoing projects due to, for example, the closing of factories because of lockdowns or restrictions being implemented in certain geographical regions or illness or quarantine restriction affecting the people working on the Group's ongoing projects. If such delays occur, it would affect the Group's ability to conduct operations and receive revenues from the affected projects.

PROPERTY RELATED RISKS

Risks related to the valuation of the Group's properties

Medium level risk

The Group reports investment properties at fair value. The total value of the Group's real estate portfolio amounted to SEK 1,226,600,000 as per 30 June 2020 (as stated on page 9 of the Q2 2020 Report). The Group orders an external valuation of its real estates at least once a year. The value of the Group's property is affected by a number of factors. Such factors include, but are not limited to, property-specific factors, such as operating costs, occupancy and permissible use of the properties, and market-specific factors, such as yield requirements and capital costs. The Group reports in accordance with IFRS where assets must be measured at fair value. Unrealised changes in value affect both the income statement and the balance sheet and can have a significant impact on the result for the period and contribute to the result being more volatile, as well as affecting the financial commitments that are in some cases linked to the Group's loan agreements (covenants).

The value of the properties is further determined by supply and demand, where the price is mainly dependent on the expected operating surplus of the properties and the buyer's return requirement. Increasing demand will result in lower yield requirements and thus an upward price adjustment, while declining demand will have the opposite effect. Similarly, a positive development of the operating surplus will result in an upward adjustment of prices, while a negative development will have the opposite effect. In property valuations, an uncertainty interval should be taken into account, which in a functioning market usually amounts to +/- 5 to 10 per cent. to reflect the uncertainty contained in the assumptions and calculations made. There is also a risk that the ongoing COVID-19 pandemic could have a negative effect on the value of the Group's properties. If the valuation of the Group's properties changes, the Group may be forced to write down the value of one or several of its properties, which could have a material adverse effect on the Group's operating profit.

Risks associated with the competition for attractive project properties

Medium level risk

Property acquisitions, which can be carried out directly or indirectly through a company transfer, are part of the Group's operations. In order for the property acquisitions to be completed, appropriate investment objects must be available on terms that the Group deems to be advantageous. The Group conducts its operations in metropolitan regions where there is a great deal of competition for attractive property. The competition consists of companies within the entire real estate industry and thus not only competitors to the Group. Generally, there are greater values in building and managing rental properties or in building condominiums (Sw. *bostadsrätter*), which means that the Group has difficulty competing for attractive project properties. In the event of a high demand for the investment objects that the Group focuses on, the number of properties for sale may be limited or only available to the Group under unfavorable conditions, for example that the price of the project property is not attractive enough. In addition, competitors in the real estate market with investment strategies similar to the Group may have greater financial resources, lower capital costs and/or lower return requirements compared to the Group. Due to the strong competition for project properties, there is a risk that the Group will not be able to acquire attractive project properties, which would affect the Group's growth and long-term profitability. Furthermore, there is a risk that the Group acquires project properties at a price that is not adapted for the Group's business, since the price is adjusted for the property industry in general, which could lead to impairment of the property value and have a negative impact on the Group's operating profit.

Risks related to macroeconomic developments in the real estate industry

Medium level risk

The Group acquires and manages properties in order to be able to build storage facilities that the Group sublets to individuals and companies. The real estate industry is largely affected by macroeconomic factors, such as general, global or national economic trends, growth, employment development, production rate for new housing and premises, changes in infrastructure, regional economic development, population growth, inflation and changes in interest rates. There is a risk that one or several of these factors will develop in a negative direction for the Group, which may affect the Group's ability to obtain loans to acquire new properties, higher costs due to interest rate increases, customers' ability to pay and the ability to pay for storage rents, which may in the long run have a material adverse effect on the Group's ability to conduct its operations and the Group's financial position. Furthermore, the return on the sale of the properties is largely due to, among other things, the Group's ability to realise the intended objectives for the properties, which mainly consists of leasing of storage on the properties, but also in some cases sales, and the costs and expenses for development and redevelopment of the properties. If the Group should sell a real estate during a period where the price of a real estate is lower, it may have a negative impact on the Group's financial position.

Environmental risk related to the Group's properties

Low level risk

The Group's acquisition strategy is to acquire properties within three metropolitan areas in Sweden - Stockholm, Gothenburg and Malmö. The properties that the Group acquires have often been used for other business operations during the years before the acquisitions. Some of these properties are located on land where industrial operations have previously been conducted. As of the date of this Prospectus, the Group has eight existing storage facilities located on land where industrial operations have previously been conducted. There is a risk that these properties may be subject to unforeseen environmental requirements. Responsibility for environmental damage related to real estate is regulated in accordance with the Swedish Environmental Code (Sw. *miljöbalken*). The main rule is that the party that has carried out environmentally hazardous activities on the real estate is responsible for environmental damage. If the operator who caused a serious environmental damage or pollution damage cannot perform or pay for the restoration of the property, the party who acquired the contaminated property is responsible, if the acquirer was aware of the pollution at the time of the acquisition or should have discovered it. There is a risk that there are environmental damages in the Group's properties where industrial operations were previously conducted and that the Group has not discovered this despite the fact that they should in connection with the acquisition, which may lead to the Group having to pay for the restoration of the property. Furthermore, there is a risk that, following the sale of such property to a third party, the Group may be accused of conducting environmentally hazardous activities, which could lead to costly administrative procedures and legal processes.

LEGAL AND REGULATORY RISKS

Risks related to the handling of personal data

Medium level risk

In its operations, the Group handles personal data in relation to the Group's customers. The Group's customers register their personal information digitally on the Group's website and this personal information is handled by the Group. As of the date of this Prospectus, the Group has approximately 6,500 customers, most of whom are private individuals. There is a risk that the Group's handling of personal data is or has been inaccurate, or that due to security deficiencies a data breach occurs which leads to the spreading of personal data without the Group's control. A breach of the General Data Protection Regulation ("**GDPR**") may result in administrative sanctions amounting to the higher of EUR 20,000,000 and 4 per cent. of the previous year's combined annual turnover of the ultimate parent company that controls the business and all other companies such ultimate parent company controls. In August 2019, the Swedish Data Protection Authority issued its first penalty fee imposed under GDPR, which amounted to SEK 200,000. In determining the size of the penalty charge, the Swedish Data Protection Authority has taken into account how many data subjects were affected by the violation. In the aforementioned case, the number of data subjects amounted to 22. The Swedish Data Protection Authority has since August 2019 issued other penalty fees imposed under GDPR where the Swedish Data Protection Authority have taken into account how many data subjects were affected by the violation, including one penalty fee where potentially 5,690 data subjects could have been affected and where the penalty fee was set at SEK 75,000,000. As the

Group handles a large amount of personal data, incorrect handling or data breach could lead to many data subjects being affected, which could lead to high administrative penalties, civil and/or criminal law measures and damaged reputation, and consequently may affect the Group's operations and financial position.

FINANCIAL RISKS

Risks related to financing and liquidity

Medium level risk

Liquidity risk is the risk that a company within the Group will not be able to fulfill its payment obligations, both foreseen and unforeseen, at the due date without increasing the cost of obtaining the necessary liquidity. As per 30 June 2020, the Group had cash and cash equivalents in the amount of approximately SEK 124,900,000 (as stated on page 9 of the Q2 2020 Report). The Group finances its acquisitions through loans from Swedish banks, secured by mortgage certificates in properties or shares in certain subsidiaries, and equity. The Group needs access to liquidity to finance ongoing projects, operation of the business and pay interest and amortisation. The Group's growth strategy also requires access to cash funds to such an extent that several projects can be started and run in parallel. There is a risk that the Group will not be able to obtain loans from lenders or that existing or future shareholders are not willing to invest capital in the Issuer through new share issues. If the liquidity in the Group does not prove to be sufficient, it can have a material adverse effect on the Group's growth and long-term profitability.

Further, the Issuer may be required to refinance certain or all of its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance its debt depends, among other things, on the conditions of the debt capital markets and its financial condition at such time. There is a risk that the Issuer's access to financing sources will not be available on favourable terms, or at all. Should the Issuer be unable to refinance its debt obligations on favourable terms, or at all, it would have a material adverse effect on the Group's business and financial condition and on the bondholders' recovery under the Bonds.

Risks related to an increase of interest rates

Medium level risk

Interest rate risk refers to the risk of changes in the capital market that may affect the interest rate conditions and thus borrowing costs for the Group. Interest rate risk is expressed as the cost change for the interest-bearing liabilities, expressed in SEK. As per 30 June 2020, the Group's interest-bearing liabilities amounted to approximately SEK 825,700,000 (as stated on page 15 of the Q2 2020 Report). If the interest rates on the Group's loans were to be increased by one per cent., the Group's interest expenses would increase by SEK 8,257,000 on an annual basis, albeit with a certain delay due to fixed interest periods. Since the majority of the Group's operations relate to leasing of storage space in accordance with signed agreements it may cause difficulties for the Group to increase revenues to compensate for higher interest costs. A higher interest expense also risks

having an effect on profitability, which can negatively affect both the Group's liquidity and interest coverage ratio. Consequently, this could lead to the Group having less opportunities to pay interest and amortisation, which could lead to the risk of the Group breaching one or more loan agreements. Breach of financial conditions or covenants in loan agreements may lead to early repayment of loans, and may force the Group to sell properties. If the prevailing interest rate levels were to change in a negative way for the Group, it could have a material adverse effect on the Group's operating income, balance sheet and cash flow.

RISKS RELATING TO THE BONDS

RISK RELATED TO THE NATURE OF THE BONDS

Credit risks

Medium level risk

Investors in the Bonds carry a credit risk towards the Group. The investor's ability to receive payment under the Bonds is therefore dependent on the Issuer's ability to 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.

There is a risk that an increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' value negatively. Another aspect of the credit risk is that there is a risk 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.

Risks relating to the Bonds being unsecured

Medium level risk

The Bonds represents an unsecured obligation of the Issuer. If the Issuer is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, all of the Issuer's secured obligations must first be satisfied, potentially leaving little or no remaining assets in the Issuer for the bondholders. As a result, the bondholders may not recover any or full value.

Interest rate risks and Benchmark Regulation

Medium level risk

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. The Bonds will bear a floating rate interest of 3 month STIBOR plus a margin and the interest rate of the Bonds will be determined two business days prior to the first day of each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that an increase of the general interest rate level will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the Swedish and the international financial development and is outside the Group's control.

Interest payable on the Bonds will be calculated by reference to STIBOR. The process for determining STIBOR and other interest-rate benchmarks is subject to a number of legislative acts and other regulations. Some of these acts and regulations have already been implemented whilst some are set to be implemented in the near future. The most extensive initiative in this respect is the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014). The Benchmark Regulation came into force on the 1 January 2018. The Benchmark Regulation addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union. The effect of the Benchmark Regulation cannot yet be fully determined due, among other things, to the limited time period that the regulation has applied. However, there is a risk that the Benchmark Regulation will affect how certain benchmarks are determined and how they develop in the future. This could, for example, lead to increased volatility regarding some benchmarks. A further potential risk is that increased administrative requirements, and resulting regulatory risk, may discourage stakeholders from participating in the production of benchmarks, or that some benchmarks cease to be provided. If this would happen in respect of benchmark that is used for the Bonds, it could potentially have negative effects for the Bondholders.

Put options

Low level risk

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put options). There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all bondholders and not only those that choose to exercise the option.

RISK RELATING TO THE BONDHOLDERS' RIGHTS AND REPRESENTATION

The rights of bondholders depend on the Agent's actions and financial standing

Low level risk

By subscribing for, or accepting the assignment of, any Bond, each holder of a Bond will accept the appointment of the Agent (being on the issue date Nordic Trustee & Agency AB (publ)) to act on its behalf and to perform administrative functions relating to the Bonds. The Agent shall have, among other things, the right to represent the bondholders in all court and administrative proceedings in respect of the Bonds. However, the rights, duties and obligations of the Agent as the representative of the holders of the Bonds will be subject to the provisions of the Terms and Conditions, and there is no specific legislation or market practice in Sweden (under which laws the Terms and Conditions are governed) which would govern the Agent's performance of its duties and obligations relating to the Bonds. There is a risk that a failure by the Agent to perform its duties and obligations properly or at all will adversely affect the enforcement of the rights of the bondholders.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent with commercially acceptable terms or at all. Further, there is a risk that the successor Agent would breach its obligations under the above documents or that insolvency proceedings would be initiated against it.

There is a risk that materialisation of any of the above risks will have a material adverse effect on the enforcement of the rights of the holders of the Bonds and the rights of the holders of the Bonds to receive payments under the Bonds.

Bondholders' meetings and written procedures

Low level risk

The Terms and Conditions include certain provisions regarding bondholders' meetings and written procedures. Such meetings or written procedures may be held in order to resolve on matters relating to the bondholders' interests. The Terms and Conditions allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting or written procedure and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting or written procedure. A bondholder may, for instance, be bound by a majority decision to accept changes to the core aspects of the bond terms, such as changes to the interest payment dates, changes to the interest rate or extension of the final maturity date. Consequently, there is a risk that the actions of the majority in such matters will impact a bondholder's rights in a manner that is undesirable for some of the bondholders.

No action against the Issuer and bondholders' representation

Low level risk

In accordance with the Terms and Conditions, the Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that an individual bondholder, in certain situations, could bring its own

action against the Issuer (in breach of the Terms and Conditions), which could negatively impact an acceleration of the Bonds or other action against the Issuer.

To enable the Agent to represent bondholders in court, the bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a bondholder's rights under the Terms and Conditions in a manner that is undesirable for some of the bondholders. There is also a risk that a Swedish court will not recognise the Agent's right to represent bondholders in court, solely with reference to the Terms and Conditions. Thus, if such a written power of attorney may not be obtained from the bondholders, there is a risk that the Agent will not be able to represent the bondholders in court, which would have a negative impact on the bondholders' possibility to have a legal matter regarding the bonds tried by a court.

RISK RELATED TO THE FINANCIAL STANDING OF THE GROUP

Subsidiaries, structural subordination and insolvency of subsidiaries

Medium level risk

A significant part of the Group's assets are owned by, and a significant part of the Group's revenues are generated in, the subsidiaries of the Issuer. Accordingly, the Issuer is dependent upon receipt of sufficient income and cash flow related to the operation of and the ownership in the subsidiaries to enable it to make payments under the Bonds. The subsidiaries are legally distinct from the Issuer and have no obligation to make payments to the Issuer of any profits generated from their business. The ability of the subsidiaries to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and legal restrictions (e.g. limitations on value transfers).

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

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In the event of insolvency, liquidation or a similar event relating to a subsidiary of the Issuer, the 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. Therefore, the Bonds are structurally subordinated to the liabilities of the Issuer's subsidiaries. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group could result in the occurrence of cross defaults on certain borrowings of the Group.

The Bonds in Brief

The following summary contains basic information about the Bonds. It is not intended to be complete and it is subject to important limitations and exceptions. Potential investors should therefore carefully consider this Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Bonds. For a more complete understanding of the Bonds, including certain definitions of terms used in this summary, see the Terms and Conditions.

Issuer	24Storage AB (publ).
Bonds Offered	The aggregate amount of the bond loan will be an amount of up to a maximum of SEK 800,000,000. The Issuer may choose not to issue the full amount of Bonds on the First Issue Date and may choose to issue the remaining amount of Bonds at one or more subsequent dates. At the date of this Prospectus, an aggregate amount of Bonds of SEK 400,000,000 had been issued on the First Issue Date.
Number of Bonds	Maximum of 640 Bonds. At the date of this Prospectus 320 Bonds had been issued on the First Issue Date.
ISIN	SE0014957551.
First Issue Date	5 October 2020.
Issue Price	All bonds issued on the First Issue Date have been issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount. The issue price of the Subsequent Bonds may be set at the Nominal Amount or at a discount or at a premium compared to the Nominal Amount.
Interest Rates	Interest on the Bonds will be paid at a floating rate of three-month STIBOR plus 7.50 per cent. per annum.
Use of benchmark	Interest payable on the Bonds will be calculated by reference to STIBOR. As at the date of this Prospectus, the administrator of STIBOR is not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011.
Interest Payment Dates	5 January, 5 April, 5 July and 5 October of each year commencing on 5 January 2020. Interest will accrue from (but excluding) the First Issue Date.
Nominal Amount	The Bonds will have a nominal amount of SEK 1,250,000 and the minimum permissible investment in the Bonds is SEK 1,250,000.
Status of the Bonds	<p>The Bonds are denominated in SEK and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with the Terms and Conditions.</p> <p>The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, and:</p> <ul style="list-style-type: none"> • will at all times rank (i) without any preference among them and (ii) <i>pari passu</i> with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer without any preference among them, except those obligations which are mandatorily preferred by law; • are effectively subordinated to any existing or future indebtedness or obligation of the Issuer and its subsidiaries that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness; and • are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Issuer, including obligations to trade creditors.

Call Option	The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with Clause 9.3 (<i>Voluntary Total Redemption (call option)</i>) of the Terms and Conditions.
Call Option Amount	<p>Call Option Amount means:</p> <ul style="list-style-type: none"> (a) any time from and including the First Issue Date to, but excluding, the first Business Day falling eighteen (18) months after the First Issue Date, at an amount per Bond equal to the sum of (i) 103.7500 per cent. of the Nominal Amount plus (ii) the remaining interest payments, calculated in accordance with Clause 9.3(c), up to, but excluding, the first Business Day falling eighteen (18) months after the First Issue Date, together with accrued but unpaid Interest; (b) any time from and including the first Business Day falling eighteen (18) months after the First Issue Date to, but excluding, the first Business Day falling twenty-four (24) months after the First Issue Date at an amount per Bond equal to 103.7500 per cent. of the Nominal Amount, together with accrued but unpaid Interest; (c) any time from and including the first Business Day falling twenty-four (24) months after the First Issue Date to, but excluding, the first Business Day falling thirty (30) months after the First Issue Date at an amount per Bond equal to 101.8750 per cent. of the Nominal Amount, together with accrued but unpaid Interest; (d) any time from and including the first Business Day falling thirty (30) months after the First Issue Date to, but excluding, the first Business Day falling thirty-three (33) months after the First Issue Date at an amount per Bond equal to 100.9375 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and (e) any time from and including the first Business Day falling thirty-three (33) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
Final Maturity Date	Means 5 October 2023.
Redemption Clauses	Upon the occurrence of a Change of Control Event, Listing Failure Event or De-listing Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased in accordance with Clause 9.4 (<i>Mandatory repurchase due to a Change of Control Event, Listing Failure Event or De-listing Event</i>) of the Terms and Conditions.
Change of Control Event	Means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 30 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.
Listing Failure Event	<p>Means:</p> <ul style="list-style-type: none"> (a) that the Initial Bonds have not been admitted to listing on Frankfurt Stock Exchange Open Market (or another MTF) or Nasdaq Stockholm (or another Regulated Market) within sixty (60) days after the First Issue Date (provided that the Issuer shall use its best efforts to list the Initial Bonds within thirty (30) days after the First Issue Date); (b) any Subsequent Bonds have not been admitted to listing on Frankfurt Stock Exchange Open Market (or another MTF) or Nasdaq Stockholm (or another Regulated Market) within sixty (60) days after the issuance of such Subsequent Bonds (provided that the Issuer shall use its best efforts to list any Subsequent Bonds within thirty (30) days after the issuance of such Subsequent Bonds), unless the Subsequent Bonds are issued before the date when the Initial

Bonds are listed in which case such Subsequent Bonds shall be listed together with the Initial Bonds;

- (c) in the case of a successful admission to listing on Frankfurt Stock Exchange Open Market (or another MTF), that the Bonds cease to be admitted to listing on Frankfurt Stock Exchange Open Market (or another MTF) without being admitted to trading on another MTF or Regulated Market (however, taking into account the rules and regulations of the relevant MTF or 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); or
- (d) in the case of a successful admission to listing on Nasdaq Stockholm (or another Regulated Market), that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Regulated Market) without being admitted to trading on another Regulated Market (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).

De-listing Event

Means (i) the delisting of the shares in the Issuer from Nasdaq First North (unless the shares are simultaneously therewith listed on another MTF or a Regulated Market) or (ii) trading in the shares of the Issuer on the relevant MTF or Regulated Market is suspended for a period of fifteen (15) consecutive Business Days (when that MTF or Regulated Market is at the same time open for trading).

Certain Covenants

The Terms and Conditions contain a number of covenants which restrict the ability of the Issuer and other Group Companies, including, inter alia:

- restrictions on making any changes to the nature of their business;
- a negative pledge, restricting the granting of security on Financial Indebtedness (as defined in the Terms and Conditions);
- restrictions on the incurrence of Financial Indebtedness (as defined in the Terms and Conditions); and
- restrictions on the making of distributions; and
- restrictions on the disposal of assets.

The Terms and Conditions contain incurrence covenants which govern the ability of the Issuer and the other Group Companies to incur additional debt.

The Terms and Conditions contain maintenance covenants according to which the Issuer shall ensure that:

- (a) the Equity Ratio at all times exceeds 25 per cent.;
- (b) the Loan to Value at all times is equal to or lower than 70 per cent.; and
- (c) the Secured Loan to Value at all times is equal to or lower than 55 per cent.

Each of these covenants is subject to significant exceptions and qualifications, see the Terms and Conditions.

Use of Proceeds

- (a) The proceeds from the Initial Bond Issue shall be used to (i) refinance the Existing Debt, (ii) finance general corporate purposes of the Group, including investments and acquisitions and (iii) finance Transaction Costs.
- (b) The proceeds from any Subsequent Bond Issue shall be used to (i) finance general corporate purposes of the Group, including investments and acquisitions and (ii) finance Transaction Costs.

Transfer Restrictions

The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

Listing

Application has been made to list the 320 Bonds, issued on the First Issue Date, on Nasdaq Stockholm. The earliest date for admitting the 320 Bonds to trading on Nasdaq Stockholm is on or about 27 November 2020.

Agent	Nordic Trustee & Agency AB (publ)
Issuing Agent	Swedbank AB (publ)
Governing Law of the Bonds	Swedish law.
Risk Factors	Investing in the Bonds involves substantial risks and prospective investors should refer to the section " <i>Risk Factors</i> " for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

Statement of Responsibility

The issuance of the Bonds was authorised by resolutions taken by the board of directors of the Issuer on 21 September 2020, and was subsequently issued by the Issuer on 5 October 2020. This Prospectus has been prepared in connection with the Issuer's application to list the Bonds on the corporate bond list of Nasdaq Stockholm, in accordance with the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council.

The board of directors of the Company is, to the extent provided by law, responsible for the information set out in this Prospectus and declares that to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

26 November 2020

24Storage AB (publ)

The board of directors

Description of The Group

History and development

The Issuer's legal and commercial name is 24Storage AB (publ) and it was incorporated on 9 December 2014 and is a Swedish public limited liability company operating under the laws of Sweden and registered with the Swedish Companies Registration Office with reg. no. 556996-8141. The Issuer's legal entity identifier (LEI) is 984500C81C11A655A198.

The Issuer has its registered office at Box 7723, 103 95 Stockholm, Sweden and the Issuer's headquarters is located at Luntmakargatan 46, 111 37 Stockholm, Sweden, with telephone number +46 20-670 670. The website of the Issuer is *24storage.se*. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of the Company, adopted on 26 September 2019, the objects of the Company are to invest in real estate, directly or indirectly conduct rental of real estate and parts of real estate, conduct acquisitions, management and mediation of real estate, conduct real estate consulting and construction work, conduct consulting regarding business and development opportunities, conduct development of software, conduct securities trading and compatible activities with the above mentioned business.

Business and operations

The Issuer is a self storage company that offers private and business customers access to storage space outside the home or office and the Issuer owns, operates and develops its own self storage facilities in Sweden, with a focus on the metropolitan regions of Stockholm, Gothenburg and Malmö. The Group has self storage facilities on 23 locations in Sweden, including approximately 10,500 self storage units ranging from 1 to 30 square meters and comprising approximately 55,000 square meters of lettable space.

Through digitalisation and automation of manual processes, the Group's self storage facilities are equipped with technology that is centrally managed. The Group's proptech solutions allows it to offer customer service that is both present and scalable, and efficient property management, which is key to the Issuer's ability to run a successful customer service through central staffing of the self storage facilities. Systems and functions used in property management include control systems with sensors to monitor temperature and humidity, automated systems for customers' entry and exit from the self storage facilities which enables the customers to access most storage units 24 hours per day, and video surveillance systems that are used by the Issuer's customer service to remotely assist customers and for the Issuer to monitor the facilities. The Group's website enables the Group's customers to enter into agreements and pay for their storage units, receive information regarding their storage unit and to terminate their agreement, hence the whole process is digitalised so that a customer can access all of the Group's services without having any contact with the Group's employees.

The Group currently owns 19 of its self storage facilities and leases four of its self storage facilities. The Group's ambition is to own all self storage facilities, but the Group will sometimes enter into lease agreements if a certain suitable property in a specific location will otherwise be unavailable for the Group to acquire. The Group uses external consultants and contractors to carry out the work

in connection with the construction, development and renovation of the Group's self storage facilities.

The Issuer's target is to open three to five new self storage facilities each year. It takes each self storage facility around four years to reach an occupancy rate of 80-85 per cent., with an optimal occupancy rate of just over 90 per cent. in order to maintain capacity to meet demand from new customers.

Share capital and ownership structure

The shares of the Company are denominated in SEK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Company had an issued share capital of SEK 1,492,402 divided into 14,924,020 of shares. Since 10 December 2019, the Company's shares are listed on Nasdaq First North Growth Market.

The following table sets forth the ownership structure in the Company as per 31 October 2020, with subsequent changes known to the Company.

<i>Shareholder</i>	<i>No. of shares</i>	<i>Share capital</i>	<i>Voting Rights</i>
Ernström Kapital AB	2,919,720	19.56%	19.56%
Staffan Persson (private and through holding company)	2,354,336	15.78%	15.78%
Tilander family (through holding company)	1,510,820	10.12%	10.12%
Michael Fogelberg (through holding company and family members)	1,402,932	9.40%	9.40%
Per Josefsson (private and through holding company)	1,000,000	6.70%	6.70%
Ulf & Bo Eklöf (through holding company)	727,740	4.88%	4.88%
Carl Rosvall (through holding company)	727,740	4.88%	4.88%
Jan-Olof Backman (through holding company and family members)	550,000	3.69%	3.69%
Adrigo Asset Management	530,226	3.55%	3.55%
John Wattin (through holding company)	497,760	3.34%	3.34%
Other shareholders	2,702,746	18.11%	18.10%
Total	14,924,020	100.00 %	100.00 %

Board of directors and management.

Shareholders include the following members of the Company's board of directors:

- Henrik Forsberg Schoultz, holds 2,964,720 shares (of which 2,919,720 shares are held through Ernström Kapital AB).

- Staffan Persson (private and through holding company), holds 2,354,336 shares.
- Fredrik Tilander, holds 1,510,820 shares through Realm AB.
- Jan-Olof Backman (through holding company and family members), holds 550,000 shares.
- Maria Åkrans, holds 139,550 shares (of which 85,000 shares are held through Tagelito Holding AB).
- Anna Henriksson, holds 1,275 shares.

Shareholders include the following members of the Company's management:

- Fredrik Sandelin (CEO), holds 500 shares.
- Lena Nelson (CFO), holds 200 shares.

Shareholders' agreements

The Issuer is not aware of the details of any provision in the arrangement between its shareholders, the operation of which may at a subsequent date result in a change in control of the Issuer.

Overview of Group structure

On the date of this Prospectus, the Issuer has, directly and indirectly, 32 wholly-owned subsidiaries.

A significant part of the Group's operations is conducted by the subsidiaries and the Issuer is thus dependent on its subsidiaries to generate revenues and profit in order to be able to fulfil its payment obligations under the Bonds.

Recent events

There has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Issuer's solvency.

Significant change, trend information and financial performance

There has been no material adverse change in the prospects of the Group since the date of publication of its last audited annual accounts and no significant change in the financial or trading position of the Group or the Group's financial performance since the end of the last financial period for which interim financial information has been published to the date of this Prospectus.

Legal, governmental and arbitration proceedings

Neither the Issuer nor the Group is, or has been over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

Credit rating

No credit rating has been assigned to the Issuer or its debt securities.

Management

On the date of this Prospectus the board of directors of the Issuer consisted of six members which have been elected by the general meeting. The board of directors and the senior management can be contacted through the Issuer at its headquarters at Luntmakargatan 46, 111 37 Stockholm, Sweden. Further information on the members of the board of directors and the senior management is set forth below.

Board of directors

Jan-Olof Backman, chairman of the board since 2017.

Education: Master of Science (Sw. *civilingenjörsexamen*) in Engineering from KTH Royal Institute of Technology. MSc from University of Washington.

Current commitments: Board assignments in Micro Systemation AB, Tagehus Holding AB and Credentia AB.

Anna Henriksson, member of the board since 2020.

Education: Degree of Bachelor of Laws (Sw. *juris kandidatexamen*) from Gothenburg School of Business, Economics and Law at the University of Gothenburg.

Current commitments: Board member of Järnporten Fastighets AB and K21 Entreprenad AB.

Staffan Persson, member of the board since 2017.

Education: Studied public administration (Sw. *förvaltningslinjen*) at Umeå University. Studied economy at Uppsala University. Studied law at Uppsala University and Stockholm University.

Current commitments: Chairman of the board and CEO, Swedia Capital AB, Chairman of the board of Sveab Holding AB and Synthetic MR AB.

Henrik Forsberg Schoultz, member of the board since 2017.

Education: Master of Science (Sw. *civilingenjörsexamen*) from Chalmers University of Technology. Studied Business Administration at master level at Georgia Institute of Technology.

Current commitments: Chairman of the board in CellMark Investment AB, board member at HG Kapital, Wint Group AB, board member and CEO at Ernström Finans AB, Ernström Kapital AB, Ernström Venture, and Deputy member of board at Ernströmgruppen AB, Lidan Sepson Technologies AB, Branäsgruppen AB, and CEO at Ernström & C:o AB.

Fredrik Tilander, member of the board since 2015.

Education: MSc in Business and Economics (Sw. *civilekonomexamen*) from Gothenburg School of Business, Economics and Law at the University of Gothenburg.

Current commitments: Chairman of the board of ETNetwork AB and board member of Realm AB and Backstage Invest AB.

Maria Åkrans, member of the board since 2017.

Education: MSc in Business and Economics from FEI (Sw. *Företagsekonomiska Institutet*).

Current commitments: N/A.

Management

Fredrik Sandelin, CEO

Education: MSc in Business Administration and Economics (Sw. *civilekonomexamen*) from Stockholm School of Economics.

Current commitments: N/A.

Lena Nelson, CFO

Education: MSc in Business Administration and Economics (Sw. *civilekonomexamen*) from Stockholms University.

Current commitments: Board member of Ehrling Nelson Invest AB, Lena Nelson Invest AB and Stig Nelson Timmerhus AB

Gabriel Bergqvist, Head of Brand & Business

Education: MSc in Marketing and Business Administration from Linnaeus University.

Current commitments: N/A.

Karin Lindblom, Head of HR

Education: BSc in Human Resources from Stockholm University.

Current commitments: N/A.

Anders Långberg, Head of Technology & IT

Education: MSc in Vehicle Dynamics from KTH Royal Institute of Technology.

Current commitments: N/A.

Sebastian Refai, Head of Sales & Operations

Education: BSc in Business and Economics from Uppsala University.

Current commitments: N/A.

Mikael Teljstedt, Head of Real Estate and Construction

Education: MSc in Earth Science from Stockholm University. Studied economy at Stockholm University.

Current commitments: N/A.

Conflicts of interest within administrative, management and control bodies

To the extent that can be reasonably verified by the Company, no conflict of interest exists regarding the private affairs, family relations, or any other kind, between members of the administrative and senior management bodies that might conflict with the Company's interests or prevent the aforementioned to faithfully execute their duties to the Company.

Some members of the board of directors and management have private interests in the Issuer by their direct or indirect holding of shares or warrants in the Issuer. The members of the board of directors and the management may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the members of the board of directors or the management may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a board

meeting of the Issuer, a board member which has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. In accordance with the laws of Sweden, the members of the board of directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. Other than the aforementioned, none of the board members or the management has any private interests which may conflict with the interests of the Issuer.

Interest of natural and legal persons involved in the issue

The Joint Bookrunners and/or its 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 the Joint Bookrunners and/or its affiliates having previously engaged in, or engaging in future, transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Historical Financial Information

The Group's consolidated financial statements for the financial year ended 31 December 2019 and the figures for the financial year ended 31 December 2018 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. All such information is available on the Issuer's website, <https://24storage.se/om-oss/investerare/rapporter>. 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.

The Group's consolidated financial statements for the financial year ended 31 December 2019 and 31 December 2018 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU.

Other than the auditing of the Group's consolidated financial statements for the financial year ended 31 December 2019 and for the financial year ended 31 December 2018, the Group's auditor has not audited or reviewed any part of this Prospectus.

The Group's consolidated financial statements for the financial year ended 31 December 2019 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 48;
- consolidated balance sheet, page 49;
- consolidated statement of changes in equity, page 50;
- consolidated cash flow statement, page 51;
- notes, pages 56-82; and
- the audit report, pages 84-85.

The Group's consolidated financial statements for the financial year ended 31 December 2018 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 33;
- consolidated balance sheet, page 34;
- consolidated statement of changes in equity, page 35;
- consolidated cash flow statement, page 36;
- notes, pages 41-61; and
- the audit report, pages 63-64.

Auditing of the annual historical financial information

The Group's consolidated financial statements as at present and for the years 2018 to 2019 have been audited, as applicable, by KPMG AB, Vasagatan 16, 111 20 Stockholm, Sweden. KPMG AB has been the Group's auditor since 2014, and was re-elected for an additional year on the latest annual general meeting. Fredrik Westin is the auditor who is responsible for the Group. Fredrik Westin is an authorised auditor and is a member of the professional body FAR, the professional institute for the accountancy sector in Sweden.

The auditing of the consolidated financial statements was conducted in accordance with international standards on auditing and the audit reports were submitted without comment.

Age of the most recent financial information

The most recent financial information has been taken from the consolidated financial statements for the financial year ended 31 December 2019, which was published on 29 April 2020 on the Issuer's website *24storage.se*.

Other Information

Approval of the Prospectus

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

Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of SEK 400,000,000 and the Issuer may, subject to certain conditions set out in the Terms and Conditions, issue additional Bonds in a maximum aggregate amount of SEK 800,000,000. Each Bond has a nominal amount of SEK 1,250,000. The ISIN for the Bonds is SE0014957551.

The Bonds have been issued in accordance with Swedish law. The Bonds are connected to the account-based system of Euroclear Sweden AB. No physical notes 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.

Representation of the Bondholders

The Terms and Conditions stipulates the provisions for the Agent's representation of the Bondholders and can be accessed on the Issuer's website: 24storage.se.

Material agreements

The Issuer or any member of the Group is not a party to any material agreements that are not entered into in the ordinary course of the Issuer's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Bondholders

Documents incorporated by reference

This Prospectus is, in addition to this document, comprised of information from the following documents which are incorporated by reference and available in electronic format on the Issuer's website at 24storage.se:

- pages 48-51 and 84-85 from the Group's consolidated financial statements and audit report for the financial year ended 31 December 2019; and
- pages 33-36 and 63-64 from the the Group's consolidated financial statements and audit report for the financial year ended 31 December 2018.

Documents available for inspection

The following documents are available at the Company's headquarters at Luntmakargatan 46, 111 37 Stockholm, Sweden, on weekdays during the Company's regular office hours throughout the period of validity of this Prospectus and also available in electronic form on the Company's website *24storage.se*:

- the Company's articles of association;
- the Company's certificate of registration;
- the Group's consolidated financial statements and audit report for the financial year ended 31 December 2019;
- the Group's consolidated financial statements and audit report for the financial year ended 31 December 2018;
- the Terms and Conditions; and
- this Prospectus.

Listing costs

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 230,000.

Terms and Conditions of The Bonds

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

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

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services in the normal course of business with credit periods which are no longer than 90 days after the supply of assets or services, or (b) any other trade credit incurred in the ordinary course of business where payment is due no more than 90 days after the date of trade.

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

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

"**Agent**" means Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as Agent, in accordance with these Terms and Conditions.

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

"**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 16 (*Bondholders' Meeting*).

"Bond Issue" means the Initial Bond Issue and any Subsequent Bond Issue.

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

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

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

"Cash and Cash Equivalents" means, at any time, (i) cash in hand held by a Group Company or with a reputable bank credited to an account in the name of a Group Company and in each case to which a Group Company is beneficially and legally entitled and which is immediately available to be applied in repayment or prepayment of the Bonds or payment of interest (for the avoidance of doubt, not including e.g. any cash subject to a pledge or similar arrangement (excluding legal right to set-off) or any amount standing on client accounts) and (ii) short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value of a Group Company.

"Change of Control Event" means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 30 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

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

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that an Event of Default is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if the Compliance Certificate is provided in connection with an Incurrence Test, that the Incurrence Test is met (including figures in respect of the relevant financial tests and the basis on which they have been calculated);
- (c) if the Compliance Certificate is provided in connection with that a Financial Report is made available, that the Maintenance Covenants are met (including figures in respect of the relevant financial tests and the basis on which they have been calculated; and/or

- (d) if the Compliance Certificate is provided in connection with that annual financial statements are made available, that an External Valuation has been carried out during the last twelve-month period.

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

"**CSD Regulations**" means the CSD's rules and regulations applicable to the Issuer, the Agent and the Bonds from time to time.

"**Debt Instruments**" means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or an MTF.

"**De-listing Event**" means (i) the delisting of the shares in the Issuer from Nasdaq First North (unless the shares are simultaneously therewith listed on another MTF or a Regulated Market) or (ii) trading in the shares of the Issuer on the relevant MTF or Regulated Market is suspended for a period of fifteen (15) consecutive Business Days (when that MTF or Regulated Market is at the same time open for trading).

"**Equity**" means, in accordance with the Accounting Principles, the consolidated sum of (i) restricted equity, (ii) non-restricted equity and (iii) any Subordinated Debt.

"**Equity Ratio**" means Equity as a percentage of Total Assets.

"**Existing Debt**" means the SEK 350,000,000 revolving facility agreement, originally dated 20 February 2017 and amended on 20 November 2019, entered into between, among others, the Issuer as guarantor, the Issuer's subsidiary 24Storage Service AB as borrower and Collector Bank AB as lender.

"**External Valuation**" means a valuation of the Properties prepared and issued by an independent and reputable appraiser, specifying the value of the Properties.

"**Event of Default**" means an event or circumstance specified in any of the Clauses 13.1 (*Non-Payment*) to and including Clause 13.10 (*Continuation of the Business*).

"**Final Maturity Date**" means 5 October 2023.

"**Finance Documents**" means:

- (a) these Terms and Conditions;
- (b) the Agency Agreement;
- (c) the Subordination Agreement (if any); and
- (d) any other document designated by the Issuer and the Agent as a Finance Document.

"Finance Leases" means any finance leases, to the extent the arrangement is or would have been treated as a finance or a capital lease in accordance with the Accounting Principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles as applicable on the First Issue Date shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as a finance lease.

"Financial Indebtedness" means any indebtedness in respect of:

- (e) monies borrowed or raised, including Market Loans;
- (f) the amount of any liability in respect of any Finance Leases;
- (g) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (h) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (i) 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);
- (j) 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
- (k) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (e)-(j).

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

"Financial Report" means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according to Clauses 10.1(a)(i) and 10.1(a)(ii).

"First Issue Date" means 5 October 2020.

"Floating Rate Margin" means 7.50 per cent. *per annum*.

"Force Majeure Event" has the meaning set forth in Clause 25(a).

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

"Incurrence Test" means the incurrence test set out in Clause 11.3 (*Incurrence Test*).

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

"Initial Bonds" means the Bonds issued on the First Issue Date.

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

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

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

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

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

"Issuer" means 24Storage AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556996-8141.

"Issuing Agent" means Swedbank AB (publ), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

"Joint Bookrunners" means Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ).

"Listing Failure Event" means:

- (l) that the Initial Bonds have not been admitted to listing on Frankfurt Stock Exchange Open Market (or another MTF) or Nasdaq Stockholm (or another Regulated Market) within sixty (60) days after the First Issue Date (provided that the Issuer shall use its best efforts to list the Initial Bonds within thirty (30) days after the First Issue Date);
- (m) any Subsequent Bonds have not been admitted to listing on Frankfurt Stock Exchange Open Market (or another MTF) or Nasdaq Stockholm (or another Regulated Market) within sixty (60) days after the issuance of such Subsequent

Bonds (provided that the Issuer shall use its best efforts to list any Subsequent Bonds within thirty (30) days after the issuance of such Subsequent Bonds), unless the Subsequent Bonds are issued before the date when the Initial Bonds are listed in which case such Subsequent Bonds shall be listed together with the Initial Bonds;

- (n) in the case of a successful admission to listing on Frankfurt Stock Exchange Open Market (or another MTF), that the Bonds cease to be admitted to listing on Frankfurt Stock Exchange Open Market (or another MTF) without being admitted to trading on another MTF or Regulated Market (however, taking into account the rules and regulations of the relevant MTF or 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); or
- (o) in the case of a successful admission to listing on Nasdaq Stockholm (or another Regulated Market), that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Regulated Market) without being admitted to trading on another Regulated Market (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).

"Loan to Value" means the ratio of Net Interest Bearing Debt as a percentage of the Value.

"Maintenance Covenants" means the maintenance covenants set out in Clause 11.1 (*Maintenance Covenants*).

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

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

- (p) the business, financial condition or operations of the Group taken as a whole;
- (q) the ability of the Issuer to comply with its obligations under the Finance Documents; or
- (r) the validity or enforceability of the Finance Documents.

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

"Net Interest Bearing Debt" means the aggregate interest bearing Financial Indebtedness less Cash and Cash Equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding guarantees, bank guarantees, Subordinated Debt and interest bearing Financial Indebtedness borrowed from any Group Company).

"**Net Proceeds**" means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Joint Bookrunners and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

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

"**Permitted Debt**" means any Financial Indebtedness:

- (s) incurred under the Bonds (other than Subsequent Bonds);
- (t) arising under any interest rate hedging transactions, but not any transaction for investment or speculative purposes;
- (u) arising under a foreign exchange transaction or a commodity transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions but not any transaction for investment or speculative purposes;
- (v) of the Group incurred pursuant to any Finance Leases incurred in the ordinary course of the Group's business in a maximum amount of SEK 40,000,000;
- (w) of the Group under any guarantee issued by a Group Company in the ordinary course of business;
- (x) incurred by a Group Company from another Group Company (including any cash pool arrangements);
- (y) incurred under any Subordinated Debt;
- (z) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence, and
 - (i) is incurred as a result of a Subsequent Bond Issue; or
 - (ii) ranks *pari passu* with the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur on or after the Final Maturity Date; or
 - (iii) is subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date;
- (aa) incurred under Advance Purchase Agreements;
- (bb) incurred under any pension and tax liabilities in the ordinary course of business by any Group Company;

- (cc) 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;
- (dd) 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 (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (ee) incurred by a Subsidiary of the Issuer under any Project Facility;
- (ff) incurred by the Issuer under any guarantee issued by it under any Project Facility; and
- (gg) not covered under paragraphs (s)-(ff) above in an aggregate maximum amount of SEK 20,000,000.

"Permitted Merger" means a merger between Group Companies provided that if a merger involves the Issuer the Issuer shall be the surviving entity.

"Permitted Security" means any Security:

- (hh) provided under the Finance Documents;
- (ii) provided for any interest rate hedging transactions permitted under paragraph (t) of the definitions of "Permitted Debt";
- (jj) provided for any foreign exchange transaction or commodity transaction, permitted under paragraph (u) of the definition of "Permitted Debt";
- (kk) 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);
- (ll) arising under any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements, including cash pool arrangements, for the purpose of netting debit and credit balances of Group Companies;
- (mm) provided in relation to any lease agreement entered into by a Group Company in the ordinary course of business and on normal commercial terms;
- (nn) provided over any assets being subject to a Finance Lease, permitted pursuant to paragraph (v) of the definition of "Permitted Debt";
- (oo) provided for any pension or tax liabilities permitted under paragraph (bb) of the definition of "Permitted Debt";

- (pp) provided for any Project Facility permitted pursuant to paragraph (m) of the definition of "Permitted Debt";
- (qq) created for the benefit of the financing providers in relation to any Financial Indebtedness incurred in connection with a refinancing of the Bonds in full, permitted pursuant to paragraph (dd) of the definition of "Permitted Debt", however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full (other than with respect to an escrow account (if applicable) which may be perfected in connection with the incurrence of such debt);
- (rr) provided for any guarantees issued by a Group Company in the ordinary course of business; or
- (ss) not covered under paragraphs (hh)-(rr) above securing an aggregate maximum amount of SEK 20,000,000.

"**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.

"**Project Facility**" means any Financial Indebtedness incurred by a Subsidiary of the Issuer for the purpose of financing or refinancing (i) the acquisition of a real property or a real property company, (ii) the construction, development, renovation or operation of any real property and (iii) other activities related to (i) and (ii) in the ordinary course of business.

"**Properties**" means any real estate, site leasehold right (*Sw. tomträtt*), co-operative housing unit (*Sw. bostadsrätt*) or tenancy (*Sw. hyresrätt*) owned or held (as applicable) by a Group Company from time to time.

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

"**Record Date**" means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 14 (*Distribution of Proceeds*), (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

"**Redemption Date**" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).

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

"**Reference Period**" means each period of 12 consecutive calendar months.

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

"Restricted Payment" has the meaning set forth in Clause 12.2(a).

"Secured Loan to Value" means Secured Net Interest Bearing Debt as a percentage of the Value.

"Secured Net Interest Bearing Debt" means the aggregate interest bearing Financial Indebtedness of the Group for which any Group Company has granted any Security less Cash and Cash Equivalents of the Group in accordance with the applicable accounting principles of the Group from time to time.

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

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

"Subordinated Debt" means any loan made to the Issuer as debtor, if such loan:

- (tt) according to the Subordination Agreement is subordinated to the obligations of the Issuer under the Finance Documents;
- (uu) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
- (vv) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Maturity Date.

"STIBOR" means:

- (ww) the applicable percentage rate *per annum* of the Stockholm interbank offered rate for STIBOR fixing administered and calculated by the Swedish Financial Benchmark Facility (or any other person which takes over the administration of that rate) and displayed on the appropriate 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 for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period; or
- (xx) if no rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (yy) if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period; and

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

"Subordination Agreement" means any subordination agreement entered into between, amongst others, the Issuer, the Agent and any creditor providing Subordinated Debt.

"Subsequent Bond Issue" has the meaning set forth in Clause 2(e).

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

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

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

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

"Total Assets" means the consolidated book value of all assets of the Group calculated in accordance with the Accounting Principles.

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

"Transaction Costs" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) a Bond Issue and (ii) the listing of the Bonds.

"Value" means (i) the market value of the Properties set out in the most recent Financial Report (including when necessary, a Financial Report published before the First Issue Date), or (ii) if so requested by the Agent, provided the Agent has reason to believe that the Loan to Value covenant and/or the Secured Loan to Value covenant is breached, the average value of the two most recent External Valuations.

"Written Procedure" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 17 (*Written Procedure*).

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
 - (i) "assets" includes present and future properties, revenues and rights of every description;

- (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (iii) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (iv) an Event of Default is continuing if it has not been remedied or waived;
 - (v) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.
- (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- (d) No delay or omission of the Agent 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.
- (e) The privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent.

2. Status of the Bonds

- (a) The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The nominal amount of each Bond is SEK 1,250,000 (the "**Nominal Amount**"). The total nominal amount of the Initial Bonds is SEK 400,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100) per cent. of the Nominal Amount.
- (d) The minimum permissible investment in a Bond Issue is SEK 1,250,000.

- (e) Provided that the Incurrence Test is met (calculated *pro forma* including the Subsequent Bond issue), the Issuer may, at one or several occasions, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at the Nominal Amount or at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed SEK 800,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 15(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (f) The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law.
- (g) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (h) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

3. Use of Proceeds

- (a) The proceeds from the Initial Bond Issue shall be used to (i) refinance the Existing Debt, (ii) finance general corporate purposes of the Group, including investments and acquisitions and (iii) finance Transaction Costs.
- (b) The proceeds from any Subsequent Bond Issue shall be used to (i) finance general corporate purposes of the Group, including investments and acquisitions and (ii) finance Transaction Costs.

4. Conditions Precedent

- (a) The Issuer shall, no later than 9.00 a.m. three (3) Business Days prior to the First Issue Date (or such later time as agreed to by the Agent), provide to the Agent:
 - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer and each other party to a Finance

- Document (other than the Agent), together constituting evidence that the Finance Documents have been duly executed;
- (ii) copies of the Finance Documents, duly executed;
 - (iii) an agreed form Compliance Certificate;
 - (iv) an External Valuation of the Properties; and
 - (v) a certificate from the Issuer confirming that no Event of Default is outstanding or will occur in connection with the issuance of the Initial Bonds.
- (b) The Issuer shall, no later than 9.00 a.m. three (3) Business Days prior to the date of any Subsequent Bond Issue (or such later time as agreed to by the Agent), provide to the Agent:
- (i) constitutional documents and corporate resolutions (approving the Subsequent Bond Issue and resolving to enter into any documents necessary in connection therewith) for the Issuer; and
 - (ii) a Compliance Certificate evidencing that the Incurrence Test has been met.
- (c) The Agent may assume that the documentation and evidence delivered to it pursuant to paragraph (a) and (b) above is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in paragraph (a) and (b) above from a legal or commercial perspective of the Bondholders.
- (d) The Agent shall as soon as possible confirm to the Issuing Agent in writing when it is satisfied that the conditions precedent set out in paragraph (a) or (b) above (as applicable) have been fulfilled.
- (e) Following receipt by the Issuing Agent of the confirmation set out in paragraph (d) above, the Issuing Agent will, as applicable, settle the issuance of the Initial Bonds and pay the Net Proceeds to the Issuer on the First Issue Date or settle the issuance of any Subsequent Bonds and pay the Net Proceeds to the Issuer on the date of such Subsequent Bond Issue.

5. Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a

Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such Persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

6. Right to Act on Behalf of a Bondholder

- (a) If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.
- (b) A Bondholder may issue one or several powers of attorney or other authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

7. Payments in Respect of the Bonds

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Bondholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such

deposits will be effected by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.

- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue without any default interest in accordance with Clause 8(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

8. Interest

- (a) Each Initial Bond carries Interest at the Interest Rate 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 from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9. Redemption and Repurchase of the Bonds

9.1 Redemption at maturity

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

9.2 Issuer's purchase of Bonds

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer may at the Issuer's discretion be retained or sold but not cancelled (other than, for the avoidance of doubt, in connection with a total redemption of all Bonds).

9.3 Voluntary total redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full:
- (i) any time from and including the First Issue Date to, but excluding, the first Business Day falling eighteen (18) months after the First Issue Date, at an amount per Bond equal to the sum of (i) 103.7500 per cent. of the Nominal Amount plus (ii) the remaining interest payments, calculated in accordance with Clause 9.3(c), up to, but excluding, the first Business Day falling eighteen 18 months after the First Issue Date, together with accrued but unpaid Interest;
 - (ii) any time from and including the first Business Day falling eighteen (18) months after the First Issue Date to, but excluding, the first Business Day falling twenty-four (24) months after the First Issue Date at an amount per Bond equal to 103.7500 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
 - (iii) any time from and including the first Business Day falling twenty-four (24) months after the First Issue Date to, but excluding, the first Business Day falling thirty (30) months after the First Issue Date at an amount per Bond equal to 101.8750 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
 - (iv) any time from and including the first Business Day falling thirty (30) months after the First Issue Date to, but excluding, the first Business Day falling thirty-three (33) months after the First Issue Date at an amount per Bond equal to 100.9375 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
 - (v) any time from and including the first Business Day falling thirty-three (33) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. The notice 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. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

- (c) For the purpose of calculating the remaining interest payments pursuant to Clause 9.3(a)(i) it shall be assumed that the Interest Rate for the period from the relevant record date to, but excluding, the first Business Day falling eighteen (18) months after the First Issue Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

9.4 Mandatory repurchase due to a Change of Control Event, Listing Failure Event and De-listing Event (put option)

- (a) Upon the occurrence of a Change of Control Event, Listing Failure Event or De-listing Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event, Listing Failure Event or De-listing Event pursuant to Clause 10.1(e) (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event, Listing Failure Event or De-listing Event.
- (b) The notice from the Issuer pursuant to Clause 10.1(e) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 10.1(e). The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.4(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.4 by virtue of the conflict.
- (d) Any Bonds repurchased by the Issuer pursuant to this Clause 9.4 may at the Issuer's discretion be retained or sold, but not cancelled (other than, for the avoidance of doubt, in connection with a total redemption of all Bonds).

10. Information to Bondholders

10.1 Information from the Issuer

- (a) The Issuer shall make the following information available in the English or Swedish language by publication on the website of the Issuer:
 - (i) as soon as the same become available, but in any event within five (5) months after the end of each financial year, the annual audited consolidated financial statements of the Group, including a profit and loss

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

- (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly unaudited consolidated reports or the year-end report (Sw. *bokslutskommuniké*) (as applicable), including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors.
- (b) Any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- (c) When the Bonds have been listed on a Regulated Market:
 - (i) the information set out in Clause 10.1(a) shall also be made available by way of press release; and
 - (ii) the reports referred to in Clause 10.1(a)(i) and Clause 10.1(a)(ii) shall be prepared in accordance with IFRS.
- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 10.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- (e) The Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event, Listing Failure Event or De-listing Event, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- (f) The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (g) The Issuer shall submit a duly executed Compliance Certificate to the Agent:
 - (i) in connection with the testing of the Incurrence Test;
 - (ii) in connection with that a Financial Report is made available (and it shall then include testing of the Maintenance Covenants);

- (iii) at the Agent's request, within 20 days from such request.
- (h) The Issuer shall once in every twelve-month period deliver an External Valuation of the Properties and the Issuer may, if it so wishes, provide additional External Valuations. In addition the Agent may at any time request an External Valuation if the Agent has reason to believe that the Loan to Value covenant and/or the Secured Loan to Value covenant is breached. All costs for an External Valuation shall be borne by the Issuer. The Issuer shall procure that the results of the most recent External Valuation are reflected in good faith and in accordance with the Group's valuation policy in the Value of the Properties in the following Financial Report(s). Any adjustments to the value of the Properties in a Financial Report shall be done in accordance with the same valuation principles that apply to the most recent External Valuation.
- (i) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph (g) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
- (j) The Issuer is only obliged to inform the Agent according to this Clause 10.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 10.1.

10.2 Information from the Agent

- (a) Subject to applicable laws, regulations and the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 10.2(b), the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 15 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

10.3 Publication of Finance Documents

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

11. Financial Undertakings

11.1 Maintenance Covenants

The Issuer shall ensure that:

- (a) the Equity Ratio at all times exceeds 25 per cent.;
- (b) the Loan to Value at all times is equal to or lower than 70 per cent.; and
- (c) the Secured Loan to Value at all times is equal to or lower than 55 per cent.

11.2 Testing of the Maintenance Covenants

- (a) The Maintenance Covenants shall be calculated in accordance with the Accounting Principles applicable to the Issuer and tested quarterly by reference to each of the Financial Reports on each Reference Date with respect to the Reference Period ending on such Reference Date. The first test date shall be 31 December 2020.
- (b) The Loan to Value and the Secured Loan to Value shall be calculated based on the Value set out in the most recent Financial Report (including when necessary, a Financial Report published before the First Issue Date).

11.3 Incurrence Test

The Incurrence Test is met if (calculated on a *pro forma* basis including the new Financial Indebtedness which requires that an Incurrence Test is made):

- (a) the Equity Ratio exceeds 27.5 per cent.;
- (b) the Loan to Value is not greater than 67.5 per cent.; and
- (c) no Event of Default is continuing or would occur upon the incurrence of new Financial Indebtedness.

11.4 Testing of the Incurrence Test

- (a) The calculation of the Equity Ratio for the purpose of the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness, adjusted for any events affecting such ratio after such testing date and include the contemplated incurrence of new Financial Indebtedness.

- (b) The calculation of the Loan to Value for the purpose of the Incurrence Test shall be calculated as follows:
- (i) the calculation of Net Interest Bearing Debt shall be as per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness and the amount of Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include any new Financial Indebtedness and exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred (however, any cash balance resulting from the incurrence of any new Financial Indebtedness shall not reduce the Net Interest Bearing Debt); and
 - (ii) the calculation of Value shall be calculated based on the Value set out in the most recent Financial Report (including when necessary, a Financial Report published before the First Issue Date).

12. General Undertakings

12.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 12 for as long as any Bonds remain outstanding.

12.2 Restricted Payments

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries will:
- (i) pay any dividend in respect of its shares;
 - (ii) repurchase or redeem any of its own shares;
 - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
 - (iv) repay any Subordinated Debt or pay any interest thereon;
 - (v) make any prepayments or repayments under any long term debt ranking junior or *pari passu* with the Bonds;
 - (vi) grant any loans except (A) in the ordinary course of business or (B) any other loan in an aggregate outstanding amount not exceeding SEK 5,000,000; or
 - (vii) make any other similar distribution or transfers of value to any Person,
- (paragraphs (i)-(vii) above are together and individually referred to as a "**Restricted Payment**").

- (b) Notwithstanding the above, a Restricted Payment may be made if made to the Issuer or a direct or indirect Subsidiary of the Issuer but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis.

12.3 Listing:

The Issuer shall ensure that the Initial Bonds are admitted to listing on Nasdaq Stockholm (or another Regulated Market) within twelve (12) months after the First Issue Date.

12.4 Nature of Business

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

12.5 Financial Indebtedness

The Issuer shall not, and shall procure that none of its Subsidiaries will, incur any Financial Indebtedness, other than Permitted Debt.

12.6 Disposal of Assets

The Issuer shall not, and shall procure that no Subsidiary, sell or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or that Subsidiary's assets, or operations to any Person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction (i) is carried out at fair market value and on arm's length terms and (ii) does not have a Material Adverse Effect.

12.7 Negative Pledge

The Issuer shall not, and shall procure that none of its Subsidiaries will, provide, prolong or renew any Security over any of its/their assets (present or future), other than any Permitted Security.

12.8 Mergers and demergers

The Issuer shall procure that none of its Subsidiaries will enter into a merger or demerger unless:

- (a) such merger or demerger constitutes a Permitted Merger; or
- (b) such merger or demerger is not likely to have a Material Adverse Effect.

12.9 Dealings at arm's length terms

The Issuer shall, and shall procure that its Subsidiaries, conduct all dealings with any Person (other than Group Companies) at arm's length terms.

12.10 Compliance with laws and authorisations

The Issuer shall, and shall make sure that its Subsidiaries will, (i) comply with all laws and regulations applicable from time to time and (ii), obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence 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.

12.11 Insurance

The Issuer shall, and shall procure that its Subsidiaries will, keep the Properties insured to an extent which is customary for similar properties on the relevant geographical market with one or more reputable insurers. The insurance cover shall *inter alia* include full value insurance and loss of rent insurance.

12.12 Environmental

The Issuer shall, and shall ensure that its Subsidiaries will, comply with all environmental laws and obtain, maintain and ensure compliance with all requisite environmental permits, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

12.13 CSD related undertakings

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

12.14 Property specific undertakings

The Issuer shall ensure that:

- (a) the Properties are managed properly and maintained in good condition; and
- (b) the Properties are not demolished or altered in a way that would have a Material Adverse Effect.

13. Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause 13 (other than Clause 13.11 (*Acceleration of the Bonds*)) is an Event of Default.

13.1 Non-Payment

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

- (a) its failure to pay is caused by administrative or technical error and
- (b) payment is made within five (5) Business Days of the due date.

13.2 Maintenance Covenants

The Issuer has failed to comply with any of the Maintenance Covenants.

13.3 Other Obligations

A party (other than the Agent) fails to comply with the Finance Documents, in any other way than as set out in Clauses 13.1 (*Non-Payment*) and 13.2 (*Maintenance Covenants*), provided that no Event of Default will occur if the failure to comply is capable of being remedied and the Issuer or that party has remedied the failure within fifteen (15) Business Days of the earlier of (i) the Issuer or that party becoming aware of the failure to comply and (ii) the Agent requesting the Issuer in writing to remedy such failure.

13.4 Cross payment default and Cross-acceleration

Any Financial Indebtedness of a Group Company is:

- (a) not paid when due as extended by any originally applicable grace period (if there is one); or
- (b) declared to be due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur under this Clause 13.4 if (i) the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 10,000,000 or (ii) it is owed to a Group Company.

13.5 Insolvency

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

13.6 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries of the Issuer, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Group Company; and

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

13.7 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding SEK 10,000,000 and is not discharged within sixty (60) days.

13.8 Mergers and demergers

A decision is made that the Issuer shall enter into a merger where it is not the surviving entity or that it shall enter into a demerger.

13.9 Impossibility or Illegality

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

13.10 Continuation of the Business

The Issuer or any other Group Company ceases to carry on its business (other than (i) following a Permitted Merger, (ii) a solvent liquidation permitted pursuant to Clause 13.6 (*Insolvency Proceedings*) above or (iii) a disposal permitted under Clause 12.6 (*Disposal of Assets*)), if such discontinuation is likely to have a Material Adverse Effect.

13.11 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall following an instruction given pursuant to Clause 13.11(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 13.11(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall

promptly seek instructions from the Bondholders in accordance with Clause 15 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- (d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) In the event of an acceleration of the Bonds in accordance with this Clause 13.11, the Issuer shall up to, but excluding, the date falling eighteen (18) months after the First Issue Date redeem all Bonds at an amount per Bond equal to the Call Option Amount set out in Clause 9.3(a)(ii) and thereafter, as applicable considering when the acceleration occurs, redeem all Bonds at an amount per Bond equal to the Call Option Amount for the relevant period.

14. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 13 (*Events of Default and Acceleration of the Bonds*) shall be distributed in the following order of priority:
 - (i) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Finance Documents (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 19.2(g), and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15(m);
 - (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
 - (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
 - (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

- (b) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14(a)(i), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14(a)(i).
- (c) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 14 as soon as reasonably practicable.
- (d) If the Issuer or the Agent shall make any payment under this Clause 14, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply.

15. Decisions by Bondholders

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a Person who is, or who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (ii) on the Business Day specified in the communication pursuant to Clause 17(c), in respect of a Written Procedure,

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

- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17(c):

- (i) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, SEK 800,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
- (ii) a change to the terms of any of Clause 2(a), and Clauses 2(f) to 2(h);
- (iii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);
- (iv) a change to the Interest Rate or the Nominal Amount;
- (v) waive a breach of or amend an undertaking set out in Clause 12 (*General Undertakings*);
- (vi) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of Proceeds*);
- (vii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 15;
- (viii) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
- (ix) a mandatory exchange of the Bonds for other securities; and
- (x) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 13 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

- (f) Any matter not covered by Clause 15(e) shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply

in a Written Procedure in accordance with the instructions given pursuant to Clause 17(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 18(a)(i) or 18(a)(ii)) or an acceleration of the Bonds.

- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (ii) if in respect of a Written Procedure, reply to the request.

If a quorum exists for some, but not all, of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16(a)) or initiate a second Written Procedure (in accordance with Clause 17(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 15(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.

- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

16. Bondholders' Meeting

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 19.4(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16(a).
- (c) The notice pursuant to Clause 16(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

17. Written Procedure

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically) no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 17(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 17(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 17(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 15(e) and 15(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15(e) or 15(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

18. Amendments and Waivers

- (a) The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.

- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 18(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible with the rules of the relevant CSD.
- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

19. Appointment and Replacement of the Agent

19.1 Appointment of Agent

- (a) By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises each of the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent to act on its behalf, as set forth in Clause 19.1(a).
- (c) Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is not under any obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

19.2 Duties of the Agent

- (a) The Agent shall represent the Bondholders subject to and in accordance with the Finance Documents. The Agent is not responsible for the content, valid execution, legal validity or enforceability of the Finance Documents.
- (b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.
- (d) The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) The Agent is entitled to delegate its duties to other professional parties, but each of them shall remain liable for the actions of such parties under the Finance Documents.
- (f) The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- (g) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Agent and the Issuer. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 14 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.

- (i) If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including its respective reasonable fees) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (j) Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 19.2(i).

19.3 Limited liability for the Agent

- (a) The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall not be responsible for indirect or consequential loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if it has acted with reasonable care in a situation when it considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by it to the Bondholders, provided that it has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by it for that purpose.
- (d) The Agent shall not have any liability to the Bondholders or to the Issuer for damage caused by it acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or any other Person.

19.4 Replacement of the Agent

- (a) Subject to Clause 19.4(f), the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 19.4(f), if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent be appointed.
- (d) If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (f) The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- (g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- (h) In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights,

powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

20. Appointment and Replacement of the CSD

- (a) The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD regulations and the other regulations applicable to the Bonds.
- (b) The CSD may retire from its assignment or be dismissed by the Issuer provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorized to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (*Iag (2007:528) om värdepappersmarknaden*) or Regulation (EU) no. 909/2014 and be authorized as a central securities depository in accordance with the Financial Instruments Accounts Act.

21. Appointment and Replacement of the Issuing Agent

- (a) The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

22. No Direct Actions by Bondholders

- (a) A Bondholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 22(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 19.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 19.2(i), such failure must continue for at least

forty (40) Business Days after notice pursuant to Clause 19.2(k) before a Bondholder may take any action referred to in Clause 22(a).

- (c) The provisions of Clause 22(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.4 (*Mandatory repurchase due to a Change of Control Event, Listing Failure Event and De-listing Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

23. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- (b) If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

24. Notices and Press Releases

24.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
 - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
 - (ii) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
 - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practically possible) or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

- (b) Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or if between the Issuer and the Agent, by email, and will only be effective:
 - (i) in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1(a);
 - (ii) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1(a); or
 - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.
- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

24.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Mandatory repurchase due to a Change of Control Event, Listing Failure Event and De-listing Event (put option)*), 10.1(e), 13.11(c), 15(o), 16(a), 17(a) and 18(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause 24.2(a), if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

25. Force Majeure and Limitation of Liability

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

- (c) Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

26. Governing Law and Jurisdiction

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

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

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