



Svenska Nyttobostäder AB (publ)

PROSPECTUS REGARDING THE ADMISSION TO TRADING OF

SEK 400,000,000

SENIOR SECURED FLOATING RATE BONDS

DUE 2021/2024

ISIN: SE0016797799

1 November 2021

This Prospectus (as defined herein) was approved by the Swedish Financial Supervisory Authority on 1 November 2021. The validity of this Prospectus will expiry 12 months after the date of its approval. The Issuer's (as defined herein) obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no longer valid

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Svenska Nyttobostäder AB (publ) (the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) the “**Group**”), reg. no 559250-9607, in relation to the application for listing of SEK 400,000,000 senior secured floating rate bonds 2021/2024 with ISIN SE0016797799 (the “**Bonds**”) issued under a framework of SEK 1,250,000,000, of which SEK 400,000,000 was issued on 21 September 2021 in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”), on the corporate bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Concepts and terms defined in Section “*Terms and Conditions for the Bonds*” are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus. The Issuer may at one or more occasions after the Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issues equals SEK 1,250,000,000 (however, for the avoidance of doubt, only SEK 400,000,000 are covered by this Prospectus and in the event of an issuance of Subsequent Bonds, a new listing prospectus will have to be prepared). Arctic Securities AS (reg. no 516408-5366) has acted as sole bookrunner and issuing agent (the “**Issuing Agent**” or, depending on context, the “**Sole Bookrunner**”).

This Prospectus has been prepared as well as approved and registered by the Swedish Financial Supervisory Authority (Sv. *Finansinspektionen*) (the “**SFSA**”) pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Furthermore, Annexes 7 and 15 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the contents of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete. This Prospectus is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. Stockholm District Court (Sv. *Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the SFSA’s website ([fi.se](https://www.sfsa.se)) and the Company’s website (<https://nyttobostader.se/>).

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on Nasdaq Stockholm. This Prospectus may not be distributed in any country where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States. The Bonds may not be offered, sold or distributed within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Company has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Company has not registered the Bonds under any other country’s securities laws. It is the investor’s obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

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

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

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

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

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RISK FACTORS

The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Bonds in order to make an informed investment decision. The below risk factors are therefore limited to risks that, in the meaning of Regulation (EU) 2017/1129, are material and specific to the Issuer and the Bonds.

The manner in which the Company and the Bonds are affected by each risk factor is illustrated by way of an evaluation of the materiality of the relevant risk factor based on the relative probability of it occurring and the expected magnitude of its negative impact, for the purpose of which the probability is estimated as “low”, “medium” or “high” and the magnitude of negative impact if it would occur as “low”, “medium” or “high”. Irrespective of the probability or magnitude of negative impact stated in relation to each risk factor, all risk factors included below have been assessed by the Company to be material and specific to the Company and the Bonds in the meaning of Regulation (EU) 2017/1129.

The risk factors are organised in several categories and the most material risk factor in a category is presented first under that category, whereas subsequent risk factors in the same category are not purported to be ranked in order of materiality.

Risk factors specific and material to the Company and the Group

I. Risks relating to the Group’s business activities and industry

Risks relating to acquisitions

The Group’s strategy include acquisitions of real estate. Acquisition of real estate exposes the Group to a number of risks, such as uncertainty regarding the property’s administration, unexpected costs regarding after-treatment due to environmental degradation, renovation and technical problems, decisions by authorities and legal disputes regarding the acquisition or the condition of the property. Real estate acquisitions also entail risks attributable to increased taxes as well as higher indebtedness and interest costs. Given the large values involved in real estate transactions and the large potential costs an acquirer might have to bear should there be any deficiencies in the acquired property, the Group is dependent on successful due diligence in relation to the potential target. Unforeseen or misjudged acquisition-related risks may require the Group to make further capital contributions and could result in that profitability or cash flow from an investment decreases.

Upon an acquisition, the Group makes certain assumptions based on its due diligence of the property as well as other information that is available at the time of the acquisition, including assumptions about future rental income and operating costs. However, these assumptions are uncertain and may prove to be incorrect and the Group may therefore not achieve all the expected benefits of the acquisition. Furthermore, such uncertainty can lead to delays as well as increased or unexpected costs. Expected economies of scale and cost savings may, in whole or in part, not materialise or be achieved later than expected. Also, there are no guarantees that the systems, procedures or control functions required to support the Group’s expansion are sufficient.

In the Group's acquisition agreements, the seller normally provides time-limited warranties and guarantees for the property in question and the acquired legal entity. There is a risk that the warranties and guarantees do not cover all defects in the property or that a warranty or guarantee do not fully cover the defect, which means that the Group instead may bear costs. In addition, there is a risk that any acquisition agreement indemnities are not enforceable, limited or expired and risk of disagreements in relation to sellers regarding enforceability or scope of contractual rights or liabilities. Should any acquired liabilities not be covered by applicable and enforceable indemnities, keep well clauses, guarantees or similar, such liabilities, could lead to lengthy and costly disputes.

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

Risks relating to rental income and rental development

The Group owns and manages properties that are leased by private individuals, companies, authorities, etc. and a significant part of the Group's net profit will consist of rental income. For the six month period January 2021 to June 2021, the Group's rental income amounted to approximately SEK 59 million. The Group's rental income is mainly affected by the properties' occupancy rate, terms of the lease agreement and the tenants' ability to pay. The Group's liquidity and earnings are thus negatively affected if the Group's occupancy rate or rental levels fall, regardless of the reasons for this.

Meanwhile the Group's maintenance and operating costs are likely to remain constant. The risk of large fluctuations in vacancies and loss of rental income increases the more large tenants the Group has. There are a number of tenants who represent a significant part of the Group's total rental income or that leases all or a large part of a single property. For example, the three largest tenants represents approximately 67 per cent. of the Group's total revenue. If one or more of the Group's largest tenants should terminate or not extend their lease agreement when they expire, there is a risk that the Group's vacancy rate will increase and that the Group's revenue will decrease. Furthermore, there is no guarantee that the Group's larger tenants will renew or extend their leases when they expire.

The Group is also dependent on tenants paying agreed rent on time and there is a risk that the Group's tenants cancel their payments or otherwise do not fulfil their obligations towards the Group, which would affect the Group's access to liquidity and cause working capital shortfalls.

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

Operational risks

Within the day-to-day operations, the Group may incur losses due to inadequate routines, lack of control or other irregularities. Such losses may, for example, relate to financial loss, loss of income, reduced confidence by customers and suppliers and difficulties attracting employees with the appropriate skillset. Appropriate administrative systems, good internal control, competence development and access to reliable valuation and risk models are a good basis for reducing operational risks. Inadequacies in the above respects could affect the Group's opportunity to conduct its operations in the desired manner, attract and retain staff and tenants, which may have a significant negative impact on the Group's operations.

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

Operating and maintenance costs

The lease agreements regarding the Group's properties regulate *inter alia* the responsibility for operating and maintenance costs. The ownership of properties is associated with certain operating expenses. Operating costs include *inter alia* costs for electricity, cleaning, insurance, water and heating. Several of these goods and services can only be purchased from one operator, which makes the Group dependent on such operator and exposes the Group to risks that such operator increases its price for such goods and services. For the financial year 2020, the Group's operating and maintenance costs relating to its properties amounted to approximately SEK 32 million. Such operating costs incurred by the Group may risk increasing without the Group having the opportunity to influence it. If any cost increases are not compensated for by adjustments in lease agreements or rental increases through renegotiation of lease agreements, this could have a negative effect on the Group's results and financial position.

Maintenance costs aims at maintaining the property's standard in the long term and regular property maintenance is necessary to maintain the market value and rental levels in the Group's property portfolio. Unforeseen and extensive renovation needs may significantly negatively affect the Group's results. Also, if necessary maintenance work is not addressed in time, this may lead to lower market values for such properties and the Group may need to lower rental levels in the residential properties, which will also affect the Group's revenue.

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

Risks relating to subletters

The Group has entered into several lease agreements regarding a number of residential apartments to a tenant who then sublet the apartments. The nature of these lease agreements is a hybrid between the residential lease agreements and the business lease agreement as it is possible in the agreement to make deviations from the twelfth chapter of the Land Code (1970:994) (Sw. *Jordabalk*). The first-hand tenant in such a lease is normally a legal entity, such as a company, foundation or municipality that rents out residential apartments to its employees, students etc.

The deviations from the twelfth chapter of the Land Code (1990:994) apply if the rent tribunal (Sw. *Hyresnämnden*) approves the deviations agreed upon by the parties. If the rent tribunal's approval is not obtained, the parts of the agreement that requires the rent tribunal's approval become invalid and the rules that apply to residential tenancy agreements become applicable instead, including *inter alia* that the tenant has legal security of tenure and that a greater maintenance responsibility is imposed on the landlord. Should such lease agreements become invalid, there is a risk that the Group's costs will increase and flexibility will decrease, which may have a material adverse effect on the Group's operations.

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

Risks relating to attracting, motivating and retaining key people

The Group operates a relatively small organisation, which means that the Group is dependent on key employees. The Group's future development depends to a large extent on a number of key people's knowledge, experience and commitment. These people have extensive knowledge of both the Group and the industry in general. It is important for the Group's future business operations and development that the Group can retain, motivate and recruit qualified personnel. The Group is particularly dependent on the knowledge, experience and commitment of the Group's management. Should one or more of these key persons leave the Group, there is a risk that the Group will not succeed in replacing these persons or that the process will take longer than planned. In addition, in order to attract, motivate and retain qualified personnel, the Group may need to increase the remuneration of these persons, with increased costs as a result.

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

II. Risks relating to the Group's financial position

Credit and counterparty risks

The Group's existing and future counterparties / tenants may end up in a difficult financial situation which could result in inability to pay agreed rents on time or that they otherwise abstain from fulfilling their obligations in accordance with concluded agreements. The Group is particularly exposed to such risks in times of weak macroeconomic development, such as was the case during the height of the COVID-19 pandemic (please see risk factor "*Risks relating to outbreaks of pandemics, e.g. COVID-19*" below). The aforementioned may affect the Group's access to liquidity and lead to a working capital shortage in the Group, which may have a significant negative impact on the Group's operations.

The Group has also entered into a number of share purchase agreements regarding acquisitions of companies and indirectly real estates on which housing development projects are conducted in various production phases. Such acquisitions will be closed continuously as the projects are completed up to and including 2025. There is thus a risk that all or some of the acquisitions will not be closed as anticipated or that there will be delays, which may affect the Group's opportunities to take financial advantage of the acquisitions that the Group has agreed on. In the event that the acquisition is not closed or that delays occur, it may have a material adverse effect on the Group's operations, financial position and results.

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

Financing-, liquidity- and refinancing risk

The Group is dependent on external financing, *inter alia* to refinance existing debts and carry out real estate acquisitions. If the Group cannot obtain financing on favourable terms or at all, or if creditors choose not to extend the Group's credit at maturity or if alternative credit facilities are not available to the Group, there is a risk that the Group will not be able to make acquisitions or maintain and manage the Group's properties in the way the Group deems desirable.

The Group's ability to obtain financing is not only affected by the Group's financial position but can also be affected by macroeconomic factors. For example, disturbances in the capital markets including the fixed income market may negatively affect the Group's ability to obtain financing. If the Group's financing is not sufficient to meet its needs, the Group will be forced to take measures such as downsizing its operations, delaying acquisitions and investments, disposing assets, restructuring or refinancing its debts or raising additional equity. If the Group is unable to obtain financing on favourable terms or at all, it may have a material adverse effect on the Group's operations, financial position and results.

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

Risk of change in value

The Group's most material assets consist of investment properties. As of 30 June 2021, the value of the Group's completed properties amounted to approximately SEK 2,463 million. Valuations of the properties are based, *inter alia*, on a number of assumptions. There is therefore a risk that the valuations are based on assumptions that are completely or partially incorrect, which may result in an incorrect reflection of the value of the Group's property portfolio in the Group's accounts and that the property's value needs to be written down.

The value of the Group's properties is further affected by a number of factors, both property-specific, such as vacancy rate, rental levels and operating costs, and market-specific, such as yield requirements, discount rates and other factors that affect the value of real estate assets. In addition, the value of the Group's properties is affected by the possibility of disposing the properties through a sale. Substantial reductions in property value can impair the Group's credit rating and possibility to obtain financing, as well as the Group's capacity to invest in new properties. An incorrect or impaired valuation of the Group's property portfolio may have a material adverse effect on the Group's financial position. Large reductions in property value may lead to breaches in the Group's financial undertakings (so-called covenants) that contain, among other things, provisions concerning loan-to-value ratios. Breaches of such covenants may result in the acceleration of the Group's debt or reduce its ability to obtain financing and to invest in new properties and property development projects, as part of the Group's ongoing operations.

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

Risks relating to financial undertakings

The Group finance its operations through equity and debt. The Group's interest-bearing and non-interest-bearing debt are secured *inter alia* by the Group's properties, which are owned by the Group's subsidiaries, in some cases in combination with subordination agreements and indemnities and through guarantees by a member of the Group or ALM Equity AB (publ), security over subsidiaries' shares and insurance. Lenders are Nordic banks, financial institutions and institutional operators. The loan agreements are normally secured through property mortgages. At the date of this Prospectus, such financing arrangements (excluding the Bonds) amounts to approximately SEK 1,544 million. In some

cases, the loan agreements contain special undertakings, such as change of control clauses, provisions that limit the possibility of incurring additional debt or providing additional security in property-owning subsidiaries, maintaining the loan value or a certain solidity. This means that the lender has the right to immediate repayment of granted credits, or to a change in the terms of the credit, in the event that the borrower violates the terms of the loan agreements or does not fulfil its obligations under the agreements. If the Group violates one or more of its financial undertakings in the credit agreements, there is a risk that such credit will be terminated and immediately repayable or that the security will be enforced by the creditor, which, given the amount of debt incurred by the Group, would have a material negative impact on the Group's operations as the Group is dependent on such debt financing for its operations.

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

Interest rate risks

In addition to equity, the Group's operations are financed by borrowing from, *inter alia*, credit institutions. In addition to the Bonds, as of the date of this Prospectus, interest-bearing financing arrangements with banks and capital providers amounts to amounts to approximately SEK 1,544 million. The Group is therefore exposed to significant interest rate risk, i.e. the risk that changes in the level of the interest rate affect the Group's interest costs. For the financial year 2020, the Group's interest rate expenses amounted to approximately SEK 47 million.

In addition to the amount of the interest-bearing liabilities, the Group's interest expenses are affected mainly by the level of underlying market interest rates, the credit institutions' margins and the period for which the Group chooses to fix its interest rates. Interest rates have historically changed due to, and will probably in the future be affected by, several different factors. Such factors include macroeconomic factors, as well as inflation expectations, the financial capacity and confidence of households', and monetary policy, as well as factors linked to the Group's operations and industry and general demand for rental properties. Furthermore, changes in interest rates can lead to changes in fair value (Sw. *verkligt värde*), changes in cash flow and fluctuations in the Group's earnings. Given the amount of debt incurred by the Group, relatively small interest rate increases on the Group's external debt could give rise to quite large negative effects on the Group's result.

The prevailing interest rate situation in Sweden and the rest of the EU has had a significant impact on the residential property market and has led to high valuations. However, it is possible and probable that these interest rates will be raised in the future and that this must be taken into account in combination with the high indebtedness of Swedish households. An increase in interest rates may have a negative effect on the Group's residential property portfolio and the Group may need to account for losses due to market value adjustments. Such losses would result in a corresponding reduction in the value of the Group's properties on the balance sheet, and increase the Group's loan-to-value ratios. Furthermore, interest rate increases can lead to generally reduced demand for residential properties and have a negative effect on potential buyers' opportunities to finance real estate acquisitions.

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

III. Risks relating to the industry and the market

Macroeconomic factors

The Group's operations are largely affected by macroeconomic factors such as the general economic development, national and regional economic development, the Nordic real estate market, economic growth, labour market developments, the construction level of new premises and residential properties, changes in infrastructure, population growth, demographic development, inflation and interest rates. The Group is active in the greater Stockholm area and is consequently exposed to the regional economic development in this geographical market.

Market disturbances in the real estate markets where the Group is active and an economic downturn in the global market as a whole can affect the Group or its tenants' financial position. Furthermore, the deterioration of the global economy, reduced liquidity in the Swedish market for residential properties or reduced demand for the Group's residential properties can significantly affect the Group's future operations. Inflation expectations affect interest rates and changes or expectations of changes in interest rates or inflation can affect the required return on properties and consequently the market value of the Group's properties, which in turn can have a significant negative impact on the Group's financial position.

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

Risks relating to insurance coverage

The Group has insurance that protects the core business against losses and / or potential liability in relation to claims from third parties. Some types of losses are typically not covered by insurance as such losses are not considered possible to insure or because they constitute *force majeure*. This may include damage caused by terrorist attacks, natural disasters and war, as well as official or personal liability where there has been negligence, intent or criminal actions. Other factors may also affect the possibility of receiving full insurance reimbursement, such as inflation, tax, changes in building and zoning regulation and environmental considerations. Furthermore, there may be losses that are explicitly excluded from the insurance terms or for some other reason are not included in the Group's existing insurance coverage.

If the Group is unable to maintain insurance cover on terms acceptable to the Group or if future business needs exceeds or fall outside the Group's insurance cover, or if the Group's provisions for uninsured costs are insufficient to cover the final costs, it may have a material adverse effect on the Group's results of operation.

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

Risks relating to outbreaks of pandemics, e.g. COVID-19

The outbreak of Covid-19 has entailed and will likely continue to have a significant impact on the Swedish and global economy, not least the markets on which the Group operates.

The Group is primarily affected through the outbreak's direct and indirect effect on the macroeconomic development. As the Group's tenants are exposed to the effects of the outbreak of Covid-19, the Group may be affected by reduced rent levels and increased vacancy rates as well as suspension of payments by counterparties. This can generate a number of negative effects on the Group and its property portfolio.

Increased uncertainty as a result of Covid-19 may also impair the availability of necessary financing. In addition to the fact that the Group's access to financing may deteriorate, the outbreak of Covid-19 may lead to reduced productivity and disruptions in the supply chain for the Group's suppliers of goods and services. In addition, difficulties for the Group's customers to carry out transactions or fulfil their obligations may arise, which may increase the Group's vacancy levels and adversely affect the value of the Group's properties. Large reductions in property value can lead to breaches of the Group's financial commitments, which in turn can reduce the Group's ability to obtain financing.

If the pandemic continues for a prolonged period of time or if additional diseases spread that give rise to similar effects, the negative impact on the global economy may worsen and thus also have a significant negative impact on the Group's operations.

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

Reputation

The Group's reputation is important for the Group's operations. If the Group's properties or services do not live up to its stakeholders' expectations or if the Group's brand appears in contexts that do not correspond to the Group's business profile, there is a risk that tenants and other stakeholders lose confidence in the Group, which in the long run may damage the Group's reputation. In addition, the Group's reputation may be damaged if entities within the Group, a board member or senior executives act in violation of the Group's values. Even unjustified negative publicity can damage the Group's reputation. Impaired reputation could affect the Group's ability to conduct its business in the desired way, attract and retain staff and tenants, which could have a significant negative impact on the Group's operations.

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

Competition

The Group operates in a competitive industry. Within the broader real estate market, the Group is niched towards smaller apartments in the greater Stockholm area. The Group's future competitive opportunities depend, *inter alia*, on the Group's ability to anticipate future market changes and trends and to quickly adapt to existing and future market needs, which in turn could lead to increased costs or demands for price reductions or changes in the Group's business model. Furthermore, the Group operates in a market where several of the Group's competitors have greater financial resources than the Group. Increased competition from existing and new market actors may have a significant negative impact on the Group's operations, financial position and results.

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

IV. Legal and regulatory risks

Risks relating to legislation and political decisions

The Group's activities mainly consist of owning and managing real estate. Real estate operations are to a large extent affected by general political decisions such as laws, regulations and other government decisions relating to, *inter alia*, taxes, environmental requirements and the regulated rent setting in the residential housing market. These regulations are changing, both as a result of political decisions and the legal interpretation of the regulations. A negative development in, *inter alia*, rental legislation in Sweden can lead to lower than expected rental income, which can have a negative effect on *inter alia* the Group's property valuations. This is partly because property valuations include an assumption that the rent can be increased over time. In addition, other rules or political decisions can have a major impact, such as amortisation requirements or debt ratio ceilings for private individuals, which affects the possibility for disposal of the Group's residential properties.

As part of the Group's property management and when entering into rental agreements with new tenants, the Group may improve its properties through extensions and renovations. The regulations that affect the Group's operations consist of, *inter alia*, the Swedish Planning and Building Act (2010:900) (Sw. *Plan- och Bygglagen*), building standards, safety regulations, rules regarding permitted building materials, antiquarian building classifications and various forms of cultural markings. If such regulations were to change, it could lead to increased costs for the Group and limit the opportunities to use and develop its properties in the desired way.

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

Tax risks

Tax is a significant cost item for the Group and the regulatory framework relating to taxes for real estate companies is complex. The Swedish Tax Agency's authorities are comprehensive and the judicial bodies' interpretation and reviews take place in many stages, which means that it can take a long time to establish the correct application of legislation in complex taxation matters, which may adversely affect the Group. The Swedish Tax Agency's tax rulings as well as court rulings may entail that actions taken or completed transactions that were previously considered permissible may need to be reappraised at a later stage entailing costs for the Group.

Even if the Group's operations are conducted in accordance with the Group's interpretation of applicable laws and regulations in the tax area, and in accordance with advice from tax advisers, the Group's interpretation may be incorrect and such rules may change with potentially retroactive effect. In addition, tax rates may change in the future and other rule changes may occur that affect the conditions for the Group's ownership of property, real estate transactions or operations in general.

On 30 March 2017, the Swedish government presented a law proposal (SOU 2017:27) that, if enacted, would likely affect the future taxation of real estate. The proposal includes, *inter alia*, that indirect sales of properties would be subject to stamp duty. The proposal has remained unadopted but would, if

implemented, impact tax payable upon all of the Group's future disposals of property owning companies.

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

Risks related to EU's General Data Protection Regulation

General Data Protection Regulation (EU) 2016/679 ("GDPR") entered into force on 24 May 2016 and has been applied since 25 May 2018 and the Group is thus obliged to comply with the GDPR regarding processed personal data. The Group processes personal data, primarily about its tenants and employees, in both electronic and physical form. The Group also processes personal data about employees' relatives, persons and companies applying for tenancy or employment as well as investors. The personal data is processed mainly for the purpose of entering into and enforcing rental agreements and employment contracts. If the Group's system that processes personal data is subject to infringement, if the Group's processing of personal data is flawed or if the Group otherwise fails to be in compliance with GDPR, the Group may be subject to significant fines.

The application of GDPR and its implementation are subject to interpretation and development. There is a risk that these provisions will be interpreted and applied in a manner that is not in line with the Group's current data protection routines. The Group is thus subject to the risk that personal data may be processed in violation of the applicable rules concerning data protection and privacy by the Group or by a third party (according to an agreement with the Group).

Sanctions pursuant to GDPR could be comprehensive. If the Group processes personal data in violation of GDPR, the Group risks being subject of administrative fines up to a maximum of (i) four percent of the company's total global annual turnover and (ii) EUR 20 million.

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

Environmental risks

Property management entails environmental impact and environmental responsibility. According to The Swedish Environmental Code (1998:808) (Sw. *Miljöbalken*) operators who have contributed to contamination have a responsibility to remedy the contamination of the property. If the operator is unable to carry out or pay for such after-treatment of a contaminated property, the person who acquires the real estate and who at the time of the acquisition knew or should have discovered the contaminants is responsible. This means that claims under certain circumstances can be directed at the Group for remediation due to, or suspicion of, contamination in the soil, water areas or groundwater. If any of the Group's properties are found to be contaminated, it may limit the Group's planned use of the property, entail significant costs for after-treatment and adversely affect the value of the Group's properties. Even if the Group has identified contamination on properties acquired by the Group before the acquisition, the costs for the remediation and after-treatment of the properties may nevertheless fall on the Group and/or be higher than expected at the time of the acquisition.

Furthermore, previous operators may have carried out after-treatment of a property in an acceptable manner according to the use at that time. As a result of changed use for residential purposes, the requirements for the Group may be higher, which means that the Group may have costs for cleaning up to be able to use the property as desired.

Finally, changed laws, regulations and requirements from authorities in the environmental field can lead to increased costs for the Group with respect to after-treatment or cleaning-up regarding currently held or in future acquired properties.

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

Risks factors specific and material to the Bonds

I. Risks relating to the nature of the Bonds

Interest rate risks and benchmarks

The Bonds' value depends on several factors, one of the more significant over time being the level of market interest. The Bonds will bear a floating rate interest of STIBOR plus a certain margin and the interest rate is therefore adjusted for changes in the level of the general interest rate. Hence, there is a risk that increased general interest rate levels significantly affect the market value of the Bonds.

The determining interest rate benchmarks, such as STIBOR has been subject to regulatory changes, such as the Benchmarks Regulation (Regulation (EU) 2016/1011 on indices used as benchmarks in financial and contracts or to measure the performance of investment funds) (the "BMR"). The implementation of the BMR will lead to that certain previously used benchmarks will be discontinued, leading to that, among others, existing financing arrangements may need to be renegotiated or terminated. There is a risk that also STIBOR will be discontinued, or that alternative benchmark rates will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Bonds. Increased or altered regulatory requirements and risks associated with the BMR (as amended) involve inherent risks as the effects cannot be fully assessed at this point in time. There is a risk that developments in relation to STIBOR cause volatility in STIBOR, which would affect the interest rate for the Bonds.

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

Insolvency of subsidiaries and structural subordination

The Company is dependent upon receipt of sufficient income, dividends and other distributions from the Company's subsidiaries in order for the Company to make payments under the Bonds. Furthermore, the ability of the Company's subsidiaries to make such payments to the Company is subject to, *inter alia*, the availability of funds as well as corporate and legal restrictions. In the event of insolvency, liquidation or a similar event relating to one or several of the Company's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Company, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. Defaults by, or the insolvency of, certain subsidiaries of the Company may result in the obligation for the Company to make payments under financial or

performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Company and its assets would not be protected from actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise. If such risk would materialise, it could have a material negative impact on the Company's operations, financial position and earnings and on the holders' of the Bonds recovery under the Bonds.

In addition to the indebtedness incurred under the Bonds, the Group has the ability to incur further indebtedness. In addition, the Company and its subsidiaries may provide security for such financial indebtedness as permitted under the terms and conditions of the Bonds (the "**Terms and Conditions**"). Incurring such additional indebtedness and the provision of security may reduce the amount (if any) recoverable by the holders of the Bonds if the Company is subject to any dissolution, winding-up, liquidation, restructuring (Sw. *företagsrekonstruktion*), administrative or other bankruptcy or insolvency proceedings.

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

Credit risks

An investment in the Bonds includes a credit risk in relation to the Group. Credit risk entails the possibility of loss due to a borrower's defaulting on a loan or not meeting contractual obligations. The bondholders' ability to receive payment under the Terms and Conditions is dependent upon the Company's and the Group's ability to meet its payment obligations, which, in turn, is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, a number of which have been discussed herein. An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. Another aspect of the credit risk is that any deterioration in the financial position of the Group may entail a lower credit-worthiness and the possibility for the Group to receive financing may be impaired when the Bonds mature.

The Company considers the probability of the risk occurring to be low. If the risk were to occur, the Company considers the potential negative impact to be medium.

Risks related to the Transaction Security

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer. This means that in the event of bankruptcy, re-organisation or winding-up of the Issuer, the bondholders normally receive payment after any prioritised creditors have been fully paid to the extent that the bondholders' claim is not secured by the transaction security for the Bonds (the "**Transaction Security**").

To the extent the Transaction Security relates to assets of subsidiaries of the Issuer, each security interest granted will be limited in scope to comply with limitations on financial assistance, capital maintenance rules or similar restrictions under applicable law. The Transaction Security may thus not be enforceable in the event of a default of the Issuer, or only be enforceable in part, which may limit the recovery of the bondholders.

Certain of the pledged assets may be illiquid and have no readily ascertainable market value. For example, the shares that are secured for the benefit of bondholders may provide for only limited repayment, in part because these shares may not be liquid and their value to other parties may be less than their value to the Group. It is not certain that the secured assets will be saleable, or, even if saleable, that there will not be delays in the realisation of the value thereof. As a result, the bondholders may not recover full or any value in the case of an enforcement sale of such pledged shares. If the proceeds from an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the bondholders will only have an unsecured claim against the remaining assets (if any). Moreover, the Transaction Security will be subject to laws protecting debtors and creditors generally, including restrictions on fraudulent conveyance or voidable preference and hardening periods applicable under relevant bankruptcy laws. These restrictions may give an insolvency receiver or other creditors a right to challenge or void the Transaction Security.

Certain security for the Bonds will be granted after the issue date or will be perfected only at a later point in time and is consequently subject to applicable hardening periods and until such measures have been taken or such hardening periods have lapsed, the bondholders' security position will be limited in respect of such security.

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

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

Liquidity risks and secondary market

The Company has undertaken to ensure that the Bonds are admitted to trading on Nasdaq Stockholm, or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other regulated market (as defined in Directive 2014/65/EU) within certain stipulated time periods, as set out in the Terms and Conditions. Even if the Bonds are admitted to trading, active trading in the securities may not always occur and thus, there is a risk that there will not be a liquid market for trading in the Bonds or that this market will be maintained. In particular with regard to that the Bonds are traded over-the-counter (OTC), there is a risk for smaller volume of trades. If a liquid market for trading in the Bonds will not exist or not be maintained, this may result in that the bondholder cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

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

RESPONSIBLE FOR THE INFORMATION IN THE PROSPECTUS

The Company has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 21 September 2021 has been authorised by the board of directors at a board meeting held on 7 September 2021, authorising certain representatives of the Company to execute, deliver and perform the documents contemplated by the issue of the Bonds, including this Prospectus.

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

The Company is the source of all company specific information contained in this Prospectus and the Sole Bookrunner have conducted no efforts to confirm or verify the information provided by the Company. The board of directors is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law. The board of directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus is, to the best of the board of directors' knowledge, in accordance with the facts and contains no omissions likely to affect its import.

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

Stockholm on 1 November 2021

Svenska Nyttobostäder AB (Publ)

The board of directors

THE BONDS IN BRIEF

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

General

Issuer	Svenska Nyttobostäder AB (publ), reg. no. 559250-9607, Regeringsgatan 59, 111 56 Stockholm.
Resolutions, authorisations and approvals	The Company's board of directors resolved to issue the Bonds on 7 September 2021.
The Bonds offered	SEK 400,000,000 in an aggregate principal amount of senior secured callable floating rate bonds due 21 September 2024. For the avoidance of doubt, a new prospectus will be required for the listing of any Subsequent Bonds issued after the date hereof.
Nature of the Bonds.....	The Bonds constitute debt instruments (<i>Sv. skuldförbindelser</i>), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act.
Number of Bonds	As at the date of this Prospectus, 320 Bonds have been issued and will be admitted to trading following the approval of this Prospectus. A maximum of 1,000 Bonds may be issued under the Terms and Conditions.
ISIN	SE0016797799.
Issue Date	21 September 2021.
Price.....	All bonds issued on the First Issue Date have been issued at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
Interest Rate.....	Interest on the Bonds is paid at a rate equal to the sum of (i) three (3) months STIBOR, plus (ii) three hundred thirty-seven point five (337.5) basis points <i>per annum</i> .
Interest Payment Dates.....	21 March, 21 June, 21 September and 21 December each year (with the first Interest Payment Date on 21 December 2021 and the last Interest Payment Date being the Final Redemption Date, 21 September 2024). Interest will accrue from, but excluding, the First Issue Date or any Interest Payment Date and ending on

	(and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Final Redemption Date.....	21 September 2024.
Initial Nominal Amount	The Bonds have a nominal amount of SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds is SEK 1,250,000.
Denomination	The Bonds are denominated in SEK.
Status of the Bonds.....	The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them.
Use of Proceeds.....	<p>The Net Proceeds of the Initial Bond Issue shall be applied towards (i) partly financing the Fyrlotsen Acquisition, (ii) refinancing the Existing Järva Financing and the Existing Fyrlotsen Financing, (iii) general corporate purposes of the Issuer and the other Property Companies and (iv) Transaction Costs for the Initial Bond Issue.</p> <p>The Net Proceeds from any Subsequent Bond Issue shall be applied towards (i) acquisitions of Target Properties, (ii) refinancing of debt in Property Companies and/or (iii) financing Transaction Costs for the relevant Subsequent Bond Issue.</p>
Call Option	
Call Option	<p>The Company may redeem all, but not some only, of the Bonds early at 100 per cent. of the outstanding Nominal Amount:</p> <p>(a) if such early redemption is financed in full by way of the Issuer issuing Market Loan(s):</p> <ul style="list-style-type: none"> (i) on any Business Day before the First Call Date, together with (i) accrued but unpaid interest and (ii) the remaining interest payments up to (but excluding) the First Call Date; (ii) on any Business Day on or after the First Call Date, together with accrued but unpaid interest; or <p>(b) if such early redemption is not financed in full by way of the Issuer issuing Market Loan(s), on any Business Day together with (i) accrued but unpaid interest and (ii) the</p>

remaining interest payments up to (and including) the Final Redemption Date.

First Call Date The First Call Date means the date falling three (3) months before the Final Redemption Date.

Put Option

Put Option Upon a Change of Control Event, a Delisting Event or a Listing Failure Event, each Bondholder shall have the right to request that all or only some of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of fifteen (15) calendar days following a notice from the Issuer of the relevant event pursuant to paragraph (b) of Clause 13.3 of the Terms and Conditions. The fifteen (15) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, the Delisting Event or the Listing Failure Event (as applicable).

Change of Control Event..... The occurrence of an event or series of events whereby one or more Persons (other than the Main Shareholder) acting in concert owning or controlling fifty (50.00) per cent. or more of the shares and votes of the Issuer.

Delisting Event..... The occurrence of an event where (i) the Issuer's shares are not listed and admitted to trading on an MTF or a Regulated Market or (ii) trading of the Issuer's shares on the relevant Market Place is suspended for a period of fifteen (15) consecutive Business Days

Listing Failure Event..... The occurrence of an event whereby the Initial Bonds or any Subsequent Bonds have not been admitted to trading on a Market Place within sixty (60) calendar days from the relevant Issue Date (although the Issuer will use its best efforts to have any issued Bonds admitted to trading within thirty (30) calendar days from the relevant Issue Date).

Transaction Security

Transaction Security..... As continuing security for the due and punctual fulfilment of the Secured Obligations (as defined in the Terms and Conditions), the Company has granted, as first ranking security to the Secured Parties (as represented by the Agent) the Transaction

Security on the terms set out in the Transaction Security Documents.

The Transaction Security comprises of a first ranking security initially being:

- (a) the shares in each Property Holding Company;
- (b) mortgage certificates in respect of each Bond Financed Property (other than the Fyrlotsen Property) in an aggregate nominal amount equal to or higher than 100 per cent. of the aggregate Allocated Loan Amount for each Bond Financed Property (other than the Fyrlotsen Property);
- (c) the Fyrlotsen Intragroup Loans;
- (d) subject to delayed perfection, security in respect of any present or future Material Intragroup Loan from the Issuer to any Property Holding Company or any Subsidiary of a Property Holding Company (other than Fyrlotsen Intragroup Loan I); and
- (e) subject to delayed perfection, security in respect of any present or future Material Intragroup Loan made by a Property Holding Company (other than Fyrlotsen Intragroup Loan II).

Enforcement of Transaction Security.....	If the Bonds are declared due and payable according to Clause 16 (<i>Termination of the Bonds</i>) of the Terms and Conditions (or following the Final Redemption Date), the Agent is, without first having to obtain the Bondholders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the relevant Transaction Security Documents).
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Undertakings

Certain undertakings.....	<p>The Terms and Conditions contain a number of undertakings that restrict the Issuer and in certain cases other Property Companies, including, <i>inter alia</i>:</p> <ul style="list-style-type: none"> • restrictions on making distributions; • undertaking to have the Bonds admitted to trading within twelve (12) months after the Issue Date; • restrictions on making any substantial changes to the general nature of the business carried out by the Group; • restrictions in relation to incurring Financial Indebtedness, except for Financial Indebtedness that constitutes Permitted Debt; • restrictions in relation to extending certain loans out; • restrictions on providing, prolonging or renewing any security over any of its assets (present or future) to secure any Financial Indebtedness (except for security that is Permitted Security); • undertaking to at all times meet the Maintenance Test; • undertakings in relation to the Bond Financed Properties regarding <i>inter alia</i>, ownership, valuations, insurance, and maintenance; • restrictions on disposals of assets; and • restrictions on dealings with related parties.
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Each of these covenants is subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for more information.

Miscellaneous

Transfer restrictions.....	<p>The Bonds are freely transferable. All Bond transfers are subject to the Terms and Conditions, and the Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.</p> <p>The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which a Bondholder may be subject. The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.</p>
Listing.....	<p>Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be submitted in immediate connection with the SFSA's approval of this Prospectus. The earliest date for admitting the Bonds to trading</p>

on Nasdaq Stockholm is on or about 1 November 2021. The total expenses of the admission to trading of the Bonds are estimated to amount to SEK 200,000.

Agent	Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90, Stockholm, Sweden.
Governing law of the Bonds.....	Swedish law.
Time-bar	The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment.
Risk factors.....	Investing in the Bonds involves substantial risks and prospective investors should refer to section “ <i>Risk Factors</i> ” for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

DESCRIPTION OF THE COMPANY AND THE GROUP

History and development of the Company

The Company's legal and commercial name is Svenska Nyttobostäder AB (publ) and it is domiciled in Stockholm municipality, with Swedish reg. no 559250-9607. The Company was formed 1 April 2020 and registered with the Swedish Companies Registration Office on 2 April 2020. The shares of the Company are listed on Nasdaq First North Growth Market since 4 November 2020. The Company was formed on the initiative of ALM Equity AB (publ) with the purpose to list the Company's shares. According to the Company's articles of association, the object of the Company is to own and manage properties as well as to conduct business compatible therewith through wholly and partially owned subsidiaries. The Company's current business was initiated 2020 and the registration of the name Svenska Nyttobostäder AB was made on 19 August 2020. The Company and its subsidiaries invests in and develops properties within the residential property sector in Sweden. The Company carries out its business in accordance with Swedish law including, but not limited to, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).

Overview of the Issuer

<i>Company/trade name</i>	Svenska Nyttobostäder AB (publ).
<i>Legal form</i>	Public limited liability company.
<i>Corporate registration number</i>	559250-9607.
<i>LEI-code</i>	5493005E8CRJZHAZMD42.
<i>Incorporated</i>	On 1 April 2020.
<i>Registered</i>	On 2 April 2020.
<i>Registered office</i>	Municipality of Stockholm.
<i>Visitors address</i>	Regeringsgatan 59, 111 56 Stockholm, Sweden.
<i>Phone number</i>	+46 (0) 708 610 613
<i>Website</i>	www.nyttobostader.se/ (the information provided at the Issuer's website, does not form part of this Prospectus and has not been scrutinised or approved by the SFSA, unless explicitly incorporated by reference).

Organisational structure

The Issuer is the ultimate parent company of the Group. The table below exhibits the Company's direct and indirect subsidiaries as of the date of this Prospectus.

Direct and indirect subsidiaries		
Company	Reg. no	Capital holding
SNB Häggvik 7 Förvaltning AB	559220-3185	100 %
SNB Häggvik 8 Förvaltning AB	559220-3193	100 %
SNB Häggvik 9 Fastighets 1 AB	559229-3020	100 %
SNB Häggvik 9 Fastighets 2 AB	559229-3038	100 %
SNB Häggvik 9 Fastighets 3 AB	559229-3087	100 %
SNB Häggvik 9 Förvaltning AB	559229-3111	100 %
Svenska Nyttobostäder Holding 1 AB	559229-3129	100 %
Svenska Nyttobostäder Holding 2 AB	559229-3137	100 %
SNB Häggvik 10 Förvaltning AB	559229-8110	100 %
Fyrlotsen Holding AB	559260-5785	100 %
Brf Fyrlotsen 2 på Lidingö	769612-9456	71.24 %
SHYB Kronan Barkarby Holding AB	559335-3211	100 %
Kronan Barkarby Fastighets AB	559150-9459	100 %
Rinkebyterrassen Holding 5 AB	556965-2109	100 %
Rinkebyterrassen Holding 6 AB	556965-2075	100 %
SNB Esplanaden Rinkeby Förvaltning AB	559199-4198	100 %
Ekonomisk förening på Esplanaden på Rinkebyterrassen	769628-8740	100 %
Brf Änghuset på Rinkebyterrassen	769628-8716	100 %
SNB Häggvik 10 Fastighets 3 AB	559229-3103	100 %
Brygghusen vid Väsjön Holding AB	559109-8503	100 %
Brygghusen vid Väsjön Group AB	559187-7534	100 %
Brygghusen vid Väsjön Group 2 AB	559196-3615	100 %
Brygghusen vid Väsjön Group 3 AB	559196-3623	100 %
Brygghusen vid Väsjön Uthyrning AB	559194-8996	100 %

Brf Brygghusen vid Väsjön	769631-9974	100 %
Svenska Nyttobostäder Management AB	559214-5766	100 %
SNB Förvaltning AB	559085-0466	100 %
SHYB Torghuset Rönninge Holding AB	559152-1553	100 %
Rönninge Torghuset Fastighets AB	559150-9392	100 %
SNB Mälarterrassen Holding AB	559077-6273	100 %
SNB Mälarterrassen Fastighets 1 AB	559080-1063	100 %
SNB Mälarterrassen Fastighets 2 AB	559080-1055	100 %
SNB Mälarterrassen Fastighets 3 AB	559080-1048	100 %
SNB Mälarterrassen Uthyrning AB	559227-9292	100 %
Mälarterrassen Ekonomisk förening	769625-7836	100 %
SNB Någotting Holding AB	556985-7633	100 %
SNB Ingenting 1 i Poeten 3 AB	556970-5980	100 %
SNB Ingenting 2 i Poeten 2 AB	556970-5956	100 %
SNB Ingenting 3 i Poeten 1 AB	556970-5964	100 %
SNB Ingenting Poeten P AB	559202-8541	100 %
Ekonomisk förening Poeten i Solna	769627-4435	100 %
SNB Ingenting 4 i Skalden ABC AB	559199-4149	100 %
SNB Ingenting 5 i Skalden DEF AB	559199-4156	100 %
SNB Ingenting 6 i Skalden GH AB	559199-4206	100 %
SNB Ingenting Skalden P AB	559202-8558	100 %
Ekonomiska föreningen Ingentingskalden	769627-4005	100 %

The Issuer is the holding company of the Group. The main operations are carried out by the Issuer's subsidiaries.

Since the majority of the revenue of the Group is derived from the Issuer's operational subsidiaries, the Issuer is dependent upon its subsidiaries in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions. The business operations carried out by the Group are described below.

Business model

The Company's business model is to invest and develop and manage properties within the residential property sector in Sweden based on the future needs of the market. By way of exercising active ownership, the Company takes the initiatives deemed to generate return on equity for each property, which in turn caters for return on shareholders' equity. This, in combination with growth optimisation, is the object of the Company's business. The residential properties managed are, as general rule, located in the greater Stockholm area.

Business operations

The Company is the holding company of a residential property group that develops and invests in residential properties and real estate. The majority of the Group's operations are carried out in the greater Stockholm area. The Group owns and manages property portfolios in areas located close to public transportation in the Stockholm area. The Company offers e.g. leases of rental apartments to companies and public authorities who need temporary or long-term accommodation for staff or visitors and private individuals. The Company's strategy is to gradually, in a sustainable manner, develop the property portfolio with newly produced apartments. The Company's long term goal is to adapt the apartments to specific customer needs and to create value on the prevailing market conditions.

The Group is one of many actors operating in the real estate and residential property industry in Sweden and the Stockholm region. As such, the Group is subject to competition from a large number of competitors, both private and public entities, which in many cases have greater financial resources than the Company. The Group's strategy to stay ahead of competition is to focus on the smaller apartment market segment where the Group estimates that there is a structural shortage compared to demand.

Structure of operative subsidiaries

As set out above under Section "*Organisational structure*", the Group's operations are carried out through several operating subsidiaries. The majority of the subsidiaries represent holding companies in corporate structures that are specific for each property.

Major shareholders

The Company's shares are denominated in SEK. As of the date hereof, the Company has issued 60,501,400 ordinary shares and 8,251,112 preference shares. Each ordinary share carries ten votes and each preference share carries one vote. Since 4 November 2020, the Company's shares are traded on Nasdaq First North Growth Market, with trading symbol NYTTO and ISIN SE0014808853 (ordinary shares) and trading symbol NYTTO PREF and ISIN SE0014808861 (preference shares).

The table below sets out the five (5) largest shareholders of the Company as of 31 August 2021.

Shareholder (direct or indirect through subsidiaries)	Number of shares	Share capital	Voting rights
ALM Equity AB (publ)	37,975,048 shares (36,982,012 ordinary shares and 993,036 preferential shares)	57.26%	60.71%

Bengtssons Tidnings AB	9,742,549 shares (6,833,562 ordinary shares and 2,908,987 preferential shares)	14.69%	11.66%
Nordnet Pensionsförsäkring AB	7,325,427 shares (6,628,614 ordinary shares and 696,813 preferential shares)	11.05%	10.97%
Batten AB	2,844,333 ordinary shares	4.29%	4.66%
AC Kapital Invest AB	2,290,896 shares (1,195,966 ordinary shares and 1,094,930 preferential shares)	3.45%	2.14%

The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Company is not abused, the Company complies (and is obliged to comply) with the Swedish Companies Act (*Sv. aktiebolagslagen (2005:551)*). In addition, the Company acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Company. Having its shares traded at Nasdaq First North Growth Market, the Company also complies with the rules of such market place.

Shareholders' agreements

As far as the Issuer is aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

Recent events

As announced by way of a press release on 1 October 2021, the Group assumed a total of 456 apartments divided between two residential properties (Kronan and Fyrlotsen). It is estimated that the two properties will jointly generate an annual net operating income of approximately 35 million SEK. Following the assumption of Kronan and Fyrlotsen, the Group has a total of 1,348 residential apartments under management.

As announced by way of press release on 27 May 2021, at the general annual meeting of the Company it was resolved to issue by way of a directed rights issue, 2,819,275 preferential shares in order to finance future acquisitions. 993,596 preferential shares was allotted on 23 September 2021 in connection with the acquisition of Fyrlotsen (see above) and 1,444,279 preferential shares was allotted on 29 September 2021 in connection with the acquisition of Kronan (see above).

Except for the foregoing and the issuance of the Bonds, there have been no recent events, particular to the Company, since the end of the last financial period for which audited financial information has been published, which are to a material extent relevant to the evaluation of the Company's solvency.

Adverse changes and tendencies

As at the date of this Prospectus, the pandemic has had limited impact on the Company's operations. However, the full and long-term financial effects of the spread of the virus are difficult to predict and it cannot be excluded that the Group's business and financial position could be negatively affected.

Other than as described above and in the risk factors, there has been no material adverse change in the prospects of the Issuer since the date of publication of the last audited consolidated financial report for the financial period ending 31 December 2020.

Other than as described above and in the risk factors, there has been no significant change in the financial performance of the Company, since the end of the last financial period for which audited financial information has been published.

BOARD OF DIRECTORS AND MANAGEMENT

The board of directors of the Company currently consists of six members. The CEO is responsible for the Company's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The division of duties between the board of directors and the CEO follows from Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO.

The board of directors and the senior management may be contacted through the Company at its head office at Svenska Nyttobostäder AB (publ), Regeringsgatan 59, SE-111 56, Stockholm, Sweden. Information regarding the members of the board of directors and the senior management, including significant commitments outside the Company, which are relevant for the Company, is set out below.

The board of directors of the Company

Emma Norburg, chairman and member of the board since 2020.

Current commitments outside the Group include: Attorney, Partner and chair of the board at Advokatfirma DLA Piper Sweden AB. Owner and board member of Advokatfirman Emma Bergström AB.

Joakim Alm, member of the board since 2020.

Current commitments outside the Group include: Board member and CEO of ALM Equity AB (publ) and several companies in the ALM group. Board member of Kakel Max AB.

Jonas Bengtsson, member of the board since 2020.

Current commitments outside the Group include: Chairman of Kiai Fastigheter AB. Board member of, among others, Bengtssons Tidnings Aktiebolag, Zensum AB, Nordic Iron Ore AB and a number of related companies.

Frida Holmberg, member of the board since 2020.

Current commitments outside the Group include: Board member of Holfri AB. Business Area Manager for Financing at Alm Equity AB (publ)

Gunilla Högbom, member of the board since 2020.

Current commitments outside the Group include: CEO of Fastighets AB Virtuosen, board member of Sydholmarna Kapitalförvaltning AB, Förvaltnings AB Sydholmarna, Archimedes Invest AB and Gunilla Högbom AB.

Hanna Wachtmeister, member of the board since 2020.

Current commitments outside the Group include: CEO of Flat Capital AB. Board member of MJW Invest AB.

Senior management of the Company

Tommy Johansson, CEO since 2020.

Current commitments outside the Group include: Board member of MittCafé Ingenting AB, MittGym Ingenting AB and MittGym Telefonplan AB.

Fredrika Morén, CFO since 2021.

Current commitments outside the Group include: Board member of FreMor Konsult AB.

Conflicts of interests within administrative, management and control bodies

None of the members of the board of directors or the senior management of the Company has a private interest that may be in conflict with the interests of the Company. Directors Gunilla Högbom and Hanna Wachtmeister are independent (according to the definition in The Swedish Code of Corporate Governance) in relation to the Company and in relation to major shareholders. Emma Norburg is independent in relation to the major shareholders but not in relation to the Company. Jonas Bengtsson and Frida Holmberg are independent in relation to the Company but not in relation to the major shareholders. Joakim Alm is not independent in relation to the major shareholders or in relation to the Company.

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

FINANCIAL INFORMATION

Historical financial information

The Company's annual report and the Group's consolidated annual report for the financial year ended 31 December 2020 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus.

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

The financial information for the financial year ended 31 December 2020 has been audited by the Company's auditor. Other than the auditing of the Group's consolidated annual report for the financial year ended 31 December 2020, the Company's auditor has not audited or reviewed any other parts of this Prospectus.

The Company's annual report and the Group's consolidated annual report for the financial year ended 31 December 2020 is incorporated in this Prospectus by reference and is available on the following link: <https://mb.cision.com/Main/19763/3412064/1465889.pdf> and at the website of the Issuer being www.nyttbostader.se. For particular financial figures, please refer to the pages set out below.

	<i>Reference</i>	<i>Pages</i>
The annual report for the financial year ended 31 December 2020.	Group's consolidated income statement	25
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Auditing of the annual historical financial information

The Company's annual report for the financial year ended 2020 have been audited by Ernst & Young AB, with Jonas Svensson as the auditor in charge. Ernst & Young AB has been the Company's auditor

since 2020. At the annual general meeting held on 27 May 2021, Ernst & Young AB was re-elected as the Company's auditor, with Jonas Svensson as the responsible auditor, until the next general meeting 2021. Jonas Svensson is a member of FAR. The business address of Ernst & Young AB is Ernst & Young Aktiebolag, Jakobsbergsgatan 24, SE-111 44 Stockholm, Sweden.

Age of the most recent financial information

The most recent audited financial information derives from the annual report for the financial year ended 31 December 2020, which was published on the Company's website on 28 April 2021.

Legal and arbitration proceedings

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

Significant changes

Other than the issuance of the Bonds on 21 September 2021, and as described under Sections "Recent events" and "Adverse changes and tendencies", there has been no significant change in the financial or market position of the Group since the end of the last financial period for which interim financial information has been published.

OTHER INFORMATION

Clearing and settlement

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

Credit rating

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

Representation of the bondholders

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

By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the agent, set out in the Terms and Conditions. The Terms and Conditions are available at the agent's office address (Norrandsgatan 23, SE-111 43 Stockholm, Sweden) during normal business hours as well as at the Agent's website, www.nordictrustee.com and the Company's website, www.nyttobostader.se.

Material agreements

As at the date of this Prospectus, financing arrangements (excluding the Bonds) with banks and capital providers amounts to approximately SEK 1,544 million, whereof approximately 1,411 million was secured in property.

On 17 September 2020, the Company entered into acquisition agreements with certain group companies within the ALM group and other investors, concerning 29 properties with an aggregate property value of SEK 11.8 billion.

Except for the agreements and arrangements described above, neither the Group, nor any other Group Company have entered into any material agreements not in the ordinary course of its business and that may affect the Company's ability to fulfil its obligations under the Bonds.

Documents available for inspection

Copies of the following documents are available in paper format at the Company's head office during office hours, as well as at the Company's website, www.nyttobostader.se during the validity period of this Prospectus.

- The Company's articles of association.
- The Terms and Conditions.

Interest of natural and legal persons involved in the bond issue

The Issuing Agent and the Sole Bookrunner 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 Company and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Issuing Agent and the Sole Bookrunner and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

TERMS AND CONDITIONS FOR THE BONDS



Svenska Nyttobostäder AB (publ)
Maximum SEK 1,250,000,000
Senior Secured Floating Rate Bonds
2021/2024

ISIN: SE0016797799

LEI: 5493005E8CRJZHAZMD42

First Issue Date: 21 September 2021

SELLING RESTRICTIONS

The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.

PRIVACY STATEMENT

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

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

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

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

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

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

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

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TERMS AND CONDITIONS

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

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

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

“**Advance Purchase Agreement**” means:

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

“**Affiliate**” means 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.

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

“**Agent**” means Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden) in its capacity as agent and security agent or another party replacing it as Agent in accordance with the Finance Documents.

“**Allocated Loan Amounts**” means:

- (a) in respect of Stockholm Kvarnlaven 9–60, SEK 68,500,000;
- (b) in respect of Stockholm Kvarnlaven 61–138, SEK 95,000,000;

- (c) in respect of the Fyrlotsen Property, SEK 236,500,000; and
- (d) in respect of any other Bond Financed Property, the aggregated Nominal Amount of Subsequent Bonds issued for the purpose of acquiring and/or refinancing such property (or any entity owning such property).

“**Base Rate**” means STIBOR or any reference rate replacing STIBOR in accordance with Clause 22 (*Base Rate Replacement*).

“**Base Rate Administrator**” means Swedish Financial Benchmark Facility AB (SFBF) or any person replacing it as administrator of the Base Rate.

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

“**Bond Financed Properties**” means (i) the Järva Properties, (ii) the Fyrlotsen Property and (iii) any other property, which shall be located in Region Stockholm, financed, directly or indirectly, by a Bond Issue, in each case unless the relevant property has been disposed by the Group.

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

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 19 (*Bondholders’ Meeting*).

“**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.

“**Calculation Principles**” has the meaning set forth in Clause 14.3 (*Calculation Principles*).

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

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more Persons (other than the Main Shareholder) acting in concert gain control of more than fifty (50.00) per cent. of the shares and votes of the Issuer.

“**Compliance Certificate**” means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it. If the Compliance Certificate is provided in connection with the publishing of a consolidated interim Financial Report which requires that the Maintenance Test is fulfilled or in connection with an application of the Incurrence Test the Compliance Certificate shall include calculations and figures in respect of the Loan to Value Ratio (if in connection with the Incurrence Test, calculated *pro forma* and in accordance with the Calculation Principles).

“**Conditions Precedent**” means the Conditions Precedent to First Issue Date and Conditions Precedent for a Subsequent Bond Issue.

“**Conditions Precedent for a Subsequent Bond Issue**” means all documents and evidence required to be delivered pursuant to Clause 5.3 (*Conditions Precedent for a Subsequent Bond Issue*).

“**Conditions Precedent to First Issue Date**” means all documents and evidence required to be delivered by the Issuer pursuant to Clause 5.1 (*Conditions Precedent to the First Issue Date*).

“**Conditions Subsequent**” means all documents and evidence required to be delivered by the Issuer pursuant to Clause 5.2 (*Conditions Subsequent*).

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

“**Delisting Event**” means a situation where, if at any time (i) the Issuer’s shares are not listed and admitted to trading on an MTF or a Regulated Market or (ii) trading of the Issuer’s shares on the relevant Market Place is suspended for a period of fifteen (15) consecutive Business Days.

“**Event of Default**” means an event or circumstance specified as such in Clause 16 (*Termination of the Bonds*).

“**Existing Fyrlotsen Financing**” means the existing debt in Bostadsrättsföreningen Fyrlotsen 2 på Lidingö, 769612-9456, in the total nominal amount of SEK 65,935,600.

“**Existing Järva Financing**” means the existing debt in the Järva Property Companies, in the total nominal amount of SEK 140,888,000.

“**Final Redemption Date**” means 21 September 2024.

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

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

- (a) monies borrowed or raised;

- (b) the amount of any liability in respect of any lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability;
- (c) receivables sold or discounted (not including receivables sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a) to (f) above.

“**Financial Report**” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to Clause 13.1 (*Financial Reports*).

“**First Call Date**” means the date falling three (3) months before the Final Redemption Date.

“**First Issue Date**” means 21 September 2021.

“**Fyrlotsen Acquisition**” means the Issuer’s contemplated acquisition of Fyrlotsen Holding.

“**Fyrlotsen Holding**” means Fyrlotsen Holding AB, reg. no. 559260-5785.

“**Fyrlotsen Intragroup Loan I**” means a loan from the Issuer to Fyrlotsen Holding in the total nominal amount of SEK 65,935,600 to be made after completion of the Fyrlotsen Acquisition.

“**Fyrlotsen Intragroup Loan II**” means a loan from Fyrlotsen Holding to Bostadsrättsföreningen Fyrlotsen 2 på Lidingö, 769612-9456, in the total nominal amount of SEK 65,935,600, to be made after completion of the Fyrlotsen Acquisition.

“**Fyrlotsen Intragroup Loans**” means Fyrlotsen Intragroup Loan I and Fyrlotsen Intragroup Loan II.

“**Fyrlotsen Property**” means the property Lidingö Fyrvaktaren 1.

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

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

“**Hybrid Instruments**” means any subordinated (according to its terms) debt instruments issued by the Issuer which are, entirely or partly permitted to be accounted for as equity in accordance with the Accounting Principles at the date of issuance of the relevant subordinated debt instrument(s).

“**Incurrence Test**” has the meaning set forth in Clause 14.2 (*Incurrence Test*).

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

“**Initial Bond Issue**” has the meaning set forth in Clause 3.2.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 11.1 to 11.3.

“**Interest Payment Date**” means 21 March, 21 June, 21 September and 21 December each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 21 December 2021 and the last Interest Payment Date being the Final Redemption Date).

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

“**Interest Rate**” means three (3) months STIBOR *plus* 3.375 per cent. *per annum* as adjusted by any application of Clause 22 (*Base Rate Replacement*).

“**Issue Date**” means the First Issue Date or any date when Subsequent Bonds are issued pursuant to these Terms and Conditions.

“**Issuer**” means Svenska Nyttobostäder AB (publ), a public limited liability company incorporated in Sweden with reg. no. 559250-9607.

“**Issuing Agent**” means Arctic Securities AS, filial Sverige, reg. no. 556206-8956, Regeringsgatan 38, 111 56 Stockholm, Sweden.

“**Järva Properties**” means the properties Stockholm Kvarnlaven 9–138.

“**Järva Property Companies**” means the direct owners of the Järva Properties from time to time, initially being Ekonomisk förening Esplanaden på Rinkebyterrassen, 769628-8740 (registered owner of Stockholm Kvarnlaven 9–60) and Bostadsrättsföreningen Ängshuset på Rinkebyterrassen, 769628-8716 (registered owner of Stockholm Kvarnlaven 61–138).

“**Järva Property Holding Companies**” means Rinkebyterrassen Holding 5 AB, reg. no. 556965-2109 and Rinkebyterrassen Holding 6 AB, reg. no. 556965-2075.

“**Listing Failure Event**” means a situation where the Initial Bonds or any Subsequent Bonds have not been admitted to trading on a Market Place within sixty (60) calendar days from the

relevant Issue Date (although the Issuer will use its best efforts to list any Bonds issued within thirty (30) calendar days from the relevant Issue Date).

“**Loan to Value Ratio**” means, in respect of a Bond Financed Property or a Target Property (as applicable), the ratio of:

- (a) the Allocated Loan Amount of such Bond Financed Property or Target Property (as applicable) *plus* any other interest bearing Financial Indebtedness (other than any interest bearing Financial Indebtedness taken up from a Property Company) in the Property Companies (other than the Issuer) having (or will have following completion of the relevant acquisition of a Target Property) an ownership interest in the relevant Bond Financed Property or Target Property (as applicable) *minus* any Pledged Cash,
- (b) to the Value of the relevant Bond Financed Property or Target Property (as applicable).

“**Main Shareholder**” means ALM Equity AB (publ), reg. no. 556549-1650, or any of its affiliates.

“**Maintenance Test**” has the meaning set forth in Clause 14.1 (*Maintenance Test*).

“**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 a Market Place.

“**Market Place**” means a Regulated Market, an MTF or any recognised unregulated market place.

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

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

“**Material Intragroup Loan**” means any intra-group loan where:

- (a) the term is at least twelve (12) months; and
- (b) the principal amount, when aggregated with all other intra-group loans with a term of at least twelve (12) months between the relevant Group Companies, exceeds SEK 1,000,000.

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

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

“**Net Proceeds**” means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner (if the Sole Bookrunner has requested that its fees and costs shall be deducted).

“**Nominal Amount**” has the meaning set forth in Clause 3.2.

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

- (a) incurred by Property Companies under the Finance Documents (excluding as a result of any Subsequent Bond Issue);
- (b) until repaid in full, incurred under Existing Järva Financing and the Existing Fyrlotsen Financing;
- (c) incurred by the Issuer if such Financial Indebtedness is incurred as a result of a Subsequent Bond Issue and meets the Incurrence Test on a *pro forma* basis;
- (d) incurred by the Issuer and ranking *pari passu* with the Bonds or is subordinated in relation to the Bonds;
- (e) being Market Loans incurred by the Issuer and ranking *pari passu* with the Bonds or are subordinated in relation to the Bonds, provided in each case that such debt according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates, which occur after the Final Redemption Date;
- (f) incurred by a Property Company under any vendor loan relating to an acquisition made by a Property Company, provided that such Financial Indebtedness is discharged no later than on the day on which the relevant acquisition is completed;
- (g) related to any agreements under which a Property Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company’s business;
- (h) taken up by a Property Company from a Group Company (including under any cash pool arrangements);
- (i) arising under any Finance Lease entered into by a Property Company in the ordinary course of business in a maximum aggregate amount equivalent to SEK 5,000,000 *multiplied* with the number of Bond Financed Property (from time to time);
- (j) arising under any guarantee for the purposes of securing obligations to the CSD;
- (k) arising under any contractual non-interest bearing earn-out payments relating to acquisitions made by the Issuer regardless of how such earn-out payments are accounted for in the Accounting Principles;
- (l) arising under any guarantee which constitutes Permitted Security;
- (m) incurred by a Property Company under Advance Purchase Agreements;

- (n) 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;
- (o) of a Property Company under any pension and tax liabilities incurred in the ordinary course of business;
- (p) incurred by the Issuer for the purpose of refinancing the Bonds in full provided that the net proceeds of such Financial Indebtedness shall be kept on an escrow account until such refinancing shall be made; or
- (q) not otherwise permitted by items (a) to (p) above, in an aggregate amount not at any time exceeding SEK 5,000,000 (or its equivalent in other currencies) and incurred in the ordinary course of the Group's business (all such Financial Indebtedness is together referred to as the "**Permitted Basket**").

"**Permitted Security**" means any Security:

- (a) provided under the Finance Documents;
- (b) until repaid in full, provided in respect of the Existing Järva Financing and the Existing Fyrlotsen Financing;
- (c) 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);
- (d) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;
- (e) provided in relation to any derivative transaction but only consisting of Security customary for such derivative transactions and not consisting of Security over any shares in a Group Company or Security over any other asset which constitutes Transaction Security;
- (f) provided pursuant to paragraph (i) of the definition of Permitted Debt;
- (g) created for the purposes of securing obligations to the CSD;
- (h) (i) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds are to be transferred or (ii), always subject to paragraph (i) below, agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full (a "**Refinancing**");
- (i) created for the benefit of the financing providers in relation to a Refinancing, however provided always that any perfection requirements in relation thereto are satisfied after full repayment of the Bonds; and

- (j) provided in relation to any Financial Indebtedness incurred pursuant to the Permitted Basket.

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

“**Pledged Cash**” means cash standing to the credit of any account held by the Issuer which is pledged and duly perfected in favour of the Agent and the Bondholders (represented by the Security Agent).

“**Preference Shares**” means outstanding preference shares issued by the Issuer from time to time, provided such preference shares are issued on an arm’s length basis and on market terms (or, for the Issuer, better terms).

“**Property Company**” means:

- (a) a Group Company having any ownership interests, directly or indirectly, in any Bond Financed Property;
- (b) a Property Management Company.

“**Property Holding Company**” means any Subsidiary of the Issuer being a Swedish limited liability company (Sw. *aktiebolag*) owning, directly or indirectly, a Bond Financed Property.

“**Property Management Company**” means a Group Company administrating and collecting rental payments in relation to any Bond Financed Property.

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

“**Record Date**” means the fifth (5th) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 17 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

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

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

“**Secured Obligations**” means all present and future obligations and liabilities of the Issuer and/or the Group to the Secured Parties under the Finance Documents, together with all costs, charges and expenses incurred by any Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities.

“**Secured Parties**” means the Agent, the Security Agent and the Bondholders.

“**Securities Account**” means the account for dematerialised securities maintained by the CSD pursuant to the Central Securities Depositories and Financial Instruments Accounts Act in which:

- (a) an owner of such Security is directly registered; or
- (b) 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 including guarantees, or any other agreement or arrangement having a similar effect.

“**Security Agent**” means the Secured Parties’ security agent from time to time; initially Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879, P.O. Box 7329, 103 90 Stockholm, Sweden).

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

“**Sole Bookrunner**” means Arctic Securities AS, filial Sverige, reg. no. 556206-8956, Regeringsgatan 38, 111 56 Stockholm, Sweden.

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

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

“**STIBOR**” means:

- (a) the applicable interest rate per annum calculated and distributed by the Swedish Financial Benchmark Facility (or the replacing administrator or calculation agent) for the current day and published on the on page STIBOR= of the Thomson Reuters screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period equal to the relevant Interest Period;

- (b) if no such rate as set out in item (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period, and (ii) the applicable screen rate for the shortest period (for which screen rate is available) which exceeds that Interest Period, as of around 11:00 a.m. on the Quotation Day; or
- (c) if no rate is available for the relevant Interest Period pursuant to item (a) or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and (b) above and if no quotation is available pursuant to item (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered for the relevant period; or

and if any such rate is below zero (0), STIBOR will be deemed to be zero (0).

“**Subsidiary**” means an entity from time to time of which a person:

- (a) has direct or indirect control; or
- (b) owns directly or indirectly more than fifty (50) per cent of the share capital or other right of ownership

“**Target Property**” means any real property:

- (a) which the Group is contemplating to acquire with Net Proceeds from a Subsequent Bond Issue; and
- (b) owned by a Group Company (other than a Property Company).

“**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) the Bond Issue and (ii) the listing of the Bonds.

“**Transaction Security**” means the Security created or expressed to be created in favour of the Security Agent (acting on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

“**Transaction Security Documents**” means any document required to be delivered to the Agent under Clause 5.1 (*Conditions Precedent to the First Issue Date*), Clause 5.2 (*Conditions Subsequent*) or Clause 6.1 (*Transaction Security*) together with any other document entered into by any Group Company creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Group Companies under any of the Finance Documents.

“**Valuation**” means a full external valuation of a Bond Financed Property or condominiums (Sw. *bostadsrätter*) (as applicable) prepared and issued by an independent third party regularly engaged for the purpose of appraising real estate.

“**Value**” means, as applicable:

- (a) the fair market value of the relevant Bond Financed Property (other than the Fyrlotsen Property) according to the most recent Financial Report;
- (b) the fair market value of the Group’s assets in the Fyrlotsen Property according to the most recent Financial Report *plus* the fair value of the Fyrlotsen Intragroup Loan II (calculated in accordance with the Accounting Principles); or
- (c) in respect of any Target Property for the purpose of Clause 14.2, the fair market value of the Target Property according to a Valuation which is not older than twelve (12) months.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 20 (*Written Procedure*).

1.2 Construction

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

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

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

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

- 1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
- 1.2.5 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.

2. STATUS OF THE BONDS

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

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

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 3.2 The aggregate amount of the bond loan will be an amount of maximum SEK 1,250,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 400,000,000 (the “**Initial Bond Issue**”).
- 3.3 The ISIN for the Bonds is SE0016797799.
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.7 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.
- 3.8 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 1,250,000,000 always provided that (i) no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue and (ii) the Incurrence Test (calculated *pro forma* including the Subsequent Bond Issue) is met. Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal

Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The issue price of Subsequent Bonds may be set at the Nominal Amount or at a discount or at a premium compared to the Nominal Amount.

4. USE OF PROCEEDS

- 4.1 The Net Proceeds of the Initial Bond Issue shall be applied towards (i) partly financing the Fyrlotsen Acquisition, (ii) refinancing the Existing Järva Financing and the Existing Fyrlotsen Financing, (iii) general corporate purposes of the Issuer and the other Property Companies and (iv) Transaction Costs for the Initial Bond Issue.
- 4.2 The Net Proceeds from any Subsequent Bond Issue shall be applied towards (i) acquisitions of Target Properties, (ii) refinancing of debt in Property Companies and/or (iii) financing Transaction Costs for the relevant Subsequent Bond Issue.

5. CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

5.1 Conditions Precedent to the First Issue Date

- 5.1.1 The Issuer shall provide to the Agent, prior to the First Issue Date, the following documents and evidence:
- (a) copies of constitutional documents and necessary corporate resolutions (including authorisations) in relation to the Initial Bond Issue and the Finance Documents to which it is a party, from:
 - (i) the Issuer;
 - (ii) the Järva Property Holding Companies; and
 - (iii) the Järva Property Companies.
 - (b) prepayment and cancellation letters and release letters in relation to the Existing Järva Financing, evidencing that the Existing Järva Financing will be prepaid and cancelled, and any security and guarantees provided by the Group released and discharged, promptly following the Initial Bond Issue;
 - (c) a funds flow statement in relation to the Fyrlotsen Acquisition, evidencing that the Fyrlotsen Acquisition will be completed promptly following the Initial Bond Issue;
 - (d) prepayment and cancellation letters and release letters in relation to the Existing Fyrlotsen Financing, evidencing that the Existing Fyrlotsen Financing will be prepaid and cancelled, and any security and guarantees provided by the Group released and discharged, promptly following completion of the Fyrlotsen Acquisition;
 - (e) an agreed form Compliance Certificate;
 - (f) a duly executed copy of the Terms and Conditions;

- (g) a duly executed copy of the Agent Agreement; and
- (h) duly executed copies of the following Transaction Security Documents:
 - (i) pledge agreement(s) in respect of the shares in each Property Holding Company (other than the shares in Fyrlotsen Holding);
 - (ii) pledge agreement(s) in respect of the Fyrlotsen Intragroup Loans;
 - (iii) subject to delayed perfection, pledge agreement(s) in respect of any present or future Material Intragroup Loan from the Issuer to any Property Holding Company or any Subsidiary of a Property Holding Company (other than Fyrlotsen Intragroup Loan I); and
 - (iv) subject to delayed perfection, pledge agreement(s) in respect of any present or future Material Intragroup Loan made by a Property Holding Company (other than Fyrlotsen Intragroup Loan II).

5.1.2 Until the Agent is satisfied that the Conditions Precedent to First Issue Date have been fulfilled (as confirmed by the Agent), the Issuing Agent shall hold the Net Proceeds of the Initial Bond Issue

5.2 **Conditions Subsequent**

5.2.1 The Issuer shall no later than two (2) Business Days following the First Issue Date provide the Agent with:

- (a) evidence that the Fyrlotsen Acquisition and refinancing of the Existing Fyrlotsen Financing (including release of any existing security and guarantees in relation to the Existing Fyrlotsen Financing) have been completed; and
- (b) a duly executed copy of a pledge agreement regarding the shares in Fyrlotsen Holding and evidence that the security purported to be created under such agreement has been duly perfected in accordance with the terms therein.

5.2.2 The Issuer shall no later than two (2) Business Days following the First Issue Date provide the Agent with duly executed copies of pledge agreements in respect of existing first priority mortgage certificates in each Järva Property. The Issuer shall procure that additional mortgage certificates are issued in relation to the Järva Properties, and added as security under the aforementioned pledge agreements as well as perfected in accordance with the terms therein, without undue delay if needed in order to ensure that the aggregate nominal amount of such mortgage certificates is equal to or higher than 100 per cent. of the Allocated Loan Amount of each Järva Property.

5.2.3 The Issuer shall no later than two (2) Business Days following any Subsequent Bond Issue provide the Agent with duly executed copies of relevant Transaction Security Documents relating to any new Property Holding Company and Bond Financed Property and evidence that the security purported to be created under such agreement has been duly perfected in accordance with the terms therein.

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

- 5.3.1 The Issuer shall provide to the Agent prior to the Issue Date in respect of Subsequent Bonds:
- (a) copies of constitutional documents and necessary corporate resolutions (including authorisations) from the Issuer and each Group Company providing Transaction Security in relation to the relevant Subsequent Bond Issue and the relevant Finance Documents;
 - (b) evidence in the form of a Compliance Certificate signed by the Issuer that the Incurrence Test has been met; and
 - (c) a certificate signed by the Issuer:
 - (i) specifying and confirming details with respect to each relevant Target Property, including the appraised fair market value of the Group's share of ownership in such Target Property (upon becoming a Bond Financed Property following completion of the acquisition and/or refinancing) according to a Valuation which is not older than twelve (12) months;
 - (ii) confirming that each relevant Target Property is (i) a residential property, (ii) located in Region Stockholm (iii) and acquired for the purpose of letting out apartments on the Target Property; and
 - (iii) specifying the Allocated Loan Amount in respect of the relevant Target Property.
- 5.3.2 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.3.1 have been fulfilled (or amended or waived in accordance with Clause 21 (*Amendments and waivers*)).

5.4 **No responsibility for documentation**

The Agent may assume that the Conditions Precedent and the Conditions Subsequent are accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation or evidence. None of the Conditions Precedent or Conditions Subsequent are reviewed by the Agent from a legal or commercial perspective of the Bondholders.

6. **TRANSACTION SECURITY**

6.1 **Transaction Security**

- (a) As continuing security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants (and shall procure that any other Group Company (as applicable) grants) as first ranking security to the Secured Parties (as represented by the Agent) the Transaction Security on the terms set out in the Transaction Security Documents.

- (b) The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents.
- (c) Subject to Clause 6.2 (Security principles), the Issuer shall ensure that first ranking Security is granted in favour of the Secured Parties in respect of:
 - (i) the shares in each Property Holding Company;
 - (ii) mortgage certificates in respect of each Bond Financed Property (other than the Fyrlotsen Property) in an aggregate nominal amount equal to or higher than 100 per cent. of the aggregate Allocated Loan Amount for each Bond Financed Property (other than the Fyrlotsen Property);
 - (iii) the Fyrlotsen Intragroup Loans;
 - (iv) subject to delayed perfection, security in respect of any present or future Material Intragroup Loan from the Issuer to any Property Holding Company or any Subsidiary of a Property Holding Company (other than Fyrlotsen Intragroup Loan I); and
 - (v) subject to delayed perfection, security in respect of any present or future Material Intragroup Loan made by a Property Holding Company (other than Fyrlotsen Intragroup Loan II),in each case at the times contemplated by Clause 5 (*Conditions Precedent and Conditions Subsequent*).
- (d) The Issuer shall:
 - (i) ensure that the Transaction Security Documents and all documents relating thereto are duly executed in favour of the Agent and the Secured Parties (as represented by the Agent) and that such documents are, subject to the terms of each Transaction Security Document, legally valid, perfected, enforceable and in full force and effect according to their terms;
 - (ii) ensure that the relevant pledgors carry out any action to protect, perfect or give priority to the Transaction Security in accordance with the terms of the Transaction Security Documents; and
 - (iii) execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Bondholders and the Agent to at all times maintain the security position envisaged under the Finance Documents.
- (e) Except if otherwise decided by the Bondholders according to the procedures set out in Clauses 18 (Decisions by Bondholders), 19 (Bondholders' Meeting) and 20 (Written Procedure), the Agent is, without first having to obtain the Bondholders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing,

maintaining, altering, releasing or enforcing the Transaction Security or for the purpose of settling the various Bondholders' relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Transaction Security Documents.

6.2 Security principles

All Transaction Security shall be subject to, and limited as required by, financial assistance regulations, corporate benefit restrictions and other applicable corporate law limitations. The Issuer shall procure that additional mortgage certificates are issued in relation to any Bond Financed Property without undue delay after the relevant Issue Date if needed in order to ensure that the aggregate nominal amount of such mortgage certificates is equal to or higher than 100 per cent. of the aggregate Allocated Loan Amount of such Bond Financed Property. The Issuer shall not be required to procure any security or guarantees from any Group Company which is not directly or indirectly wholly-owned by the Issuer. Security over Material Intragroup Loans, other than the Fyrlotsen Intragroup Loans, will be subject to delayed perfection, whereby such security will be perfected upon the occurrence of an Event of Default.

6.3 Enforcement of Transaction Security

- (a) If the Bonds are declared due and payable according to Clause 16 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Bondholders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Transaction Security Documents).
- (b) If a Bondholders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Bondholders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in the Finance Documents, the Agent shall not enforce the Transaction Security. If the Bondholders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clauses 18 (*Decisions by Bondholders*), 19 (*Bondholders' Meeting*) and 20 (*Written Procedure*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- (c) Funds that the Agent receives (directly or indirectly) on behalf of Secured Parties in connection with the termination of the Bonds or the enforcement of any or all of the

Transaction Security constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Secured Parties. The Agent shall promptly arrange for payments to be made to the Bondholders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 17 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with this paragraph (c), instruct the CSD to arrange for payment to the Bondholders.

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

6.4 **Release of Transaction Security**

The Security Agent may release Transaction Security in accordance with the terms of the Transaction Security Documents.

7. **THE BONDS AND TRANSFERABILITY**

- 7.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 7.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 7.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents relating to such Bonds are automatically transferred to the transferee.
- 7.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that

purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

- 7.5 The Bonds have not been registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and the Issuer is under no obligation to arrange for registration of the Bonds under the Securities Act or under any other law or regulation. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.
- 7.6 For the avoidance of doubt and notwithstanding the above, a Bondholder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Bondholder hereunder in each case until such allegations have been resolved.

8. BONDS IN BOOK-ENTRY FORM

- 8.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 8.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act .
- 8.3 The Issuer (and the Agent when permitted under the CSD’s applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 8.4 For the purpose of or in connection with any Bondholders’ Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.
- 8.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

- 8.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.

9. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

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

10. PAYMENTS IN RESPECT OF THE BONDS

- 10.1 Any payment or repayment under 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 the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 10.2 If a Bondholder has registered, through an Account Operator, that principal, Interest or any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 10.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 11.4 during such postponement.

- 10.4 If payment or repayment is made in accordance with this Clause 10, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware that the payment was being made to a Person not entitled to receive such amount.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

11. INTEREST

- 11.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to, and including, the relevant Redemption Date.
- 11.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 11.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 11.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from, but excluding, the due date up to and including the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

12. REDEMPTION AND REPURCHASE OF THE BONDS

12.1 Redemption at maturity

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

12.2 **The Group's purchase of Bonds**

The Issuer and any Group Company may at any time and at any price purchase Bonds. Bonds held by the Issuer or any Group Company may at the Issuer's or such Group Company's discretion be retained or sold, but not cancelled. However, Bonds held by the Issuer may be cancelled in connection with a full redemption of the Bonds.

12.3 **Early voluntary redemption by the Issuer (call option)**

12.3.1 The Issuer may redeem all, but not some only, of the Bonds early at 100 per cent. of the outstanding Nominal Amount:

- (a) if such early redemption is financed in full by way of the Issuer issuing Market Loan(s):
 - (i) on any Business Day before the First Call Date, together with (i) accrued but unpaid interest and (ii) the remaining interest payments up to (but excluding) the First Call Date;
 - (ii) on any Business Day on or after the First Call Date, together with accrued but unpaid interest; or
- (b) if such early redemption is not financed in full by way of the Issuer issuing Market Loan(s), on any Business Day together with (i) accrued but unpaid interest and (ii) the remaining interest payments up to (and including) the Final Redemption Date.

12.3.2 For the purpose of calculating the remaining interest payments pursuant to Clause 12.3.1(a)(i) and 12.3.1(b) above it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date or the Final Redemption Date (as applicable) will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders.

12.3.3 Redemption in accordance with Clause 12.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

12.4 **Early redemption due to illegality (call option)**

12.4.1 The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

12.4.2 The applicability of Clause 12.4.1 shall be supported by a legal opinion issued by a reputable law firm.

- 12.4.3 The Issuer may give notice of redemption pursuant to Clause 12.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.
- 12.5 **Mandatory repurchase due to a Change of Control Event, Delisting Event or a Listing Failure Event (put option)**
- 12.5.1 Upon a Change of Control Event, Delisting Event or a Listing Failure Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of fifteen (15) calendar days following a notice from the Issuer of the relevant event pursuant to paragraph (a) of Clause 13.3 (*Information undertakings*). The fifteen (15) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, Delisting Event or the Listing Failure Event (as applicable).
- 12.5.2 The notice from the Issuer pursuant to paragraph (a) of Clause 13.3 (*Information undertakings*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a) of Clause 13.3 (*Information undertakings*). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.5.1.
- 12.5.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 12.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 12.4 by virtue of the conflict.
- 12.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.5, if a third party in connection with the occurrence of a Change of Control Event, Delisting Event or a Listing Failure Event offers to purchase all Bonds in the manner and on the terms set out in this Clause 12.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 12.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

- 12.5.5 No repurchase of Bonds pursuant to this Clause 12.5 shall be required if the Issuer has given notice of a redemption pursuant to Clause 12.3 (*Early voluntary redemption by the Issuer (call option)*) provided that such redemption is duly exercised.
- 12.5.6 Any Bonds repurchased by the Issuer pursuant to this Clause 12.4 may at the Issuer's discretion be retained, sold or cancelled in accordance with Clause 12.2.

13. INFORMATION UNDERTAKINGS

13.1 Financial Reports

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

- (a) the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, not later than four (4) months after the expiry of each financial year; and
- (b) the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, not later than two (2) months after the expiry of each relevant interim period.

13.1.2 The Issuer shall:

- (a) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed (as amended from time to time) and the Swedish Securities Market Act (Sw. lag (2007:528) om värdepappersmarknaden) (if applicable and as amended from time to time); and
- (b) procure that each of the Financial Reports include a profit and loss account and a balance sheet and that each of the consolidated Financial Reports, in addition, include a cash flow statement, a management commentary or report from the Issuer's board of directors.

13.2 Compliance Certificate

The Issuer shall issue a Compliance Certificate to the Agent signed by the CEO, CFO or any other duly authorised signatory of the Issuer:

- (a) when Financial Reports are made available to the Agent in accordance with paragraph (a) or (b) of Clause 13.1.1 (Financial Statements);
- (b) in connection with the testing of an Incurrence Test; and
- (c) at the Agent's reasonable request, within twenty (20) calendar days from such request.

13.3 **Information: Miscellaneous**

The Issuer shall:

- (a) keep the latest version of these Terms and Conditions (including documents amending the Terms and Conditions) available on its website;
- (b) promptly notify the Agent (and, as regards a Change of Control Event, a Delisting Event or a Listing Failure Event, the Bondholders) upon becoming aware of the occurrence of a Change of Control Event, a Delisting Event, a Listing Failure Event or an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice; and
- (c) at the Agent's request, deliver the most recent Valuation to the Agent.

14. **FINANCIAL COVENANTS**

14.1 **Maintenance Test**

14.1.1 The Maintenance Test shall be tested quarterly on each Reference Date, for as long as any Bond is outstanding, and be calculated in accordance with the applicable Accounting Principles on the basis of the consolidated interim Financial Report for the period ending on the relevant Reference Date, with respect to the Relevant Period ending on such Reference Date, and shall be reported in the Compliance Certificate delivered in connection with such Financial Report.

14.1.2 The Maintenance Test is met if the aggregate Loan to Value Ratio of the Bond Financed Properties is equal to or lower than seventy (70) per cent.

14.2 **Incurrence Test**

The Incurrence Test is met if the aggregate Loan to Value Ratio of the Bond Financed Properties, including the relevant Target Property (upon becoming a Bond Financed Property following completion of the relevant acquisition and/or refinancing), is equal to or lower than sixty-five (65) per cent.

14.3 **Calculation Principles**

The calculation of the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than two (2) months prior to the Subsequent Bond Issue, and adjusted so that any assets acquired with proceeds from a Subsequent Bond Issue (as applicable) shall be included calculated *pro forma*.

15. **GENERAL UNDERTAKINGS**

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 15.

15.1 Distributions

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

- (a) pay any dividend on its shares;
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders;
- (d) repay any principal under or any interest in respect of Hybrid Instruments; or
- (e) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer

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

- (i) any Property Company if such Restricted Payment is made to another Property Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis;
- (ii) the Issuer by way of (A) any share dividend (for the avoidance of doubt, whether made from the Issuer’s Preference Shares or ordinary shares) (B) redemption or repurchase of Preference Shares or (C) payment of interest under Hybrid Instruments, in each case provided that no Event of Default is continuing or would result from the expiry of a grace period, giving of notice, making of any determination or any combination of any of the foregoing or the Restricted Payment (including, for the avoidance of doubt, in relation to the Maintenance Test); or
- (iii) the Issuer, if such Restricted Payment is a payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by the issuance of new Hybrid Instruments, preference shares or ordinary shares.

15.2 Admission to trading

The Issuer shall:

- (a) ensure that the Bonds issued in the Initial Bond Issue are admitted to trading on Nasdaq Stockholm or another Regulated Market within twelve (12) months after the First Issue Date;
- (b) ensure that any Subsequent Bonds are admitted to trading on the relevant Regulated Market within twelve (12) months after the relevant Issue Date; and
- (c) use its best efforts to ensure that the Bonds, if admitted to trading on a Regulated Market, continue being admitted to trading thereon for as long as any Bond is

outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

15.3 **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.

15.4 **Financial Indebtedness**

The Issuer shall not, and shall procure that no other Property Company will, incur, prolong, renew or extend any Financial Indebtedness, provided however that the Issuer and its Subsidiaries have a right to incur, prolong, renew or extend Financial Indebtedness that constitutes Permitted Debt.

15.5 **Loans out**

The Issuer shall not, and shall procure that no other Property Company will, provide any loan to any party other than:

- (a) to another Group Company or any associated company (Sw. *intressebolag*); or
- (b) to any party in the ordinary course of business.

15.6 **Disposal of assets**

The Issuer shall not, and shall procure that none of its Subsidiaries, sell or otherwise dispose of shares in any of its Subsidiaries 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 is carried out on market terms and on terms and conditions customary for such transaction and provided that and provided that (i) it in each case is permitted by the terms of any Transaction Security Document in respect of such assets and (ii) it does not have a Material Adverse Effect. The Issuer shall only be obliged to notify the Agent of any such transaction if such transaction is not within the ordinary course of business and, if not within the ordinary course of business, the Issuer shall upon request by the Agent provide the Agent with any information relating to the transaction which the Agent deems necessary (acting reasonably).

15.7 **Bond Financed Properties**

The Issuer shall ensure:

- (a) that each Bond Financed Property, other than the Fyrlotsen Property, at all times is fully owned by (i) the Issuer (indirectly) and (ii) one or several Property Holding Companies (directly or indirectly);

- (b) that no less than 71.238 per cent. of the Fyrlotsen Property at all times is owned by (i) the Issuer (indirectly) and (ii) one or several Property Holding Companies (directly or indirectly);
- (c) that the Bond Financed Properties at all times are kept in a good state of repair and maintenance, as will enable compliance in all material respects with the obligations under the relevant rental agreements and in accordance with all applicable laws and regulations; and
- (d) that each Bond Financed Property at all times has been subject of a Valuation which is not older than twelve (12) months.

15.8 **Property Management Companies**

The Issuer shall ensure that each Property Management Company at all times is fully owned by (a) the Issuer (indirectly) and (b) one or several Property Holding Companies (directly or indirectly).

15.9 **Negative Pledge**

The Issuer:

- (a) shall ensure that no security is created or allowed to be subsisted, retained, provided, prolonged or renewed over (i) the shares or other ownership interests in any Property Company (other than the Issuer) and (ii) the Bond Financed Properties, in each case save for any Transaction Security; and
- (b) shall procure that no Property Company (other than the Issuer) will create or allow to subsist, retain, provide, prolong or renew any security over any other assets (present or future) than the assets referred to in item (a) above, to secure any Financial Indebtedness, save for any Permitted Security.

15.10 **Dealings with related parties**

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

15.11 **Insurance**

The Issuer shall ensure that the Bond Financed Properties are kept 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 third party liability insurances.

15.12 **Compliance with laws**

The Issuer shall, and shall procure that its Subsidiaries, (a) comply in all material respects with all laws and regulations applicable from time to time and (b) obtain, maintain, and in all

material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, in each case, if failure to do so would result in a Material Adverse Effect.

16. TERMINATION OF THE BONDS

Each of the events or circumstances set out in this Clause 16 is an Event of Default (save for Clause 16.11 (*Termination*)).

16.1 Non-payment

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is caused by administrative or technical error and payment is made within five (5) Business Days of the due date.

16.2 Maintenance Test

The Issuer fails to comply with the Maintenance Test.

16.3 Other obligations

- (a) A Group Company does not comply with its obligations under the Finance Documents (other than those referred to in Clause 16.1 (Non-payment) or Clause 16.2 (Maintenance Test)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request) and is remedied within fifteen (15) Business Days of the earlier of:
 - (i) the Agent giving notice to the Issuer; and
 - (ii) the Issuer becoming aware of the non-compliance.

16.4 Cross-acceleration

- (a) Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); or
- (b) Any security interest securing Financial Indebtedness over any asset of any Group Company is enforced,

provided however that the amount of Financial Indebtedness referred to under item (a) and/or (b) above, individually or in the aggregate exceeds an amount corresponding to

SEK 1,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company

16.5 **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 with a view to rescheduling its Financial Indebtedness; or
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Group Company.

16.6 **Insolvency proceedings**

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

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer; and
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Issuer or any of its assets or any analogous procedure or step is taken in any jurisdiction.

16.7 **Mergers and demergers**

A decision is made that the Issuer shall be demerged or merged where the Issuer is not the surviving entity and provided that the Issuer may not be demerged.

16.8 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding SEK 1,000,000 and is not discharged within sixty (60) calendar days.

16.9 **Impossibility or illegality**

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

16.10 **Continuation of the business**

A Group Company ceases to carry on its business (except if due to (a) a solvent liquidation of a Group Company other than the Issuer or (b) a permitted disposal, merger or demerger as stipulated in Clause 16.7 (*Mergers and demergers*) and 15.6 (*Disposal of assets*) and provided, in relation to a discontinuation of a Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.

16.11 **Termination**

- 16.11.1 If an Event of Default has occurred and is continuing the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a Person who is a Bondholder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 16.11.6 or 16.11.7, on behalf of the Bondholders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration).
- 16.11.2 The Agent may not terminate the Bonds in accordance with Clause 16.11.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under Clause 16.11.1.
- 16.11.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 16.11.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 16.11.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 16.11.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 16.11.1 and provide the Agent with all documents that may be of significance for the application of this Clause 16.

- 16.11.5 The Issuer is only obliged to inform the Agent according to Clause 16.11.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with the relevant Regulated Market. If such a conflict would exist pursuant to the listing contract with the relevant Regulated Market or otherwise, the Issuer shall however be obliged to either seek the approval from the relevant Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 16.11.4.
- 16.11.6 If the Agent has been notified by the Issuer or has otherwise received actual knowledge that there is a default under the Finance Documents according to Clause 16.11.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or actual knowledge, the Bondholders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or actual knowledge, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 18 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 16.11.7 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 18 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 16.11.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 16, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 16.11.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 16 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 18 (*Decisions by Bondholders*).
- 16.11.10 If the Bonds are declared due and payable in accordance with this Clause 16, the Issuer shall redeem all Bonds with an amount per Bond of one hundred and one 101.00 per cent. of the Nominal Amount together with accrued but unpaid interest.

17. DISTRIBUTION OF PROCEEDS

17.1 If the Bonds have been declared due and payable in accordance with Clause 16 (*Termination of the Bonds*) all payments by the Issuer relating to the Bonds and any proceeds received from an enforcement of the Transaction Security shall be made and/or distributed in the following order or priority, in accordance with the instructions of the Agent:

- (a) *firstly*, in or towards payment pro rata of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the bondholders' rights, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a bondholders' meeting or a written procedure;
- (b) *secondly*, in or towards payment pro rata of accrued but unpaid interest under the Bonds (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment pro rata of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment pro rata of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with (a) to (d) above shall be paid to the Issuer or the relevant Group Company.

17.2 If the Issuer or the Agent shall make any payment under this Clause 17, 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 10.1 shall apply.

18. DECISIONS BY BONDHOLDERS

18.1 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.

18.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a 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 of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is

dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

18.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (a) 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 (b) the suggested decision is not in accordance with applicable laws.

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

(a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or

(b) on the Business Day specified in the communication pursuant to Clause 20.3, in respect of a Written Procedure,

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

18.5 The following matters shall require consent of Bondholders representing at least two thirds ($\frac{2}{3}$) 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 20.3:

(a) waive a breach of or amend an undertaking set out in Clause 15 (*General undertakings*);

(b) except as expressly regulated elsewhere in the relevant Transaction Security Document, release any Transaction Security, in whole or in part;

(c) a mandatory exchange of Bonds for other securities;

(d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer (other than as a result of an application of Clause 22 (*Base Rate Replacement*));

(e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or

(f) amend the provisions in this Clause 18.5 or Clause 18.6.

18.6 Any matter not covered by Clause 18.5 shall require the consent of Bondholders representing more than fifty (50.00) 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 20.3. This includes, but is not limited to, any amendment to or waiver of the terms of any Finance Documents that does not require a higher majority (other than an amendment permitted pursuant to paragraph (a), (b)

- or (c) of Clause 21.1), or a termination of the Bonds or the enforcement of the Transaction Security in whole or in part.
- 18.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail.
- 18.8 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 18.9 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 19.1) or initiate a second Written Procedure (in accordance with Clause 20.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 18.8 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 18.10 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 18.11 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 18.12 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under the Finance Documents, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 18.13 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 18.14 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.

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

19. BONDHOLDERS' MEETING

- 19.1 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). If the Bondholder's Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 19.2 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 19.1 with a copy to the Agent. After a request from the Bondholders pursuant to Clause 23.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 19.1.
- 19.3 The notice pursuant to Clause 19.1 shall include:
- (a) the time for the meeting;
 - (b) the place for the meeting;
 - (c) an agenda for the meeting (including each request for a decision by the Bondholders); and
 - (d) 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.
- 19.4 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 19.5 If the Agent, in breach of these Terms and Conditions, has not convened a Bondholders' Meeting within five (5) Business Days after having received such notice, the requesting Person

may convene the Bondholders' Meeting itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD and, if no Person to open the Bondholders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.

- 19.6 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.
- 19.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

20. WRITTEN PROCEDURE

- 20.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.
- 20.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 20.1 to each Bondholder with a copy to the Agent.
- 20.3 A communication pursuant to Clause 20.1 shall include (a) each request for a decision by the Bondholders, (b) a description of the reasons for each request, (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 20.1), (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 20.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

- 20.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD.
- 20.5 When the requisite majority consents of the Adjusted Nominal Amount pursuant to Clauses 18.5 and 18.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 18.5 or 18.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

21. AMENDMENTS AND WAIVERS

- 21.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in the Finance Documents, provided that:
- (a) the Agent is satisfied that such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (b) the Agent is satisfied that such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
 - (c) such amendment or waiver is necessary for the purpose of having the Bonds listed or admitted to trading on a Regulated Market or MTF, provided that the Agent is satisfied that such amendment or waiver does not materially adversely affect the rights of the Bondholders;
 - (d) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*); or
 - (e) the Agent is satisfied that such amendment or waiver is made pursuant to Clause 22 (*Base Rate Replacement*).
- 21.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- 21.3 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 21.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 21.4 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

22. BASE RATE REPLACEMENT

22.1 General

22.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 22 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

22.1.2 If a Base Rate Event has occurred, this Clause 22 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

22.2 Definitions

22.2.1 In this Clause 11:

“**Adjustment Spread**” means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof determined in accordance with Clause 22.3.4 to be applied to a Successor Base Rate or an Alternative Base Rate, the objective of which, in each case, shall be to reduce or eliminate, to the fullest extent reasonably practicable, any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

“**Alternative Base Rate**” means the reference rate that has replaced the Base Rate in customary market usage in the relevant debt capital markets for the purposes of determining rates of interest in respect of Bonds denominated in SEK or, if there is no such rate, such other rate as the Independent Adviser determines is most comparable to the Base Rate.

“**Base Rate Amendments**” has the meaning set forth in Clause 22.3.5.

“**Base Rate Event**” means that:

- (a) the Base Rate has (i) been permanently or indefinitely discontinued, (ii) ceased to exist or (iii) ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate ceasing to be calculated or administered;
- (b) the Base Rate Administrator ceases to publish the applicable Base Rate permanently or indefinitely and, at that time, no successor administrator has been appointed to continue to publish the Base Rate;
- (c) the supervisor of the Base Rate Administrator (i) has made a public statement stating that the Base Rate is no longer representative of the underlying market or (ii) is recommending the usage of a Successor Base Rate for the applicable Base Rate;
- (d) the Base Rate Administrator or its supervisor announces that (i) the Base Rate methodology has changed materially after the First Issue Date or (ii) the Base Rate may no longer be used, either generally or in respect of the Bonds; or
- (e) it has become unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate.

“Base Rate Event Announcement” means a public statement by the Base Rate Administrator or the supervisor of the Base Rate Administrator that any event or circumstance specified in paragraphs (a) to (e) of the definition of Base Rate Event will occur.

“Independent Adviser” means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

“Relevant Nominating Body” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee of any of them or the Financial Stability Council (*Finansiella stabilitetsrådet*) or any part thereof.

“Successor Base Rate” means a screen or benchmark rate which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body.

22.3 **Determination of Base Rate, Adjustment Spread and Base Rate Amendments**

22.3.1 Without prejudice to Clause 22.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate or an Alternative Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to determine a Successor Base Rate or, if there is no Successor Base Rate, an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 22.3.2.

22.3.2 If (i) a Base Rate Event has occurred or (ii) a Base Rate Event Announcement has been made and the announced Base Rate Event will occur within six (6) months, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer’s expense, appoint an Independent Adviser to determine, as soon as commercially reasonable, a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate.

22.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 22.3.2, the Bondholders shall, if so decided at a Bondholders’ Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer’s expense) for the purposes set forth in Clause 22.3.2.

22.3.4 The Adjustment Spread determined by the Independent Adviser in accordance with Clause 22.3.1 or 22.3.2, shall be the Adjustment Spread which:

- (a) is formally recommended in relation to the replacement of the Base Rate by any Relevant Nominating Body; or

- (b) if paragraph (a) above does not apply, the Independent Adviser determines is customarily applied to the relevant Successor Base Rate or Alternative Base Rate (as applicable), in comparable debt capital markets transactions.

22.3.5 The Independent Adviser shall also determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or an Alternative Base Rate or to reflect the adoption of such Successor Base Rate or Alternative Base Rate in a manner substantially consistent with market practice (“**Base Rate Amendments**”).

22.3.6 Provided that a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the applicable Adjustment Spread and any Base Rate Amendments have been determined no later than ten (10) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period.

22.4 **Interim measures**

22.4.1 If Base Rate Event has occurred but no Successor Base Rate or Alternative Base Rate and Adjustment Spread have been determined at least ten (10) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period, the Interest Rate applicable to the next succeeding Interest Period shall be:

- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
- (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

22.4.2 For the avoidance of doubt, Clause 22.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 22.

22.5 **Notices**

The Issuer shall promptly following the determination by the Independent Adviser of any Successor Base Rate, Alternative Base Rate, Adjustment Spread and any Base Rate Amendments give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 28 (*Notices and press releases*) and the CSD.

22.6 **Variation upon replacement of Base Rate**

22.6.1 No later than giving the Agent notice pursuant to Clause 22.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and a duly authorised signatory of the Issuer confirming the relevant Successor Base Rate or Alternative Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 22. The Successor Base Rate or Alternative Base Rate, the

Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any determination, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

22.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 22.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 22.

22.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 22. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Terms and Conditions.

22.7 **Limitation of liability for the Independent Adviser**

Any Independent Adviser appointed pursuant to Clause 22.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with the Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

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

23.1 **Appointment of Agent**

23.1.1 By subscribing for Bonds, each initial Bondholder:

- (a) appoints the Agent to act as its agent and security agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*), or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer including, for the avoidance of doubt, any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security; and
- (b) confirms the appointment of the Security Agent to act as its agent in all matters relating to the Transaction Security and the Transaction Security Documents, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security.

23.1.2 By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 23.1.1.

- 23.1.3 Each Bondholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 23.1.4 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 23.1.5 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as agent and security agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 23.1.6 The Agent may act as agent and/or security agent for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

23.2 **Duties of the Agent**

- 23.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Transaction Security Documents on behalf of the Secured Parties and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. However, the Agent is not responsible for the contents, execution, legal validity or enforceability of the Finance Documents. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent.
- 23.2.2 The Agent is not obliged to actively assess or monitor (i) the financial condition of the Issuer or any Group Company, (ii) the compliance by the Issuer of the Finance Documents (unless expressly set out in the Finance Documents) or (iii) whether an Event of Default (or any event that may lead to an Event of Default) has occurred or not. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default has occurred.
- 23.2.3 The Agent may assume that any information, documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such information, documentation or evidence. The Agent does not review any information, documents and evidence from a legal or commercial perspective of the Bondholders.
- 23.2.4 The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.
- 23.2.5 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. The Agent is never acting as an advisor to the Bondholders or the Issuer.

- 23.2.6 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 23.2.7 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.
- 23.2.8 The Agent shall be entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 23.2.9 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 (a) after the occurrence of an Event of Default, (b) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (c) when the Agent is to make a determination under the Finance Documents. 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 17 (*Distribution of proceeds*).
- 23.2.10 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 23.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 23.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 23.2.13 The Agent shall give a notice to the Bondholders (a) 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 (b) if it refrains from acting for any reason described in Clause 23.2.12.

23.2.14 The Agent's duties under the Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with the Terms and Conditions and upon instructions from the Bondholders, unless otherwise set out in the Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other person.

23.3 **Limited liability for the Agent**

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

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

23.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

23.3.4 The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.

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

23.3.6 The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other person.

23.4 **Replacement of the Agent**

23.4.1 Subject to Clause 23.4.6, the Agent may resign by giving notice to the Issuer and the 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.

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

- 23.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 23.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) calendar days after (a) the earlier of the notice of resignation was given or the resignation otherwise took place or (b) 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.
- 23.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 23.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 23.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the 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.
- 23.4.8 In the event that there is a change of the Agent in accordance with this Clause 23.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

24. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

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

If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

25. APPOINTMENT AND REPLACEMENT OF THE CSD

- 25.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.
- 25.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the listing of the Bonds listed on a Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

26. NO DIRECT ACTIONS BY BONDHOLDERS

- 26.1 A Bondholder may not take any steps whatsoever against the Issuer or a Group Company or with respect to the Transaction Security 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 or another Group Company in relation to any of the liabilities of the Issuer or a Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 26.2 Clause 26.1 shall not apply if the Agent has been instructed by the 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 23.1.2), such actions within a reasonable period of time and such failure or inability is continuing, however, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 23.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 23.2.13 before a Bondholder may take any action referred to in Clause 26.1.
- 26.3 The provisions of Clause 26.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 12.5 (*Mandatory repurchase due to a Change of Control Event, Delisting Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

27. TIME-BAR

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

28. NOTICES AND PRESS RELEASES

28.1 Notices

- 28.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such email address as notified by the Agent to the Issuer from time to time;
 - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on the Business Day prior to dispatch or, if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time; and
 - (c) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- 28.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 28.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope

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

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

28.2 **Press releases**

28.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 12.3, 12.4, 13.3(a), 16.11.6, 17.2, 18.16, 19.1, 20.1, 21.3, 22.5, 23.2.13 and 23.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

28.2.2 In addition to Clause 28.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the 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.

29. **ADMISSION TO TRADING**

29.1.1 The Issuer shall use its best efforts to procure that the Initial Bonds and any Subsequent Bonds are admitted to trading on a Market Place within thirty (30) days after the relevant Issue Date.

29.1.2 If the Initial Bonds or any Subsequent Bonds have not been admitted to trading on any Market Place within sixty (60) calendar days from the relevant Issue Date each Bondholder will have the right to request that all, or only some, of its Bonds are repurchased in accordance with Clause 12.5 (*Mandatory repurchase due to a Change of Control Event, Delisting Event or a Listing Failure Event* (put option)).

29.1.3 The Issuer has in accordance with Clause 15.2 (*Admission to trading*) undertaken to have the Initial Bonds and any Subsequent Bonds admitted to trading within twelve (12) months after the relevant Issue Date on the corporate bond list of Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within twelve (12) months after the relevant Issue Date).

30. **FORCE MAJEURE AND LIMITATION OF LIABILITY**

30.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

- 30.2 The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 30.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.
- 30.4 The provisions in this Clause 30 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

31. GOVERNING LAW AND JURISDICTION

- 31.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 31.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 31.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 31.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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