

*This prospectus was approved by the Swedish Financial Supervisory Authority on 21 December 2021. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.*

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**WÄSTBYGG**

**Wästbygg Gruppen AB (publ)**

**PROSPECTUS REGARDING THE ADMISSION TO TRADING OF**

**SEK 500,000,000**

**SENIOR UNSECURED CALLABLE FLOATING RATE GREEN  
BONDS**

**2021/2024**

**ISIN: SE0016798227**

**21 December 2021**

# IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Wästbygg Gruppen (publ), Swedish reg. no. 556878-5538 (“**Wästbygg**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries, unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s SEK 500,000,000 senior unsecured callable floating rate green bonds 2021/2024 with ISIN SE0016798227 (the “**Bonds**”) issued on 23 November 2021 (the “**Issue date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively) on the sustainable bond list of 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 800,000,000. This Prospectus is only valid for the Bonds issued on 23 November 2021.

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

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

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

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

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

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

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# RISK FACTORS

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

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

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

### **I. Risks related to the business and operations of the Group**

#### **Risks relating to construction agreements and construction projects**

Pursuing business operations within project development and performance of construction work as a supplier, but also as a buyer towards subcontractors, requires the Group’s commercial agreements to be clear and to contain all necessary terms and appropriate division of liability between the contracting parties. There is a risk that ambiguous terms or agreements lead to the parties having to complete obligations where the parties disagree, which enhances the risk for unexpected costs related to delays and possibly penalty fees. In addition, if agreements with subcontractors do not adequately reflect the obligations of the Group in relation to the purchaser, there is a risk that any liability arising under a construction contract cannot be passed on to the responsible subcontractor. Construction projects are usually carried out on a tight deadline. Disputes relating to the performance of the construction work would result in additional costs related to the dispute as well as the project being delayed, which could have an adverse effect on the Group’s result.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

#### **Risks related to the outbreak and spread of Covid-19**

In January 2020, the outbreak of Covid-19 was classified by WHO as a threat to global health, and has since affected the markets in which the Group operates. The spread of Covid-19 is thus far considered by the Issuer to have had a limited impact on the Group’s development projects and deliveries, as well as the Issuer’s cash flow, turnover and financial condition, and the impact is primarily indirect due to the direct and indirect effects to the macroeconomic development on the markets in which the Group operates. Please refer to section “*Financial effects within one of the Issuer’s market segments*” below.

Increased economic insecurity related to the spread of Covid-19 may occur if the Group’s principals or purchasers of projects within the various market segments are materially affected, which could lead to a decrease in disposals or rental of finished projects as well as potentially a decrease in orders during 2021-2022. Please refer to section “*Risks related to changes in the real estate market*” below.

Notwithstanding the continued spread and effects of Covid-19, the Issuer assumes that the capital markets may continue to be unusually volatile in the near future, and consequently there is a risk that the Issuer’s access to capital may be deteriorated and that the secondary trading in the Bonds may be affected as an effect of such extraordinary fluctuations.

The Issuer considers the probability of the above risks occurring to be *medium* in the short term and *low* in the longer term. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

### **Risks related to changes in the real estate market**

The Group's business partly includes development and construction of rental properties and condominiums as well as commercial properties such as logistic properties and community purpose properties. The development projects are carried out in legally separate entities, the purpose of which is to own and temporarily manage each property during the relevant project. It is always the intention of the Group to have binding agreements with external purchasers or lessees in place, or, in relation to condominium projects, to have sold at least 70 per cent. of the contemplated condominiums prior to signing of the construction agreement, already at the start of the construction. As the Group's business operations partly consists of selling the properties of the relevant project within a short timeframe, sudden changes in demand and supply, as well as the general conditions on the property market, could cause the Group not being able to finalise or sell condominiums, rental properties and commercial properties under development within the scheduled timeframe, which could result in capital being tied-up and decreased possibilities for reinvestments. This in turn could result in the Group, due to limited cash flow, not being able to develop its business areas as desired. Further, the Group's business is affected by macroeconomic factors, such as the conditions of the global and national economies, growth, employment rate, income development, production pace for new private and commercial properties, changes in infrastructure, regional economic development, population growth, inflation and fluctuations in interest rates.

Should the conditions on the real estate market materially deteriorate, *e.g.* as a result of a decline in the willingness of financial institutions to provide financing, there is a risk that a contemplated purchaser is not able to obtain necessary financing in order to acquire the property managing company and the project. The relevant property would then remain with the Group and bind capital corresponding to the value of the construction.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

### **Environmental risks related to the Group's business**

The construction business involves a risk that known or unknown ground pollutions are spread, for instance in connection with foundation work such as excavation. When acquiring and developing properties, the Group could be held liable as a business operator for the costs of remedying the effects of environmental incidents, regardless of whether the Group was responsible for causing said incident. If the Group is found to be liable for such environmental incidents, this could lead to unpredicted costs and delays for the relevant project, which could have an adverse effect on the Group's results of operation. The Issuer performs construction work on properties owned by others, and may, as a result of such operations, also cause new environmental incidents, *e.g.* through pollutions caused by leakage from machinery for which the Issuer could be held liable and which the Issuer may need to remedy.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

### **Risks related to warranties provided within the Group's operations**

Within the ordinary course of business of the Group, agreements are entered into with clients relating to construction work as well as project development. The agreements generally include provisions containing warranties granted by the Issuer, meaning that the Issuer is obligated to remedy construction errors and malfunctions also after the completion of the projects. The warranty undertakings usually apply for ten years after completion. In order to be able to comply with such undertakings, the Group makes warranty reservations for every project based on assumptions of general experience as well as project specific assessments based on the nature of the relevant project. The actual outcome for the project after the end of the warranty period may differ from the assumptions made as of

the project start, as well as assumptions emerging during the project, which in turn could bring about unpredicted costs for the Group.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

### **Risks related to property acquisitions**

As part of its ordinary course of business, the Issuer regularly acquires, constructs, develops and resells properties and site-leasehold rights. During 2020, the Issuer acquired four undeveloped properties for an aggregate consideration of approximately SEK 157,000,000 in order to realise planned projects. Acquisitions of properties involve risks related to the property itself as well as the operations carried out at the relevant property upon the acquisition, if made by way of acquiring a property holding company. When acquiring undeveloped properties, the Issuer's planned development of the property may be impeded by unexpected soil conditions, which also may contribute to a more complex development than otherwise necessary or expected. Further, there is a risk that a need for unforeseen environmental actions could affect the Issuer's development of the property. Such environmental actions may require substantial efforts and resources. In addition to the risk related to the property itself, there could be risks related to the business and operations of the relevant property holding company, *e.g.* by way of material agreements which have been or is at risk being terminated or if the acquired company has had insufficient financial reporting, bookkeeping and tax procedures.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

### **Risks related to purchasing and the Issuer's code of conduct**

The Group's business involves purchasing large volumes of goods and several services related to the Group's projects. The Issuer has actively decided to limit the number of personnel employed by the Group and instead to purchase services through its subcontractors so that the personnel needs can be adapted and tailored to each individual project and in relation to the relevant phase of each project. Due to the purchases of external goods and services being a large part of the Group's operations, the Issuer must closely monitor that such activities are carried out on arm's length terms. The Issuer applies a strict attest and control structure and strives to maintain an internal culture discouraging personal gain and corruption, among other things by way of implementing and maintaining a code of conduct. However, there is a risk that any sales persons and purchasers, internal or external, may act in deviation from the Issuer's guidelines, which, among other things, may expose the Group to reputational damage, which in turn could render unexpected losses thereby adversely affecting the Group's results of operation.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

### **Risks related to sustainability within the Issuer's operations**

As a consequence of the Issuer's use of subcontractors and suppliers, there is a risk that the Issuer may not be able to deliver on its sustainability targets in every aspect. Such risks could for instance arise due to the subcontractors' and suppliers' lack of knowledge in respect of the requirements and standards set out in the Issuer's codes of conduct, but could also be related to a lack of resources to follow up on and evaluate the sustainability standards and requirements. Such deficiencies could result in the need for extra resources, and consequently increased costs, in the projects in order to meet the purchasers' requirements on certification and other sustainability related requirements.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

### **Risks related to client concentration**

During the financial year 2020 the Issuer's ten largest clients represented 52 per cent. of the Issuer's turnover. The composition of the Issuer's client base varies from year to year, as the ongoing projects determine which clients the

Issuer maintains from time to time. In addition, the composition of the Issuer's client portfolio varies with the magnitude of the ongoing projects and the amount of projects ongoing from time to time. Hence, there is a risk that the client base is concentrated and centred around a few larger clients during certain periods. For instance, during 2020, the Issuer's engagement in the construction of Northvolt's battery factory in Skellefteå led to that Northvolt represented around 10 per cent. of the Issuer's earnings that year. Consequently, the client concentration is determined by the order backlog of the Issuer from time to time. The dense client concentration which may arise, and which has arisen in the past, could lead to that a loss of one or only a limited number of clients could have a material adverse effect on the Issuer's turnover and results of operation.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

## **II. Legal risks**

### **Regulatory risks related to the property market**

The Group's business is subject to a number of rules, regulations and governmental instructions, such as environmental laws, planning and building laws, taxation laws and construction regulations. Laws and regulations related to the property market are often guided by political incentives, and could therefore be amended on short notice, which could affect the daily operations of the Issuer in various manners. For instance, any changes related to the rules for tax deduction of interest costs could alter the market conditions, which in turn could affect the Issuer's business. The rules for tax deductions for interest costs have historically been subject to various amendments, most recently by way of the new limits imposed on 1 January 2019. Any future changes in legislation and regulations could impose new requirements on the Group in order to ensure compliance with such regulations.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

### **Risks related to processes and permits from municipalities and governments**

The Issuer's business operations involve construction and development of existing properties for which exploitation and implementation agreements may need to be entered into with the relevant municipalities. The process of obtaining the relevant agreements, as well as other preconditions in order to carry out the Issuer's planned development, could involve certain risks, since the planned operations and development could be dependent on reaching agreements with third parties such as municipalities. In addition, there is a risk that rulings and permits, such as building permits, may be appealed or delayed, which could lead to the Issuer being unable to keep its intended time schedule, resulting in delays and increased costs as well as renegotiations or terminations of planned sales, all of which could adversely affect the Group's results of operation.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

### **Risks related to disputes and litigation**

Within the ordinary course of its business operations, the Issuer may be subject to disputes with its subcontractors and clients where the Issuer has acted as a contractor or sub-contractor. Relative to the size of the business segments, legal disputes are most common within the construction business, and are usually related to one single sub-contracting arrangement. Legal disputes could also arise in relation to acquisitions or disposals of properties or companies. In connection with such disputes, there is a risk that the Issuer is held liable for damages or that any remuneration for contract variations or penalty fees may be withheld or even if the Issuer at present is not, and has not during 2020 or 2021 been, involved in any material disputes or legal proceedings, the Issuer has historically been involved in such disputes and legal proceedings. As an example, during 2019, the Issuer was involved in two disputes with subcontractors and one dispute with a purchaser, which resulted in an aggregate negative effect on the Issuer's result of approximately 2.5 per cent.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

### **III. Financial risks**

#### **Financial effects within one of the Issuer's market segments**

The Issuer operates on a market where market participants continuously seek external financing. The Group's business is financed through equity as well as through external bank loans, and as of 30 September 2021, the Group's interest bearing long and short term interest bearing debt owed to credit institutions amounted to SEK 49 million.<sup>1</sup> The extent to which new development projects are initiated is determined by the availability of equity, or alternatively external financing may be raised temporarily while awaiting the sale of the projects. No projects are initiated for speculative purposes only, and financing is secured prior to the initiation of the development work. The business operations in each of the group companies finances the Group's operations within all business segments as a whole, and a material deterioration of one of the Group's market segments could result in a negative cash flow and hence risk a decrease of available financing for the other market segments or a need for increased external financing. Further, certain of the group companies' construction projects are subject to guarantees granted by the Issuer on behalf of the relevant performing entity, which could also lead to one market segment affecting the other market segments of the Group. Further, a potential lowered margin on the Issuer's development projects as a result of a decreased market valuation of such projects could adversely affect the Group's future development, growth and profitability due to rescheduling and reduction of future, not yet commenced, development projects. This, in turn, could negatively affect the Group's financial position.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

#### **Risks related to the terms of certain financing agreements**

The Group's financing agreements contain certain undertakings and financial covenants, such as those related to the Group's earnings after financial gains and losses (interest coverage ratio) and the debt to equity ratio of the Group. In addition, as a consequence of the issuance of the Bonds, the Issuer will be subject to further financial covenants, being the Maintenance Test (as defined in the terms and conditions for the Bonds), which is tested on quarterly basis, as well as the Incurrence Test (as defined in the terms and conditions for the Bonds), which is tested upon the Issuer making certain distributions. Such financial covenants will, to a certain extent, limit the Group's financing operations and there is a risk that the Group cannot obtain necessary financing at favourable terms or at all, when necessary to pursue profitable growth of the Group. In addition, the Group's financing arrangements (including the Bonds), contain certain information undertakings related to the Group's business and operations and any changes thereto, requiring the Group to make public certain information. If the Issuer is not able to comply with these undertakings, there is a risk that the lenders may terminate the financing agreements. If the financing agreements or any other financial arrangements with any member of the Group are terminated, the Issuer could be required to seek other external financing to ongoing projects, which may not be obtained on favourable terms or at all. Lack of necessary financing opportunities could lead to delays and related delay fees, as well as increased costs for financing, which could adversely affect the Group's profitability and hence financial position.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

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<sup>1</sup> The information is derived from the Group's unaudited segment reporting for the financial period 1 January – 30 September 2021.

## RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS

### I. Risks related to the nature of the Bonds

#### Ability to service debt and credit risk

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

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

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

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

#### Refinancing risk

As set out under risk factor "*Risks related to the terms of certain financing agreements*" above, the Group's operations are partly financed by way of external interest bearing bank loans, as well as shareholder loans. As of 30 September 2021, the Group's interest bearing debt owed to credit institutions amounted to SEK 49 million, of which SEK 48 million constitute long term debt,<sup>2</sup> and as of the same date, the Group has an unutilised revolving credit facility. Consequently, the Group may be required to refinance its outstanding debt, including the Bonds, from time to time.

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations and access to additional debt and equity financing. The Group's ability to refinance the Bonds or other interest bearing debt is also to some extent restricted by the fact that the Issuer in accordance with the Maintenance Test (as defined in the Terms and Conditions), on quarterly basis must meet certain levels in respect of the Interest Coverage Ratio (as defined in the Terms and Conditions). In addition, the Terms and Conditions will impose certain restrictions in relation to the Group's incurrence of Market Loans (as defined in the Terms and Conditions). Such restrictions, as well as adverse developments in the credit markets and other future adverse developments, such as the further deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow funds as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at all and consequently, there can be no assurance that the Group will be able to refinance the Bonds when they mature.

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<sup>2</sup> The information is derived from the Group's unaudited segment reporting for the financial period 1 January – 30 September 2021.

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

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

### **Risks related to the labelling of the Bonds**

The Issuer intends to use the proceeds of the issue of the Bonds and any Subsequent Bonds in accordance with the Issuer's green finance framework (the "**Green Finance Framework**") in force as of the relevant Issue Date, and which is based on the Green Bond Principles and the Green Loan Principles issued by the International Capital Markets Association. As there is currently no clear definition of as to what constitutes, a "green" or an equivalently-labelled project, there is a risk that any projects, asset or uses defined in the Green Finance Framework will not meet current or future investor expectations regarding such "green" or other equivalently-labelled performance objectives. Furthermore, future developments or legal requirements as to the definitions of "green", such as the entering into force and development of Regulation (EU) 2020/852 (Taxonomy Regulation) in respect of a unified classification system in relation to sustainability, render the eligible projects for the Bonds, as described in the Green Finance Framework, obsolete. This could lead to that present or future investor expectations or requirements as regards any investment criteria or guidelines whether according to applicable law or regulations or by such investor's own by-laws, governing rules or investment portfolio mandates cannot be satisfied.

Furthermore, a failure to apply the proceeds in accordance with the Green Finance Framework could result in investors being in breach of its own investment criteria or guidelines with which an investor is required to comply which could result in remedies under the relevant investment criteria or guidelines, leading to claims or reputational damage.

The Issuer has appointed CICERO Shades of green, a subsidiary of CICERO Center for International Climate Research ("**CICERO**") for an independent, research-based evaluation of the Issuer's Green Finance Framework, which has resulted in a second opinion dated on 5 May 2021 (the "**Second Opinion**"). CICERO is neither responsible for how the Green Finance Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is CICERO responsible for the outcome of investments in projects described as eligible projects in the Green Finance Framework. There is a risk that the suitability or reliability of any opinions issued by CICERO or any other third party made available in connection with the issue of Bonds or Subsequent Bonds are challenged by the Issuer, a potential investor, the Bondholder, or any third party. Furthermore, CICERO is currently not subject to any regulatory regime or oversight and there is a significant risk that such providers will be deemed as not being reliable or objective in the future as the requirements on certification and approval through regulatory regime or oversight may be implemented.

Due to the rapidly changing market conditions for green bonds, there is a risk that current or future investor expectations will not be met which could negatively affect the secondary trading of the Bonds. Furthermore, should such market conditions significantly change, there is a risk that a Bondholder cannot trade its Bonds at attractive terms, or at all, or that the possession of Bonds is connected to reputational damage.

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

### **Risks related to admission to trading**

The Issuer has undertaken to ensure that the Bonds are listed on the Sustainable Bond List of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within certain stipulated time periods, as defined in the Terms and Conditions, and the failure to do so provides each Bondholder with a right of prepayment (put option) of its Bonds. There is a risk that the Bonds will not be admitted to trading on the relevant market place within the intended time frames or at all.

In order to be eligible for listing on the Sustainable Bond List of Nasdaq Stockholm, certain commercial criteria have to be met during the lifetime of the Bonds. The non-fulfilment of such criteria does not result in a de-listing but will result in the Bonds being re-listed on the Corporate Bond List of Nasdaq Stockholm instead of the Sustainable Bond List of Nasdaq Stockholm. Should such change of lists occur, there is a risk that the expectations of investors are not met, which in turn could impair the secondary trading in the Bonds, since certain investors may not allocate investments to non-green investments.

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

### **III. Risks related to the Bondholders' rights and representation**

#### **Financing, structural subordination and priority rights**

The Group finances its operations partly by bank financing, which may be secured by collateral such as pledges over shares in subsidiaries of the Group, property mortgages and floating charges. Furthermore, the Terms and Conditions for the Bonds allow the Group to incur certain additional debt and provide security for such debt. Such bank loans ranking senior to the Bonds as well as any security provided in relation to the relevant financing normally constitute a preferential claim on the Issuer.

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

Furthermore, if the Issuer's subsidiaries incur debt, the right to payment under the Bonds will be structurally subordinated to the right of payment relating to debt incurred by subsidiaries of the Issuer, which could have a negative impact on the Bondholders' recovery under the Bonds.

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

# THE BONDS IN BRIEF

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

## General

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Issuer .....	Wästbygg Gruppen AB (publ), Swedish reg. no. 556878-5538.
Resolutions, authorisations and approvals .....	The Issuer’s board of directors resolved to issue the Bonds on 8 November 2021.
The Bonds offered.....	SEK 500,000,000 in an aggregate principal amount of senior secured callable floating rate bonds due 23 November 2024. The Bonds are issued under a framework amount of SEK 800,000,000. As of the date of this Prospectus, Initial Bonds and Bonds in an amount of SEK 500,000,000 are outstanding under the Terms and Conditions. The Prospectus is only valid for the Bonds in an amount of SEK 500,000,000 issued on the Issue Date, 23 November 2021.
Nature of the Bonds .....	The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i> ), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i> ).
Number of Bonds .....	As of the date of this Prospectus, a total of 400 Bonds have been issued and a total of 640 bond may be issued. This Prospectus is only valid for the 400 Bonds issued on the Issue Date, 23 November 2021.
ISIN.....	SE0016798227.
Issue Date.....	23 November 2021.
Price .....	All Bonds issued on the Issue Date have been issued at an issue price of 100.00 per cent. of the Nominal Amount.
Interest Rate .....	Interest on the Bonds is paid at a rate equal to the sum of three (3) months STIBOR plus 450 basis points. Interest will accrue from, but excluding, the Issue Date.
Use of benchmark .....	Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR. As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) does not appear in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the regulation (EU) 2016/1011 (the Benchmark Regulation).
Interest Payment Dates.....	Quarterly in arrears on 23 February, 23 May, 23 August and 23 November each year (with the first Interest Payment Date being on 23 February 2022 and the last Interest Payment Date being the relevant Redemption Date). Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

Final Redemption Date .....	23 November 2024.
Nominal Amount.....	The initial nominal amount of each Bond is SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds was SEK 1,250,000.
Denomination.....	The Bonds are denominated in SEK.
Status of the Bonds .....	The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.
Use of Proceeds.....	The net proceeds from the Bond Issue shall be applied in accordance with the principles set out in the Issuer’s Green Finance Framework, including finance or re-finance of projects or assets providing distinct environmental benefits.

## Call Option

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Early voluntary total redemption..	The Issuer may redeem all, but not some only, of the Bonds in full on any Business Day falling on or after the date falling thirty-three (33) months after the First Issue Date but before the Final Redemption Date, at a price equal to one hundred and twenty-five hundredths (100.25) per cent. of the Nominal Amount together with accrued but unpaid Interest, in accordance with Clause 11.3 ( <i>Early voluntary total redemption (call option)</i> ) of the Terms and Conditions.
Early redemption due to illegality	The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents

## Put Option

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Put Option .....	Upon a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all or only some of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount (plus accrued and unpaid interest) during a period of thirty (30) calendar days following the notice of the relevant event, in accordance with Clause 11.5 ( <i>Mandatory repurchase due to a Change of Control, a De-listing or a Listing Failure (put option)</i> ) of the Terms and Conditions.
Change of Control .....	A Change of Control Event means the occurrence of an event or series of events whereby one or more Persons (other than any Main Shareholder) acting together, acquire control over the Issuer and where “ <b>control</b> ” means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.
De-listing.....	A De-listing occurs where

- (a) the Issuer's shares are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market or trading of the Issuer's shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) a situation where, once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

Listing Failure ..... A Listing Failure Event means a situation where:

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

in each case, with an intention to complete such admission to trading within thirty (30) calendar days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations).

## Undertakings

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Certain undertakings .....	<p>The Terms and Conditions contain a number of undertakings that restrict the ability of the Issuer and other Group Companies, including, among others:</p> <ul style="list-style-type: none"><li>• restrictions on making certain distributions;</li><li>• undertaking to have the Bonds admitted to trading within six (6) months after the Issue Date;</li><li>• restrictions on making any substantial changes to the general nature of the business carried out by the Group;</li><li>• restrictions in relation to issuing certain Market Loans including to provide, prolong or renew any security over any of its assets (present or future) to secure any Market Loan;</li><li>• undertaking to at all times meet the Maintenance Test;</li><li>• restrictions on disposals of assets;</li><li>• restrictions in relation to certain mergers and demergers;</li><li>• undertaking to keep the Properties in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice;</li><li>• undertaking to maintain a Green Finance Framework and ensure that the proceeds from any Bonds issued are used in accordance with the Green Finance Framework applicable from time to time; and</li><li>• undertaking to ensure that the principles applied for the Management Reporting during the financial year 2020 shall be consistently applied to the Management Reporting until the Final Redemption Date.</li></ul>
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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

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Transfer restrictions .....	<p>The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which such Bondholder may be subject (due to, <i>e.g.</i>, its nationality, its residency, its registered address or its place(s) of business). The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.</p>
Credit rating .....	<p>No credit rating has been assigned to the Bonds.</p>
Admission to trading .....	<p>Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in connection with the SFSA's approval of this Prospectus. The date for admitting the Bonds to trading on Nasdaq Stockholm will fall on or about 23 December 2021. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 100,000.</p>
Representation of the Bondholders .....	<p>Nordic Trustee &amp; Agency AB (publ), Swedish reg. no. 556882-1879, is acting as Agent and for the Bondholders in all matters relation to the Bonds and any other matter within its authority or duty in accordance with the Terms and Conditions. By acquiring Bonds, each 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 (see</p>

further Clause 22 (*Appointment and replacement of the agent and the security agent*) of the Terms and Conditions.

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

Governing law.....	The Bonds are governed by Swedish law.
Time-bar.....	The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void 3 years from the relevant due date for payment.
Clearing and settlement.....	The Bonds are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. <i>VP-konto</i> ). No physical Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.
Risk factors .....	Investing in the Bonds involves substantial risks and prospective investors should refer to 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 ISSUER AND THE GROUP

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## Overview of the Issuer

Legal and commercial name.....	Wästbygg Gruppen AB (publ).
Corporate reg. no. ....	556878-5538.
LEI-code.....	5493005C147NU3KD0M89.
Date and place of registration....	23 December 2011, Sweden, with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i> ).
Date of incorporation .....	23 December 2011.
Legal form.....	Swedish public limited liability company.
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i> ) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen (1995:1554)</i> ).
Registered office .....	Gothenburg municipality, Västra Götalands County.
Postal adress	Box 912, SE-501 10, Borås, Sweden.
Head office and visiting address	Sofierogatan 3B, SE-412 51 Gothenburg, Sweden
Phone number.....	+46 (0)31-733 23 00
Website.....	www.wastbygg.se (the information provided at the Issuer’s website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus).

## History and development

The events described in the table below aims at providing a brief description of the history and development of the Issuer and the Group since it was founded.

Year	Event
1981	<ul style="list-style-type: none"><li>The Company was founded.</li></ul>
1992	<ul style="list-style-type: none"><li>The turnover exceeded SEK 100 million.</li></ul>
2001	<ul style="list-style-type: none"><li>The office in Gothenburg was established.</li></ul>
2004	<ul style="list-style-type: none"><li>Logistic Contractor AB (“<b>Logistic Contractor</b>”) was founded and the first logistics premises were built.</li><li>The operations within own project development of properties were initiated.</li></ul>
2006	<ul style="list-style-type: none"><li>Turnover exceeded SEK 1 billion.</li></ul>
2009	<ul style="list-style-type: none"><li>The office in Varberg was established.</li><li>The first environmentally certified buildings were completed.</li></ul>

- 2012**
  - The ownership base was broadened as current Group CEO became partner.
  - The office in Stockholm was established.
- 2013**
  - M2 Holding AB (“**M2 Holding**”) became main shareholder in the Company and the original owners left the Group.
- 2015**
  - The Group’s local office in Malmö was established.
  - A local office in Jönköping was established.
  - The Norwegian and Danish subsidiaries of Logistic Contractor were established and the Group’s first project outside of Sweden.
- 2017**
  - The Group determined that the operations are to be conducted as fossil free by 2030, within the area electricity, heat, transports and waste management.
- 2019**
  - The Group’s first project in Denmark was completed.
- 2019**
  - The Finnish subsidiary of Logistic Contractor AB was established.
- 2020**
  - The Group Company Inwita Fastigheter AB (“**Inwita**”) was established.
  - The Issuer’s shares were listed on Nasdaq Stockholm.
- 2021**
  - The Issuer’s shares obtained the Nasdaq Green Equity Designation.
  - Rekab Entreprenad was acquired and the Group thereby reached local presence in Norrland, Sweden.

## **Business and operations**

### **General**

The Issuer is a construction and project development company that has long been well established in expansive markets in Sweden. The Group has its own offices in Gothenburg, Stockholm, Malmö, Borås, Jönköping, Helsingborg and Varberg, but is also represented via the Group Company Rekab Entreprenad AB in Umeå, Sundsvall, Örnsköldvik, Skellefteå and Luleå. Via the Group Company Logistic Contractor and its subsidiaries the Issuer operates also in Norway, Denmark and Finland. The business focus is around housing, commercial real estate and community purpose properties as well as logistics and industrial buildings.

### **Business concept and business model**

The Group’s business concept is to develop and build sustainable, modern and efficient homes, commercial properties and logistics and industrial properties in mutual trust with the Group’s customers. The Group works with construction contracts and its own project development in the three business segments Residential, Commercial as well as Logistics and Industry. In 2020, the Group established the Group Company Inwita which is planned to constitute a fourth business segment. The goal is to have a proper balance between construction contracts and its own development projects and a stable revenue flow and steady production rate. The Group’s project development organisation has broad competence across the whole chain from acquisition of land via relevant authorisations and up until project completion. By way of close collaboration with construction operators the Group gain experience and can have synergies both within its own project development as well as within construction.

### **Business segments**

The Issuer is mainly focused on construction and project development, which operations are carried out within three business segments Residential, Commercial and Logistics and Industry. In addition to this the Group also includes Inwita, which owns and manages self-developed community service properties, planned to constitute a fourth

business segment within the Group in the future. As of the date of this Prospectus, Inwita is reported for under the segment Commercial.

#### *Residential*

Within the Residential business segment, the Group develops and produces multi-dwelling buildings. The housing production is primarily concentrated around the regions where the Group's offices are situated. Clients range from both municipal and private housing companies as well as local and nationwide housing developers. Many projects are carried out as collaborative contracts, *i.e.* clients, contractors, architects and other consultants design the project together from an early planning stage with a common focus on creating the best possible product.

#### *Commercial*

The activities in the Commercial business segment currently have a strong emphasis on construction contracts and mainly include commercial properties, community service properties, office buildings and hotel. The term retail properties includes both shopping malls and independent retail premises. Retail properties also include facilities for the sale and service of vehicles. Customers are mainly major property owners who in turn sign agreements with their respective clients who are to utilise the premises. The premises are usually designed based on the business that is to be carried out there, meaning that the collaboration during the contract period involves both the client and the client's tenant. The term community service properties includes preschools, schools, nursing homes, care homes and other building included for other types of activities carried out in connection to care.

#### *Logistics and Industry*

The business segment Logistics and Industry is constituted by the Group Company Logistic Contractor which for many years has been a well-established player in the development and construction of logistics and industrial properties. Logistic Contractor has clients and operates throughout the Nordic region and has subsidiaries in Norway, Denmark and Finland.

#### *Future business segments*

Inwita's operations were initiated in 2020 with the development of Halmstad Hæggen 1. The purpose is to gradually build a management portfolio with community service properties as preschools, schools nursing homes and care homes developed in-house.

## **Material agreements**

Neither the Issuer nor any other Group Company has entered into any material agreements that are not entered into in the ordinary course of its business, which could result in any Group Company being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Bondholders under the Terms and Conditions.

## **Overview of the Group**

The Issuer, whose Series B shares are publicly traded on Nasdaq Stockholm, is the parent and holding company of the operating companies within the Group. The Issuer is the sole owner of Logistic Contractor AB (556938-6963), Wästbygg AB (556943-4847), Inwita Fastigheter AB (559236-1058), and Rekab Entreprenad AB (556520-7007). Logistic Contractor AB is in turn the sole owner of six Nordic operating subsidiaries, and owns 99.9 per cent. of a trading partnership (*Sw. handelsbolag*), whereof LC Development AB (556949-0674) in turn is the owner of a group of operating companies. Wästbygg AB is the sole owner of two subsidiaries, whereof Wästbygg Projektutveckling AB is the sole owner of several operating companies. Inwita Fastigheter AB is the sole owner of one property owning subsidiary. Rekab Entreprenad AB is the sole owner of five subsidiaries, and is part-owner of two additional subsidiaries.

The Group's operations are conducted through, and the majority of revenues of the Issuer emanates from, the Issuer's operational subsidiaries. The Issuer is thus dependent on its subsidiaries in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

### **Recent events particular to the Issuer**

As announced by way of press release on 28 October 2021, the Issuer completed the acquisition of its subsidiary Rekab Entreprenad AB. Rekab Entreprenad AB has 175 employees and the purchase price amounts to SEK 230 million in total.

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

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

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

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which financial information has been published (*i.e.* 30 September 2021) up until the date of this Prospectus and there have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Group has published interim financial information.

There have been no particular trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for the current financial year. However, the spread of COVID-19 has to some extent been, and may continue to be, a concern to the Group and the markets in which the Group operates. The future economic impact of COVID-19 is difficult to fully predict due to the high degree of uncertainty surrounding the current situation and it cannot be ruled out that it may have a material effect on the Group.

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

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

### **Credit rating**

No credit rating has been assigned to the Issuer.

# OWNERSHIP STRUCTURE

## Ownership structure

The Issuer's shares of series B have been listed on Nasdaq Stockholm, mid cap, since 13 October 2020 under the ticker "WBGR" and ISIN SE0014453874. The ownership structure as of 31 October 2021, including the ten (10) largest shareholders, is set out in the table below.

Shareholders	Number of shares		Share capital (%)	Votes (%)
	Series A	Series B		
M2 Holding AB <sup>(1)</sup>	337 500	19 136 063	60.21%	59.36%
Länsförsäkringar Fonder		2 586 897	8.00%	6.82%
Svolder		2 583 916	7.99%	6.81%
Fino Förvaltning AB <sup>(2)</sup>	282 500	1 656 000	5.99%	11.82%
Öhman Fonder		574 893	1.78%	1.52%
Carnegie Fonder		353 387	1.09%	0.93%
Gårdarike Invest AB		300 000	0.93%	0.79%
SEB Fonder		200 421	0.62%	0.53%
Handelsbanken Fonder		199 644	0.62%	0.53%
Skandrenting AB		175 000	0.54%	0.46%
<b>Total</b>	<b>620,000</b>	<b>31,720,165</b>		

<sup>(1)</sup> Owned and controlled by Rutger Arnhult.

<sup>(2)</sup> Owned and controlled by Jörgen Andersson.

According to the Issuer's articles of association, the share capital shall be no less than SEK 2,000,000 and no more than 8,000,000, divided among no less than 20,000,000 and no more than 80,000,000 shares. As of the date of this Prospectus, the Group's share capital amounted to SEK 3,593,351, divided among 32,340,165 shares, whereof 620,000 shares of series A and 31,720,165 shares of series B.

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 Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). In addition, the Issuer complies with the Swedish Corporate Governance Code (Sw. *Koden för svensk bolagsstyrning*) as the Series B shares are listed on Nasdaq Stockholm.

## 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.

# THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

## General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO. The CEO and the CFO are responsible for the Issuer'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 board of directors and the executive management may be contacted through the Issuer at its head office at Sofierogatan 3B, SE-412 51 Gothenburg, Sweden.

## Board of directors

The section below presents the members of the board of directors, their position, including the year of their initial election, their significant assignments outside the Issuer, which are relevant for the Issuer, and their shareholdings in the Issuer.

### Overview

Name	Position	Independent <sup>(1)</sup>	Shareholdings <sup>(2)</sup>
Cecilia Marlow	Chairman	Yes	4,166
Jörgen Andersson	Board member	No	1,938,500
Lennart Ekelund	Board member	Yes	12,000
Christina Källenfors	Board member	Yes	1,000
Joacim Sjöberg	Board member	Yes	4,600

(1) Independent in relation to the Issuer, its executive management and major shareholders of the Issuer.

(2) Shareholdings as of 30 November 2021.

### Members of the board of directors

#### *Cecilia Marlow*

Cecilia Marlow, born 1960, has been chairman of the board of directors since 2019. *Other current assignments outside the Group:* Chairman in NCS Colour AB. Board member in Karl Fazer Oy, Mordin AB, Segelman Virtual Stores AB, Spendrups Bryggeriaktiebolag, Bokusgruppen AB (publ), Aligo Holding AB, Desenio Group AB (publ) and Kivra AB.

#### *Jörgen Andersson*

Jörgen Andersson, born 1973, has been a member of the board of directors since 2013 and Group CEO since 2015. *Other current assignments outside the Group:* Board member in Varbergs Sparbank.

#### *Lennart Ekelund*

Lennart Ekelund, born 1959, has been a member of the board of directors since 2018. *Other current assignments outside the Group:* Chairman in Venture Fastigheter AB. Board member in Barkspaden Invest AB, Gårda Intressenter Väst AB, Lennart Ekelund AB, Malsjön Konsult AB and GUL Förvaltning AB.

#### *Christina Källenfors*

Christina Källenfors, born 1966, has been a member of the board of directors since 2014. *Other current assignments outside the Group:* Chief legal counsel for Epidemic Sound. Board member KAJA Consulting AB.

### *Joacim Sjöberg*

Joacim Sjöberg, born 1964, has been a member of the board of directors since 2020. *Other current assignments outside the Group:* CEO and board member in Valhalla Corporate Advisor AB. Board member in Castellum AB and KlaraBo AB.

## **Executive management**

The section below presents the members of the executive management, including the year each person became a member of the executive management and their shareholdings in the Issuer.

### **Overview**

<b>Name</b>	<b>Position</b>	<b>Shareholdings<sup>(1)</sup></b>
Jörgen Andersson	CEO	1,938,500
Jonas Jönehall	Vice CEO and CFO	2,650

<sup>(1)</sup> Shareholdings as of 30 November 2021.

### **Members of the executive management**

#### *Jörgen Andersson*

Jörgen Andersson, born 1973, has been a member of the board of directors since 2013 and Group CEO since 2015. *Other current assignments outside the Group:* Board member in Varbergs Sparbank.

#### *Jonas Jönehall*

Jonas Jönehall, born 1976, has been CFO since 2016 and Vice CEO since 2018. *Other current assignments outside the Group:* None outside the Group.

## **Conflicts of interests within administrative, management and control bodies**

None of the members of the board of directors or the executive management of the Issuer has a private interest that may be in conflict with the interests of the Issuer except as described below. However and as described above, certain members of the board of directors or the executive management of the Issuer have financial interests in the Issuer as a consequence of their holdings of shares in the Issuer. Nevertheless, it cannot be excluded that other conflicts of interest may arise in the future between companies, in which members of the board of directors or the executive management of the Issuer have duties, and the Issuer.

## **Auditor**

The Group's current auditor is Grant Thornton Sweden AB with Lars Kjellgren as the auditor in charge. Lars Kjellgren is a member of FAR (the professional institute for authorised public accountants in Sweden). Prior to the appointment of Lars Kjellgren as auditor in charge, Mikael Östblom was the auditor in charge. Mikael Östblom is a member of FAR. The replacement of Mikael Östblom by Lars Kjellgren was made on the initiative of Grant Thornton Sweden AB and was effectuated on 14 July 2020. Grant Thornton Sweden AB with Lars Kjellgren as auditor in charge, has been the Issuer's auditor for the period covering the historical financial information for the financial period 1 January – 31 December 2020, which is incorporated by reference into this Prospectus. Grant Thornton Sweden AB with Mikael Östblom as auditor in charge, has been the Issuer's auditor for the period covering the historical financial information for the financial period 1 January – 31 December 2019, which is incorporated by reference into this Prospectus

The postal address of the Issuer's current auditor is Grant Thornton Sweden AB, Box 7623, SE-103 94 Stockholm.

# SUPPLEMENTARY INFORMATION

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## Information about the Prospectus

This Prospectus has been approved by the Swedish Financial Supervisory Authority (the “SFSA”) as competent authority under Regulation (EU) 2017/1129. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. 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.

## Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 23 November 2021 was resolved upon by the board of directors of the Issuer on 8 November 2021.

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

## Information from third parties

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

## Interest of natural and legal persons involved in the bond issue

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

## Documents available for inspection

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

- The Issuer’s articles of association.
- The Issuer’s certificate of registration.
- The Group’s consolidated audited annual report for the financial year ended 31 December 2020, including the applicable audit report.
- The Group’s consolidated audited annual report for the financial year ended 31 December 2019, including the applicable audit report.

# FINANCIAL INFORMATION

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## Historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2019 and 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. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the financial period 1 January – 31 December 2020 or as of 31 December 2020 derives from the Groups consolidated audited annual reports for the financial years ended 31 December 2020. All financial information in this Prospectus relating to the financial period 1 January – 30 September 2021 or as of 30 September 2021 derives from the Groups consolidated unaudited interim report for the financial period 1 January – 30 September 2021 and has not been audited or reviewed by the Issuer's auditor.

## Accounting standards

The consolidated financial information for the financial years ended 31 December 2019 and 31 December 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the European Union.

In addition, the financial information for the financial years ending 2019 and 2020 have been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups as well as statements from the Swedish Financial Reporting Board (Sw. *Rådet för finansiell Rapportering*).

## Auditing of the historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2019 have been audited by Grant Thornton Sweden AB with Mikael Östblom as auditor in charge. The Group's consolidated audited annual reports for the financial years ended 31 December 2020 have been audited by Grant Thornton Sweden AB with Lars Kjellgren as auditor in charge. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor. The auditor's reports have been incorporated by reference into this Prospectus through the consolidated audited annual reports for the financial years ended 31 December 2019 and 31 December 2020.

## Incorporation by reference

The following information in the Group's consolidated audited annual reports for the financial years 2019 and 2020 is incorporated in this Prospectus by reference and is available at the Issuer's website, [www.wastbygg.se](http://www.wastbygg.se). For the financial information incorporated by reference, please refer to the pages set out below.

## Reference

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<sup>3</sup> <https://group.wastbygg.se/sv/wp-content/uploads/sites/3/2021/03/wbgr-ar-2020-210326.pdf>.

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<sup>4</sup> <https://group.wastbygg.se/sv/wp-content/uploads/sites/3/2020/03/wb-a-r-2019-final-200402.pdf>.

## **TERMS AND CONDITIONS FOR THE BONDS**

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**TERMS AND CONDITIONS FOR  
Wästbygg Gruppen AB (publ)  
Maximum SEK 800,000,000  
Senior Unsecured Callable Floating Rate Green Bonds  
2021/2024**

ISIN: SE0016798227

First Issue Date: 23 November 2021

## **SELLING RESTRICTIONS**

No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

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

## **PRIVACY STATEMENT**

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.wastbygg.se](http://www.wastbygg.se), [www.nordictrustee.com](http://www.nordictrustee.com) and [www.swedbank.se](http://www.swedbank.se).

## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

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

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

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the aggregate Nominal Amount of all Bonds owned by a Group Company, an Affiliate of a Group Company or any other person or entity owning any Bonds that has undertaken towards a Group Company or an Affiliate of a Group Company to vote for such Bonds in accordance with the instructions given by a Group Company or an Affiliate of a Group Company, in each case irrespective of whether such Person is directly registered as owner of such Bonds.

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

“**Agency Agreement**” means the fee agreement entered into between the Agent and the Issuer prior to the First Issue Date regarding, amongst other things, the remuneration payable by the Issuer to the Agent or any other agreement replacing such agreement after the First Issue Date.

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

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

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 16.2 (*Bondholders’ Meeting*).

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

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

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group according to Management Reporting as set out in the latest consolidated Financial Statements.

“**Change of Control**” means the occurrence of an event or series of events whereby one or more Persons (other than any Main Shareholder) acting together, acquire control over the Issuer and where “**control**” means:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or
- (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

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

“**Consolidated EBITDA**” means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the Management Reporting as set out in the latest Financial Statements:

- (a) *before deducting* any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) *before deducting* any Net Finance Charges;
- (c) *before taking into account* any extraordinary items and any non-recurring items which are not in line with the ordinary course of business of the Group (“**Exceptional Items**”), in an aggregate amount not exceeding ten (10.00) per cent. of Consolidated EBITDA for the Reference Period (prior to any adjustments for Exceptional Items);
- (d) *before taking into account* any Transaction Costs;
- (e) *not including* any accrued interest owing to any Group Company;
- (f) *before taking into account* any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (h) *after deducting* the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;

- (i) *plus or minus* the Group's share of the profits or losses of entities which are not part of the Group;
- (j) *after adding back* any losses to the extent covered by any insurance and in respect of which insurance proceeds have been received by the Group; and
- (k) *after adding back* any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

“**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. 5561 12-8074.

“**CSD Regulations**” means the CSD’s rules and regulations applicable to the Issuer, the Agent and the Bonds from time to time.

“**De-listing**” means:

- (a) the Issuer’s shares are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market or trading of the Issuer’s shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) a situation where, once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

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

“**Employee Ownership Program**” means any employee ownership program approved by the general meeting of the Issuer, whereby the Issuer has an obligation to deliver shares to participating employees under the program and where the Issuer’s obligations are secured by the Issuer repurchasing own shares which may subsequently be transferred to participants in the program or applied towards hedging or financing of costs attributable to such program.

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

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

“**Final Redemption Date**” means 23 November 2024.

“**Finance Documents**” means the Terms and Conditions, the Agency 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, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is or would have been treated as a finance lease in accordance with the Accounting

Principles as applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and corresponding liability);

- (c) receivables sold or discounted (other than on a non-recourse basis);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

**“Financial 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).

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

**“First Issue Date”** means 23 November 2021.

**“Force Majeure Event”** has the meaning set forth in Clause 24.1.

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

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

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

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

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

**“Incurrence Test Date”** has the meaning set forth in Clause 13.3.1.

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

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

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

“**Interest Coverage Ratio**” means the ratio of (i) Profit After Financial Items (but adding back Net Finance Charges) to (ii) Net Finance Charges (excluding the rights of use of land lease properties that in accordance with the Accounting Principles are accounted for as a financial cost).

“**Interest Payment Date**” means 23 February, 23 May, 23 August and 23 November each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 23 February 2022 and the last Interest Payment Date being the last relevant 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 STIBOR (3 months) plus 450 basis points *per annum*. For the avoidance of doubt, if the Interest Rate is less than zero then the Interest Rate will be deemed to be zero.

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

“**Issuer**” means Wästbygg Gruppen AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556878-5538.

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

“**Listing Failure**” means a situation where:

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

in each case, with an intention to complete such admission to trading within thirty (30) calendar days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations).

“**Main Shareholders**” means Rutger Arnhult personal identity no. 19670508-3936) or his spouse or any of their direct heirs, by way of direct or indirect ownership of shares, and their respective Affiliates.

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

“**Management Reporting**” means the Group’s management reporting, including the reporting of revenue recognition and non-consolidation of tenant-ownership projects, in accordance with IFRS 8 (Operating Segment) (Sw. *segmentsredovisning*) subject to adjustments in accordance with the Accounting Principles applicable from time to time.

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

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

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

“**Material Group Company**” means:

- (a) the Issuer; and
- (b) any other Group Company with earnings before interest, taxes, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) representing five (5.00) per cent. or more of Consolidated EBITDA.

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

“**Net Finance Charges**” means, in respect of the Reference Period, the Group’s consolidated net finance charges (Sw. *räntenetto*) according to the Management Reporting as set out in the latest consolidated Financial Statements, but excluding any interest attributable to any Hybrid Instrument.

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue after deduction has been made for the transaction costs payable by the Issuer to the Issuing Agent and the bookrunner for the services provided in relation to the placement and issuance of the Bonds.

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

“**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.

“**Profit After Financial Items**” means, in respect of the Reference Period, the Group’s consolidated profit after financial items (Sw. *resultat efter finansiella poster*) according to the Management Reporting as set out in the latest consolidated Financial Statements.

“**Properties**” means real property (Sw. *fast egendom*) owned by the Group from time to time.

“**Quotation Day**” means:

- (a) in relation to an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, two (2) Business Days before the First Issue Date); or

- (b) in relation to any other period for which an Interest Rate is to be determined, two (2) Business Days before the first day of that period.

“**Record Date**” means the fifth (5<sup>th</sup>) 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 15.11 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 11 (*Redemption and repurchase of the Bonds*).

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

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

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

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

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

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

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

“**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 Refinitiv 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 rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent (rounded upwards to four decimal places) by interpolation between the two closest rates displayed on the on page STIBOR= of the Refinitiv screen (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor;

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

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

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

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

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

“**Total Assets**” means the consolidated aggregate book value of the Group’s total assets according to the Management Reporting as set out in the latest consolidated Financial Statements.

“**Total Equity**” means the sum of the total equity of the Group calculated on a consolidated basis, according to the Management Reporting as set out in the latest consolidated Financial Statements.

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by a Group Company directly or indirectly in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue, (ii) the admission to trading of the Bonds (including Subsequent Bonds) on the relevant Regulated Market, (iii) any acquisition or divestment made by the Group (for the avoidance of doubt, excluding any payment of purchase price and earn-out payments) or (vi) any rights issue or directed share issue by the Issuer.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 16.3 (*Written Procedure*).

## 1.2 **Construction**

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

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

- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (c) a “**regulation**” includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
  - (d) a provision of regulation is a reference to that provision as amended or re-enacted; and
  - (e) a time of day is a reference to Stockholm time.
- 1.2.2 An Event of Default is continuing if it has not been remedied or waived.
- 1.2.3 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, any amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.2.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- 1.2.6 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of the Terms and Conditions and may be updated without the consent of the Bondholders and the Agent (save for the privacy statement insofar it relates to the Agent).
- 1.2.7 Any Hybrid Instrument which is fully treated as equity in the balance sheet of the Issuer in accordance with the Accounting Principles shall, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness or a Market Loan.

## **2. STATUS OF THE BONDS**

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

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

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

- 3.3 The aggregate amount of the bond loan will be an amount of up to SEK 800,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 500,000,000 (the “**Initial Bond Issue**”).
- 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 and any Subsequent Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0016798227.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 800,000,000, always provided that no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue. 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**

An amount equivalent to the Net Proceeds of the Initial Bond Issue and any Subsequent Bond Issue shall be applied in accordance with the principles set out in the Issuer’s Green Finance Framework, including finance or re-finance of projects or assets providing distinct environmental benefits.

#### **5. CONDITIONS FOR SETTLEMENT**

##### **5.1 Conditions Precedent for settlement of the Initial Bond Issue**

- 5.1.1 The Issuer shall provide to the Agent, as soon as reasonably possible but in any event no later than 11.00 a.m. three (3) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), all of the documents and other evidence listed in Part 1 (*Conditions precedent for the settlement of the Initial Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).
- 5.1.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)). The Initial Bond Issue shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 09.00 a.m. two (2) Business Days prior to the First Issue Date (or such later time as agreed by the Issuing Agent).

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

## 5.2 **Conditions Precedent for a Subsequent Bond Issue**

5.2.1 The Issuer shall provide to the Agent, as soon as reasonably possible but in any event no later than 11.00 a.m. three (3) Business Days prior to the Issue Date (or such later time as agreed to by the Agent) in respect of Subsequent Bonds, all of the documents and other evidence listed in Part 2 (*Conditions precedent for a Subsequent Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).

5.2.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.2.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)). The Subsequent Bond Issue shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 09.00 a.m. 2 Business Days prior to the relevant Issue Date (or such later time as agreed by the Issuing Agent).

5.2.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.2.2, the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds of such Subsequent Bond Issue to the Issuer on the Issue Date in respect of such Subsequent Bonds.

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

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

6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.

6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.

6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

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

## **7. BONDS IN BOOK-ENTRY FORM**

- 7.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 7.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 7.6 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. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

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

- 8.1 If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.
- 8.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 8.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and

effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.

- 8.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (*Sw. förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

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

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

## **10. INTEREST**

- 10.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will 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.

- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 10.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 10.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## **11. REDEMPTION AND REPURCHASE OF THE BONDS**

### **11.1 Redemption at maturity**

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

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

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

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

- 11.3.1 The Issuer may redeem all, but not some only, of the Bonds in full on any Business Day falling on or after the date falling thirty-three (33) months after the First Issue Date but before the Final Redemption Date, at a price equal to one hundred and twenty-five hundredths (100.25) per cent. of the Nominal Amount together with accrued but unpaid Interest, provided that such early redemption is financed in part or in full by way of the Issuer issuing Market Loan(s) in one or several issues.
- 11.3.2 Redemption in accordance with Clause 11.3.1 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. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

11.4.1 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.

11.4.2 The applicability of Clause 11.4.1 shall be supported by a legal opinion issued by a reputable law firm.

11.4.3 The Issuer may give notice of redemption pursuant to Clause 11.4.1 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 shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

11.5.1 Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

11.5.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 12.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.5.1.

11.5.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 11.5, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 11.5 by virtue of the conflict.

11.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.5, if a third party in connection with the occurrence of a Change of Control, De-listing or Listing Failure, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 11.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time

limits stipulated in this Clause 11.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

- 11.5.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.5 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Statements**

12.1.1 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.

### **12.2 Requirements as to Financial Statements**

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

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

12.2.3 The Issuer shall procure that the Management Reporting as set out in the annual audited consolidated financial statements of the Group shall be reviewed and its relevance and that it has been consistently applied in accordance with the principles applied for the financial year 2020 (subject to adjustments in accordance with the Accounting Principles applicable from time to time) confirmed by the Group's auditor in the auditor's report in respect of the annual audited consolidated financial statements prepared in accordance with the Accounting Principles.

12.2.4 The Issuer shall make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Green Finance Framework to the Agent and on its website in connection with the publication of the annual audited consolidated financial statements of the Group.

### **12.3 Compliance Certificate**

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

- (a) when consolidated Financial Statements are made available to the Agent in accordance with paragraphs (a) or (b) of Clause 12.1 (*Financial Statements*);

- (b) in connection with a Restricted Payment being made which requires that the Incurrence Test is met; and
- (c) at the Agent's request, within twenty (20) calendar days from such request.

12.3.2 In each Compliance Certificate, the Issuer shall:

- (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it;
- (b) if provided in connection with Financial Statements being made available, certify that the Maintenance Test is met as per the Reference Date to which the Compliance Certificate refers to (and has not been breached since the last day of the relevant quarter to which the most recent Compliance Certificate refers), including calculations and figures in respect of the Maintenance Test; and
- (c) if provided in connection with a Restricted Payment being made, that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test.

## 12.4 **Information: miscellaneous**

The Issuer shall:

- (a) promptly notify:
  - (i) the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing Event or a Listing Failure; and
  - (ii) the Agent upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default,and shall provide the Agent with such further information as it may reasonably request in writing following receipt of any such notice;
- (b) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions), the Green Finance Framework(s) applicable to the Initial Bonds and any Subsequent Bonds and the second opinion relating to such Green Finance Framework(s) available on its website; and
- (c) upon request by the Agent, provide the Agent with any information relating to a transaction made pursuant to Clause 14.5 (*Disposal of assets*) or Clause 14.10 (*Mergers and demergers*) which the Agent deems necessary (acting reasonably).

## 12.5 **Restrictions**

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 12 if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including

entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 12.

### **13. FINANCIAL COVENANTS**

#### **13.1 Maintenance Test**

13.1.1 The Maintenance Test shall be tested quarterly on each Reference Date from and including 31 December 2021, for as long as any Bond is outstanding, on the basis of the Management Reporting as set out in the interim Financial Statements for the period ending on the relevant Reference Date and shall be included in the Compliance Certificate delivered in connection with such Financial Statements.

13.1.2 The Maintenance Test is met if;

- (a) the Equity Ratio is equal to or higher than twenty-five (25.00) per cent.; and
- (b) The Interest Coverage Ratio is equal to or higher than two and five tenths to one (2.50:1).

#### **13.2 Incurrence Test**

13.2.1 The Incurrence Test shall be made in connection with any Restricted Payment being made which requires that the Incurrence Test is met.

13.2.2 The Incurrence Test is met if:

- (a) the Equity Ratio is equal to or higher than twenty-seven and five tenths (27.50) per cent.; and
- (b) no Event of Default is continuing or would occur from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant distribution or payment (as applicable).

#### **13.3 Calculation Principles**

13.3.1 The Incurrence Test shall be tested on a date determined by the Issuer, falling no more than one (1) month prior to the date on which the relevant Restricted Payment is made (the “**Incurrence Test Date**”).

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

- (a) the transaction which requires that the Incurrence Test is made shall be included in the calculations on a *pro forma* basis; and
- (b) the figures for Equity Ratio according to the Management Reporting as of the last day of the period covered by the most recent Financial Statements shall be used, but adjusted so that (as applicable):
  - (i) entities, assets or operations acquired, disposed of or discontinued by the Group after the Reference Period and up until and including the Incurrence Test Date shall be included or excluded (as applicable), *pro forma*;

- (ii) all Financial Indebtedness incurred under the Initial Bond Issue and any previous Subsequent Bond Issues shall (to the extent not already included) be included, pro forma; and
- (iii) any equity raised or distributions made after the last day of the period covered by the most recent Financial Statements shall be included or excluded (as applicable), pro forma.

## 14. SPECIAL UNDERTAKINGS

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

### 14.1 Distributions

The Issuer shall not, and shall procure that no other Group 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 principal or pay interest under any shareholder loan or Hybrid Instrument; or
- (e) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the direct or indirect shareholders 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 can be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from such Restricted Payment, by:

- (A) a Group Company (save for the Issuer) to its immediate shareholders, provided that if such Restricted Payment is made by a Group Company which is not directly or indirectly wholly-owned by the Issuer, the Restricted Payment is made on a pro rata basis or in a larger proportion to the Group; or
- (B) the Issuer:
  - (1) if (i) the Incurrence Test (calculated *pro forma* including the relevant Restricted Payment) is met, and (ii) such Restricted Payment (when aggregated with all other Restricted Payments made by the Issuer that financial year, save for any Restricted Payments made in accordance with paragraphs (2), (4) and (5) below) does not exceed fifty (50.00) per cent. of the Group’s consolidated profit before unrealised changes in property value and derivatives (calculated net of paid taxes) according to the Management Reporting as set out in the annual audited Financial Statements for the previous financial year (and without accumulation of profits from previous financial years);

- (2) if such Restricted Payment constitutes repurchase and transfer of any of its own shares for the purpose of financing share considerations in connection with actual acquisitions of companies and/or businesses for which purchase agreements or similar have been entered into, provided that such repurchase and transfer of shares have been duly resolved upon at the general meeting of the Issuer or that such general meeting has authorised the board of directors of the Issuer to perform such repurchase and transfer of shares;
- (3) if such Restricted Payment constitutes repurchase of any of its own shares for the purpose of securing any of its obligations or costs under any Employee Ownership Program;
- (4) if (i) the Incurrence Test is met (calculated *pro forma* including the relevant Restricted Payment) and (ii) such Restricted Payment is a payment of accrued interest under any Hybrid Instrument; or
- (5) if such Restricted Payment is a payment of principal or interest under any Hybrid Instrument in connection with a refinancing in part or in full of such Hybrid Instrument financed by the issuance by the Issuer of new Hybrid Instruments or any other instrument accounted for as equity in accordance with the Accounting Principles.

#### 14.2 **Admission to trading**

Without prejudice to Clause 11.5 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*), the Issuer shall ensure that:

- (a) the Bonds issued in the Initial Bond Issue are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within six (6) months after the First Issue Date; and
- (b) upon any Subsequent Bond Issue, the volume of Bonds admitted to trading on the relevant Regulated Market promptly, and not later than four (4) months after the relevant Issue Date, is increased accordingly (unless the Subsequent Bonds are issued before the date falling six (6) months after the First Issue Date in which case such Subsequent Bonds shall be admitted to trading within the later of (A) six (6) months after the First Issue Date and (B) the date falling four (4) months after the issuance of the relevant Subsequent Bond).

#### 14.3 **Nature of business**

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

#### 14.4 **Market Loans**

- (a) The Issuer shall not, and shall procure that no other Group Company will, issue any Market Loans.

- (b) Notwithstanding paragraph (a) above, the Issuer may issue a Market Loan provided that such Market Loan:
  - (i) ranks *pari passu* with or is subordinated to the obligations of the Issuer under the Bonds; and
  - (ii) has a final redemption date or instalment dates which occur after the Final Redemption Date (for the avoidance of doubt, any issue of subsequent bonds (tap issues) under any of the Issuer's outstanding Market Loans shall be permitted).
- (c) The Issuer shall not, and shall procure that no other Group Company will, provide, prolong or renew any Security over any of its assets (present or future) to secure any Market Loan, save for customary escrow arrangements in connection with the refinancing of a Market Loan.
- (d) Notwithstanding anything to the contrary herein, a Market Loan incurred by a Group Company prior to the acquisition by the Group of such Group Company may remain outstanding.

#### 14.5 **Maintenance Test**

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

#### 14.6 **Disposals of assets**

The Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of shares or other interests in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

#### 14.7 **Dealings with related parties**

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

#### 14.8 **Compliance with laws**

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

#### 14.9 **Authorisations**

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

#### 14.10 **Mergers and demergers**

- (a) The Issuer shall not enter into any amalgamation, demerger, merger or reconstruction.
- (b) The Issuer shall procure that no other Group Company will enter into any amalgamation, demerger, merger or reconstruction, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

#### 14.11 **Maintenance of Properties**

The Issuer shall, and shall procure that each other Group Company will, keep the Properties in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice.

#### 14.12 **Insurance**

The Issuer shall, and shall procure that each other Group Company will, keep the Properties insured to the extent customary for similar properties and businesses on the relevant geographical market with one or more reputable insurers.

#### 14.13 **Green Finance Framework**

The Issuer shall maintain a Green Finance Framework and shall ensure that the proceeds from any Bonds issued are used in accordance with the Green Finance Framework applicable from time to time.

#### 14.14 **Principles for Management Reporting**

The Issuer shall ensure that the principles applied for the Management Reporting during the financial year 2020 shall be consistently applied to the Management Reporting until the Final Redemption Date, subject to adjustments in accordance with the Accounting Principles applicable from time to time.

#### 14.15 **Agency Agreement**

- (a) The Issuer shall, in accordance with the Agency Agreement:
  - (i) pay fees to the Agent;
  - (ii) indemnify the Agent for costs, losses and liabilities;
  - (iii) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
  - (iv) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

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

#### 14.16 **CSD related undertakings**

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

### 15. **TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.10 (*Termination*) and Clause 15.11 (*Distribution of proceeds*)).

#### 15.1 **Non-payment**

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

#### 15.2 **Maintenance Test**

The Issuer fails to comply with the Maintenance Test on any Reference Date.

#### 15.3 **Other obligations**

- (a) The Issuer does not comply with any provision of the Finance Documents, other than a breach of the Green Finance Framework or the use of Net Proceeds from a Bond Issue in breach of the Green Finance Framework, Clause 15.1 (*Non-payment*) or Clause 15.2 (*Maintenance Test*)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied 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 failure to comply,provided that if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written notice.

#### 15.4 **Cross-payment default and cross-acceleration**

- (a) Any Financial Indebtedness of a Group Company is not paid when due as extended by 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).
- (b) Any security interest securing Financial Indebtedness over any asset of any Group Company is enforced.

- (c) No Event of Default will occur under this Clause 15.4 if:
  - (i) the Financial Indebtedness is owed by a Group Company to another Group Company; or
  - (ii) the aggregate amount of Financial Indebtedness falling within paragraphs (a) to (b) above is equal to or less than SEK 25,000,000 (or its equivalent in any other currency or currencies).

#### 15.5 **Insolvency**

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

#### 15.6 **Insolvency proceedings**

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

#### 15.7 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate

value equal to or exceeding SEK 25,000,000 and is not discharged within thirty (30) calendar days.

#### 15.8 **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.

#### 15.9 **Cessation of business**

- (a) The Issuer ceases to carry on its business.
- (b) Any Material Group Company (save for the Issuer) ceases to carry on its business, except if due to:
  - (i) a permitted disposal permitted under Clause 14.5 (Disposals of assets); or
  - (ii) a merger or demerger permitted under Clause 14.10 (Mergers and demergers),in each case provided that such cessation is likely to have a Material Adverse Effect.

#### 15.10 **Termination**

- 15.10.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.10.3 or 15.10.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 15.10.2 The Agent may not terminate the Bonds in accordance with Clause 15.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 15.10.1.
- 15.10.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 15.1 (*Non-payment*)) up until the time stipulated in Clause 15.10.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 15.10.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so 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 16 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 15.10.5 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 16 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 15.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 16 (*Decisions by Bondholders*).
- 15.10.9 If the Bonds are declared due and payable in accordance with Clause 15.10.1, the Issuer shall redeem all Bonds with an amount per Bond equal to one hundred and twenty-five hundredths (100.25) per cent. of the Nominal Amount together with accrued but unpaid Interest.

#### 15.11 **Distribution of proceeds**

- 15.11.1 If the Bonds have been declared due and payable in accordance with this Clause 15, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *firstly*, in or towards payment pro rata of:
- (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
  - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights as may have been incurred by the Agent;
  - (iii) any non-reimbursed costs incurred by the Agent for external experts; and

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

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

- 15.11.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.11.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.11.1.
- 15.11.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15.11 as soon as reasonably practicable.
- 15.11.4 If the Issuer or the Agent shall make any payment under this Clause 15.11, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

## **16. DECISIONS BY BONDHOLDERS**

### **16.1 Request for a decision**

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the 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.

- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 16.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 16.3.1. After a request from the Bondholders pursuant to Clause 18.4.3, 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 16.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

## 16.2 **Bondholders' Meeting**

- 16.2.1 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 Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 16.2.2 The notice pursuant to Clause 16.2.1 shall include:
- (a) the time for the meeting;
  - (b) the place for the meeting;
  - (c) an agenda for the meeting;
  - (d) the reasons for, and contents of, each request for a decision by the Bondholders as well as any applicable conditions and conditions precedent;
  - (e) a form of power of attorney; and

- (f) should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

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

- 16.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 16.2.4 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.
- 16.2.5 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.

### 16.3 **Written Procedure**

- 16.3.1 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.
- 16.3.2 A communication pursuant to Clause 16.3.1 shall include:
  - (a) the reasons for, and contents of, each request for a decision by the Bondholders as well as any applicable conditions and conditions precedent;
  - (b) 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;
  - (c) 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;
  - (d) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 16.3.1); and
  - (e) if the voting shall be made electronically, instructions for such voting.
- 16.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall

be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

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

16.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 16.3.2, in respect of a Written Procedure,

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

16.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds ( $66\frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 14 (*Special undertakings*);
- (b) a mandatory exchange of the Bonds for other securities;
- (c) a change of issuer;
- (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
- (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
- (f) amend the provisions in this Clause 16.4.2 or in Clause 16.4.3.

16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 17.1) or a termination of the Bonds.

16.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 16.4.3.

16.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted

Nominal Amount in respect of matters set out in Clause 16.4.2 above and at least twenty (20.00) per cent. of the Adjusted Nominal Amount in respect of matters set out in Clause 16.4.3 above:

- (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.

- 16.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 16.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.4.8 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 16.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 16.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 16.4.11 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.
- 16.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the 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.
- 16.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the 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.

## **17. AMENDMENTS AND WAIVERS**

17.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:

- (a) is not detrimental to the interest of the Bondholders;
- (b) is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
- (d) is necessary for the purpose of having the Bonds admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders; or
- (e) has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.

17.2 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 17.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

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

## **18. THE AGENT**

### **18.1 Appointment of the Agent**

18.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and 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. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.

18.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties

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

- 18.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 18.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 18.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## 18.2 **Duties of the Agent**

- 18.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents.
- 18.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 18.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 18.2.4 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 as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 18.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.
- 18.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
  - (a) after the occurrence of an Event of Default;
  - (b) for the purpose of investigating or considering:
    - (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or
    - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
  - (c) in connection with any Bondholders' Meeting or Written Procedure;
  - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the 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 15.11 (*Distribution of proceeds*).

- 18.2.7 The Agent shall, as applicable, 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.
- 18.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:
- (a) whether any Event of Default has occurred;
  - (b) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
  - (c) whether any other event specified in any Finance Document has occurred.

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

- 18.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 12.3.2 and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.9.
- 18.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.9. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 18.2.11 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 regulation.
- 18.2.12 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.
- 18.2.13 The Agent shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or if it refrains from acting for any reason described in Clause 18.2.12.

18.2.14 Upon the reasonable request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.

18.2.15 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Bondholders any document, information, 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 (save for that any delay in disclosing an Event of Default, which event shall be governed by Clause 15.10.3).

### 18.3 **Liability for the Agent**

18.3.1 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 or consequential loss.

18.3.2 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.

18.3.3 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.

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

18.3.5 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.

### 18.4 **Replacement of the Agent**

18.4.1 Subject to Clause 18.4.6, 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.

- 18.4.2 Subject to Clause 18.4.6 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.
- 18.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the 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.
- 18.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) 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 within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 18.4.5 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.
- 18.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) 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; and
  - (b) the period pursuant to paragraph (b) of Clause 18.4.4 having lapsed.
- 18.4.7 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.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, 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 and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **19. THE ISSUING AGENT**

- 19.1 The Issuer shall when necessary appoint an Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 19.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 19.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

## **20. THE CSD**

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

## **21. NO DIRECT ACTIONS BY BONDHOLDERS**

- 21.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the obligations or liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 21.2 Clause 21.1 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 18.1.2), 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 of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 18.12.2 such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.13 before a Bondholder may take any action referred to in Clause 21.1.

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

## **22. TIME-BAR**

- 22.1 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.
- 22.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to the right to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## **23. NOTICES AND PRESS RELEASES**

### **23.1 Notices**

- 23.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Agent to the Issuer from time to time;
  - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Agent by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Agent, to such e-mail 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.

- 23.1.2 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (or, if between the Agent and the Issuer, by e-mail) and will only be effective:
- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 23.1.1;
  - (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1.1; or
  - (c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 23.1.1.
- 23.1.3 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.

## 23.2 **Press releases**

- 23.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 11.3 (*Early voluntary total redemption (call option)*), Clause 11.4 (*Early voluntary total redemption due to illegality (call option)*), paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) or Clauses 15.10.3, 15.11.4, 16.4.13, 16.2.1, 16.3.1, 17.2, 18.2.13 or 18.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 23.2.2 In addition to Clause 23.2.1, 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.

## 24. **FORCE MAJEURE**

- 24.1 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, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 24.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 24.3 The provisions in this Clause 24 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **25. GOVERNING LAW AND JURISDICTION**

- 25.1 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.
- 25.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 25.3, be determined by Swedish courts and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 25.3 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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# SCHEDULE 1

## CONDITIONS PRECEDENT

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Part

1

### Conditions Precedent for the settlement of the Initial Bond Issue

#### 1. The Issuer

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

#### 2. Finance Documents

- (a) A duly executed copy of the Terms and Conditions.
- (b) A duly executed copy of the Agency Agreement.

## **Part 2**

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

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

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

#### **2. Miscellaneous**

- (a) Such other documents and evidence as is agreed between the Agent and the Issuer.

## SCHEDULE 2

# FORM OF COMPLIANCE CERTIFICATE

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### COMPLIANCE CERTIFICATE

To: Nordic Trustee & Agency AB (publ) as Agent

From: Wästbygg Gruppen AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

#### Wästbygg Gruppen AB (publ)

#### Maximum SEK 800,000,000 senior unsecured callable floating rate green bonds 2021/2024 with ISIN: SE0016798227 (the "Bonds")

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

(2) **[Maintenance Test**

We confirm that the Maintenance Test is met and that in respect of the Reference Date [date] (and has not been breached since the last day of the relevant quarter to which the most recent Compliance Certificate refer):

- (i) Total Equity was SEK [•], Total Assets was SEK [•] and therefore the Equity Ratio was [•] per cent. (and should have been equal to or higher than 25.00 per cent.); and
- (ii) Profit After Financial Items was SEK [•] (with Net Finance Charges added back), Net Finance Charges was SEK [•] (excluding the rights of use of land lease properties that in accordance with the Accounting Principles are accounted for as a financial cost), and therefore the Interest Coverage Ratio was [•:1] (and should have been equal to or higher than 2.50:1);

The Maintenance Test has been tested on the basis of the Management Reporting as set out in the interim Financial Statements for the period ending on the relevant Reference Date.

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

(3) **[Incurrence Test**

We confirm that the Incurrence Test is met and that in respect of the date of the Incurrence Test Date, [date] (falling no more than one (1) month prior to the relevant distribution or payment):

- (i) Total Equity was SEK [•], Total Assets was SEK [•] and therefore the Equity Ratio was [•] per cent. (and should have been equal to or higher than 27.50 per cent.); and
- (ii) No Event of Default is continuing or would occur from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant distribution or payment (as applicable)

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<sup>1</sup> This section to be used if the Compliance Certificate is delivered in connection with the delivery of a Financial Report.

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

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

**Wästbygg Gruppen AB (publ)**

\_\_\_\_\_  
Name:

*Authorised signatory*

\_\_\_\_\_  
Name:

*Authorised signatory*

\_\_\_\_\_  
<sup>2</sup> Should include any adjustments as set out in Clause 13.3 (*Calculation Principles*).

<sup>3</sup> Should be included in each Compliance Certificate. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

We hereby certify that the above Terms and Conditions are binding upon ourselves.

Stockholm, \_\_\_\_\_ 2021

*The*

**Wästbygg Gruppen AB (publ)**

*Issuer*

\_\_\_\_\_  
Name:

We hereby undertake to act in accordance with the above Terms and Conditions to the extent they refer to us.

Stockholm, \_\_\_\_\_ 2021

*The*

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

*Agent*

\_\_\_\_\_  
Name:

# ADDRESSES

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## Issuer

### **Wästbygg Gruppen AB (publ)**

Box 912

SE-501 10 Borås, Sweden

Tel: +46 (0)31-733 23 00

Website: [www.wastbyg.se](http://www.wastbyg.se)

## Issuing agent and Bookrunner

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

105 34 Stockholm, Sweden

Tel: + 46 (0)8-585 900 00

Website: [www.swedbank.se](http://www.swedbank.se)

## Auditor

### **Grant Thornton Sweden AB,**

Box 7623

SE-103 94 Stockholm, Sweden

Tel: + 46 (0)8-563 070 00

Website: [www.grantthornton.se](http://www.grantthornton.se)

## Central securities depository

### **Euroclear Sweden AB**

P.O. Box 7822, SE-103 97 Stockholm, Sweden

Tel: +46 (0)8-402 90 00

Web site: [www.euroclear.com](http://www.euroclear.com)

## Legal advisor

### **Gernandt & Danielsson Advokatbyrå KB**

P.O. Box 5747, SE-114 87 Stockholm, Sweden

Tel: +46 (0)8-670 66 00

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

## Agent

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

P.O. Box 7329, SE-103 90 Stockholm, Sweden

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Website: [www.nordictrustee.com](http://www.nordictrustee.com)