



## **K2A Knaust & Andersson Fastigheter AB (publ)**

### **Base Prospectus MTN Programme**

**Arrangers:**

Nordea Bank Abp  
Swedbank AB (publ)

**Dealers:**

Arctic Securities AS, filial Sverige  
Carnegie Investment Bank AB (publ)  
Danske Bank A/S, Danmark, Sverige Filial  
Nordea Bank Abp  
Swedbank AB (publ)

This Base Prospectus was approved by the Swedish Financial Supervisory Authority on 20 May 2022 and is valid for up to 12 months after its approval, provided that it is completed by any supplement required pursuant to Regulation (EU) 2017/1129. The Issuer's obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Base Prospectus is no longer valid.

## IMPORTANT INFORMATION

In this base prospectus (the “**Base Prospectus**”), the “**Issuer**” means K2A Knaust & Andersson Fastigheter AB (publ), K2A Knaust & Andersson Fastigheter AB (publ) together with its direct and indirect subsidiaries (the “**Group**”), or a subsidiary in the Group, depending on the context. Words and expressions defined in the general terms and conditions for the MTN Programme (the “**General Terms and Conditions**”) and the final terms for the applicable Notes issued under the MTN Programme (the “**Final Terms**”) shall have the same meaning when used in this Base Prospectus, unless expressly stated otherwise or follows from the context.

This Base Prospectus has been prepared by the Issuer in relation to the programme for issuance of notes in Swedish kronor (“**SEK**”) or euro (“**EUR**”) (the “**Notes**”) with different maturities but with a minimum term of one (1) year (the “**MTN Programme**”). Notes may be issued in a minimal nominal amount of EUR 100,000 or the equivalent amount in SEK. The Issuer has undertaken towards the Dealers that the aggregate Nominal Amount of all Notes outstanding under the MTN Programme shall not exceed SEK 3,000,000,000 (or equivalent amount in EUR). The Issuer and the Dealers may agree to increase or decrease such amount.

This Base Prospectus has been prepared in accordance with the standards and requirements of Regulation (EU) 2017/1129 of the European Parliament and of the Council (the “**Regulation**”), supplemented by Commission Delegated Regulation (EU) 2019/979 and Commission Delegated Regulation (EU) 2019/980 (jointly, the “**Prospectus Regulations**”). This Base Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) as the competent authority under the Regulation. Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Base Prospectus is correct and complete.

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

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

The Notes may not be a suitable investment for all investors and each potential investor in the Notes 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 Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base 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 Notes and the impact other Notes 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 Notes; (iv) understand thoroughly the General Terms and Conditions and the applicable Final Terms; 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.

The Base Prospectus contains certain forward-looking statements that reflect the Issuer’s current views or expectations with respect to future events and financial and operational performance. The words “intend”, “estimate”, “expect”, “may”, “plan”, “anticipate” or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialise. Because these forward-looking statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statement.

In respect of the Notes, the relevant Dealer will undertake a target market assessment in respect of the Notes and determine the appropriate channels for the Notes. Any person subsequently offering, selling or recommending the Notes (a “**Distributor**”) should take into consideration the target market assessment. However, a Distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. For the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), a determination will be made in relation to each issue about whether any Dealer participating in the issue of the Notes is a manufacturer in respect of such Notes. Neither the Dealers nor any of their respective affiliates that do not participate in an issue will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Factors that could cause the Issuer’s and the Group’s actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in section “*Risk factors*”. The forward-looking statements included in this Base Prospectus apply only to the date of the Base Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequent forward-looking information that can be ascribed to the Issuer and the Group or persons acting on the Issuer behalf is subject to the reservations in or referred to in this section.

This Base Prospectus is governed by Swedish law. Disputes concerning, or related to, the contents of this Base Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

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## 1 DESCRIPTION OF THE MTN PROGRAMME

*This section contains a general and broad description of the MTN Programme. It does not claim to be comprehensive or cover all details of the MTN Programme or the Notes and potential investors should therefore carefully consider this Base Prospectus as a whole, including the documents incorporate by reference before a decision is made to invest in the Notes.*

### 1.1 General information

The Issuer has established this MTN Programme for the purpose of issuing Notes up to a total amount of SEK 3,000,000,000 (or equivalent amount in EUR) or such other amount that the Dealers and the Issuer may agree. On 20 May 2021 the Issuer's board of directors resolved to establish an MTN Programme and on 19 May 2022 the board of directors decided on the current MTN programme.

The Notes may be issued with different maturities but with a minimum term of one (1) year. The Notes may be issued in SEK or EUR with fixed interest rate or floating interest rate. The Notes may be issued in a minimal nominal amount of EUR 100,000 or the equivalent amount in SEK.

Notes issued under this MTN Programme are governed by the General Terms and Conditions together with the applicable Final Terms. The General Terms and Conditions apply to all Notes issued under this MTN Programme. The applicable Final Terms in respect of Notes are specified in relation to the Notes on the basis of the form of final terms set out in section "Form of Final Terms" below. The applicable Final Terms must be read together with the General Terms and Conditions. The Final Terms specify, among other things, the Issue Date, the basis for interest calculation and the Maturity Date. Final Terms in relation to each Note Series issued under this MTN will also be available on the Issuer's website<sup>1</sup> ([www.k2a.se](http://www.k2a.se)).

Offers to purchase or otherwise acquire Notes under this MTN Programme are not directed to Persons whose participation in such offer(s) requires any additional prospectus, registration or additional measures other than those which follow from Swedish law for such offer(s) made in Sweden. Purchases or other acquisitions of Notes under this MTN Programme in contrary to the above will be deemed null and void.

The Issuer has appointed Nordea Bank Abp, Swedbank AB (publ), Arctic Securities AS, filial Sverige, Carnegie Investment Bank AB (publ) and Danske Bank A/S, Danmark, Sverige Filial, as Dealers under the MTN Programme. Additional Dealers may be appointed and Dealers may withdraw from its appointment. The Dealers have not verified and are not responsible for the contents of this Base Prospectus.

### 1.2 Green Notes

The Issuer may issue Green Notes and shall maintain a green finance framework. The relevant Green Finance Framework shall at all times be published on the Issuer's webpage and the Issuer shall ensure that an amount

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<sup>1</sup> Information made available on the Issuer's website does not form part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus.

equivalent to the proceeds from any Notes specified as “Green Notes” in the applicable Final Terms are applied in accordance with the relevant Green Finance Framework.

The Issuer may, from time to time, amend its Green Finance Framework. Any amendments to the Green Finance Framework effectuated after the Issue Date of the relevant Green Notes will not benefit or apply to Green Notes already issued prior to such amendment.

If the Issuer fails to comply with the relevant Green Finance Framework at any time, it shall not constitute an Event of Default under any circumstance and such non-compliance will not entitle any Noteholder to any form of compensation or to otherwise redeem, repurchase or accelerate the Green Notes prior to its specified Maturity Date.

### **1.3 Form of the Notes, clearing and settlement**

The Notes constitute debt instruments (*Sw. skuldförbindelser*), each of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act.

The Notes are issued in dematerialised book-entry form and will be registered for the Noteholders on their respective Securities Account. Accordingly, the Notes will be maintained by the CSD (initially Euroclear Sweden AB) and registered in accordance with the Financial Instruments Accounts Act and no physical notes will be issued. Payments in respect of the Notes will be made and settled through the CSD's book-entry system. Each Note Series is given a specific loan identification number (ISIN) in the applicable Final Terms.

The Notes are freely transferable, but Noteholders may be subject to purchase or transfer restrictions with regard to the Notes under local laws to which such Noteholder may be subject (due to, e.g. its nationality, its residency, its registered address or its place(s) of business). The Notes have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.

### **1.4 Admission to trading**

An application for admission to trading of the Notes on Nasdaq Stockholm or any other Regulated Market may be made in accordance with the applicable Final Terms. The applicable Regulated Market will carry out its own assessment of the application and will approve or reject the admission to trading.

### **1.5 Tax**

The following summary outlines the Issuer's understanding of certain Swedish tax consequences relating to Noteholders, if not otherwise stated. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes. It may not apply to certain classes of persons such as Dealers. The summary is based on the laws of Sweden as currently in effect and is only intended to provide general information and does not constitute legal or tax advice. This summary does not address the rules regarding reporting obligations for, among others, payers of interest. Prospective investors are urged to consult their professional tax advisers regarding the Swedish tax and other tax consequences (including the applicability and effect of double taxation treaties) of holding or transferring Notes.

### *Noteholders not resident in Sweden*

Payments of any principal amount or any amount that is considered to be interest for Swedish tax purposes to any Noteholder should not be subject to Swedish income tax, provided that such holder is neither (i) resident in Sweden for Swedish tax purposes nor (ii) engaged in trade or business in Sweden through a permanent establishment to which the Notes are effectively connected. A private individual is resident in Sweden for Swedish tax purposes if he/she (a) is domiciled in Sweden; (b) has his/her habitual abode in Sweden; or (c) earlier has been domiciled in Sweden and after having moved abroad continues to have an essential connection with Sweden (for example, is engaged in trade or business in Sweden).

Swedish law does not provide for deduction or withholding for or on account of taxes on payments of any principal or interest to any Noteholder not resident in Sweden for tax purposes.

Private individuals (and estates after private individuals) who are not resident in Sweden for tax purposes may be liable for capital gains taxation in Sweden upon disposal or redemption of certain financial instruments, depending on the classification of the particular financial instrument for Swedish income tax purposes, if they have been resident in Sweden or have stayed permanently in Sweden at any time during the calendar year of disposal or redemption or the ten calendar years preceding the year of disposal or redemption.

### *Noteholders resident in Sweden*

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) with residence in Sweden for Swedish tax purposes, all capital income (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable with 30 % for individuals and 20,6 % for companies. Specific tax consequences, however, may apply to certain categories of corporations (e.g. investment companies and life insurance companies).

If the Notes are registered with Euroclear Sweden or held by a Swedish nominee in accordance with the Swedish Financial Instruments Accounts Act (SFS 1998:1479), Swedish preliminary taxes are withheld by Euroclear Sweden or the nominee on payments of amounts that are considered to be interest for Swedish tax purposes to a private individual (or an estate of a deceased individual) with residence in Sweden for Swedish tax purposes. If the notes are floating rate notes no withholding will however be made by Euroclear for notes sold during the term.

## **1.6 Costs**

The Issuer is responsible for all costs associated with the admission to trading of Notes under this MTN Programme, such as (but not limited to) the costs of producing this Base Prospectus, admission to trading, documentation and fees to Euroclear Sweden AB and the applicable Regulated Market.

## **1.7 Status**

The Notes will 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 other direct,

general, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Note Terms.

### **1.8 Sales, price and interest**

Primary sales will take place through the Dealers receiving issue and trade instructions from the Issuer. The price of and the interest applicable to the Notes cannot be established in advance but is set in connection with the relevant issue in the basis of the prevailing market conditions. The Notes may be issued at a price equivalent to, below or above the relevant Nominal Amount. The market price of the Notes depend on several factors, one of which is the interest rate applicable to other investments with a corresponding term.

The yield on a Note is a function of the price at which the Note is acquired, the interest applicable to the relevant Note and any other costs attributable to the acquisition of the Note (including any brokerage costs).

### **1.9 Credit rating**

If any Note Series has received (or will receive) a credit rating such credit rating will be specified in the applicable Final Terms. A credit rating is a rating that an independent rating agency (such as Nordic Credit Rating, Moody's, Standard & Poor's and Fitch's) can assign a borrower in respect of its creditworthiness and its ability to fulfil its financial obligations.

As of the day of this Base Prospectus, the Issuer has not received a credit rating from any rating agency.

### **1.10 Prescription**

The right to receive repayment of the principal of Notes issued under the MTN Programme shall be prescribed and become void ten (10) years from the relevant Maturity Date (or other Redemption Date, if earlier). The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. 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 Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

### **1.11 Representation of the Noteholders**

Nordic Trustee & Agency AB (publ) is acting as Agent for the Noteholders in relation to the Notes and any other matter within its authority or duty in accordance with the General Terms and Conditions.

By acquiring Notes, each subsequent Noteholder 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 General Terms and Conditions.

### **1.12 Governing law**

The Note Terms, 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. Disputes shall be settled by Swedish courts. The City Court of Stockholm shall be the court of first instance.

### **1.13 Determinations to invest in the Notes**

Investing in the Notes involves substantial risks and prospective investors should refer to section "Risk Factors" to review certain material risk factors factors that they should carefully consider before deciding to invest in the Notes.

The Notes may not be a suitable investment for all investors and each potential investor in the Notes 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 Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base 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 Notes and the impact other Notes 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 Notes;
- (iv) understand thoroughly the General Terms and Conditions and the applicable Final Terms; 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.

## 2 PRODUCT DESCRIPTION

*This section contains a general description of the construction and terms applicable to an issue of Notes under this MTN Programme. The final constructions and terms of each Note Series are set out in the applicable Final Terms.*

### 2.1 Interest construction

Under this MTN Programme and in accordance with Clause 6 (*Interest*) of the General Terms and Conditions, the Notes may be issued with fixed interest rate or floating interest rate. The applicable interest rate is specified in the applicable Final Terms.

#### 2.1.1 *Fixed interest rate*

For Note Series with a fixed interest rate, the Note Series shall bear interest on its Nominal Amount at the Interest Rate from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date.

Accrued interest for a Note Series with a fixed rate interest rate shall be paid in arrears on each Interest Payment Date and is calculated using the Day Count Convention specified in the applicable Final Terms.

#### 2.1.2 *Floating interest rate*

For Note Series with a floating interest rate, the Note Series shall bear interest on its Nominal Amount from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date.

For Note Series with a floating interest rate, the Interest Rate applicable to each respective Interest Period is determined by the Agent on the respective Quotation Day as the Base Rate for such period plus the Margin as adjusted by any application of Clause 15 (*Replacement of Base Rate*) of the General Terms and Conditions. If the Base Rate and the Margin for the relevant period is below zero (0), the Interest Rate shall be deemed to be zero (0).

Accrued interest for a Note Series with a floating rate interest rate shall be paid in arrears on each Interest Payment Date and is calculated using the Day Count Convention specified in the applicable Final Terms.

### 2.2 European Benchmark Regulation

Floating interest rate payable on Notes issued under this MTN Programme may be calculated by reference to certain benchmarks, being STIBOR and EURIBOR, as defined in the General Terms and Conditions. STIBOR is provided by Swedish Financial Benchmark Facility AB and EURIBOR is provided by the European Money Market Institute. The European Money Market Institute is registered in the register of administrators and benchmarks maintained by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of Regulation (EU) 2016/11 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"). However, at the date of this Base Prospectus, Swedish Financial Benchmark Facility AB is not registered as an administrator in the register but has, on 27 December 2021, filed an application with the SFSA to operate as such an administrator.

Should a Base Rate Event occur, Clause 15 (*Replacement of Base Rate*) of the General Terms and Conditions contains for certain standardised fall-back provisions to secure that there is an Alternative Base Rate or Successor Base Rate in order to maintain transparent and predictable calculation metrics of relevant benchmarks for Note Series with a floating interest rate construction.

## **2.3 Day Count Convention**

Unless otherwise specified in the relevant Final Terms, the following Day Count Conventions in respect of the calculation of an amount of interest under a Note Series will be used for the calculation of interest under this MTN Programme:

“30/360”: the amount shall be calculated using a year of 360 days comprising twelve months of 30 days each, and in the case of a fraction of a month using the actual number of days of the month that have passed; and

“Actual/360”: the amount shall be calculated using the actual number of days in the relevant period divided by 360.

## **2.4 Redemption and repurchases of the Notes**

### **2.4.1 *Redemption at Maturity Date***

The Nominal Amount of the Notes (together with accrued interest, if any) falls due for repayment on the Maturity Date as specified in the Final Terms. Should the Maturity Date fall on a date which is not a Business Day, the Notes will be repaid on the following Business Day.

### **2.4.2 *Repurchase of Notes by a Group Company***

The Issuer and any other Group Company may, subject to applicable regulations, at any time and at any price purchase Notes on the market or in any other way. Notes held by the Issuer or any other Group Company may at their discretion be retained or sold, but not cancelled, except in connection with a full redemption or repurchase of all the Notes under a Note Series.

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

The Final Terms for a Note Series may specify a right for the Issuer to redeem all, but not some only, of the outstanding Notes under that Note Series in full on any Business Day prior to the Maturity Date for such Note Series. Such Notes shall be redeemed at the time and the price specified in such Final Terms together with any accrued but unpaid interest.

If the right to a voluntary total redemption (*call option*) is specified as being applicable in the relevant Final Terms, the Issuer shall give no less than fifteen (15) Business Days’ notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date, the redemption price and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date.

### **2.4.4 *Early redemption due to illegality (call option)***

The Issuer may redeem all, but not only some, of the outstanding Notes under a relevant Note Series at an amount per Notes 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 Note Terms.

If such illegality occurs and the Issuer elects to redeem the outstanding Notes, the Issuer shall give no less than twenty (20) Business Days after having received actual knowledge of any event specified therein. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date.

#### **2.4.5** *Mandatory repurchase due to a Change of Control Event or a De-Listing Event (put option)*

The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event or a De-Listing Event.

Upon the occurrence of a Change of Control Event or a De-Listing Event, each Noteholder shall during a period of thirty (30) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or the De-Listing Event, as the case may be, have the right to request that all, or some only, of its Notes under the relevant Note Series be repurchased at a price per Note equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the De-Listing Event, as the case may be.

The notice from the Issuer pursuant to the first paragraph under this section 2.4.5 shall specify the period during which the Noteholders' may exercise their put option, the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer. The Redemption Date must fall no later than forty (40) Business Days after the end of the thirty (30) Business Day-period referred to above.

## **2.5 Undertakings**

The General Terms and Conditions contain a number of undertakings that restricts the ability of the Issuer and the other Group Companies, including, among others:

- restrictions on disposals of assets;
- restrictions on distributions;
- restrictions on Financial Indebtedness, Market Debt and guarantees;
- restrictions on mergers;
- restrictions on making any substantial changes to the general nature of the business carried out by the Group;
- undertaking to have the Notes admitted to trading on a Regulated Market (if applicable in the Final Terms);
- undertaking to maintaining adequate insurances;

- undertaking to keep properties in a good state of repair and maintenance; and
- undertaking that as long as any Note is outstanding, the Equity Ratio is equal to or higher than fifteen (15%) per cent. at all times and the Interest Coverage Ratio is equal to or higher than one point twenty-five (1.25) at all times.

Each of these undertakings is subject to significant exemptions and qualifications. See the General Terms and Conditions for more information.

### 3 RISK FACTORS

*In this section, the risk factors which the Issuer considers to be material risks relating to the Issuer and the Notes are illustrated. The Issuer's assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their negative impact. The assessment of the materiality of each risk factor is illustrated with a rating of low, medium or high. The description of the risk factors below is based on information available and estimates made on the date of this Base Prospectus.*

*The risk factors are presented in categories where the most material risk factors in a category are presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.*

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

##### **3.1 Risks relating to the Issuer's business activities and the real property industry and market**

###### **3.1.1 *Risks due to Russia's invasion of Ukraine***

During February 2022 Russia launched a military assault on Ukraine. The ongoing Russo-Ukrainian war, and the sanctions imposed as a consequence thereof, may significantly affect, for example, energy and fuel prices, interest rates, inflation and exchange rates, and lead to lower growth and disruptions to the global economy, the financial markets and global trade. Furthermore, the invasion may lead to an increase in the prices of the material needed for the Issuer's operations as well as disruptions and delays in deliveries of such material.

The medium and long term consequences of the war, and the war's potential effect on the Issuer, are difficult to foresee but may have a negative effect on the Issuer's profit and financial position. The Issuer deems the probability of the above mentioned risks materialising to be *high*. If the risk would materialise, the Issuer considers the potential negative impact to be *medium*.

###### **3.1.2 *Changes in property value***

The Group's properties are reported at fair value in accordance with IFRS. The fair value of the properties amounted to MSEK 9,487 as of 31 March 2022. The value is affected by a number of factors, such as (including but not limited to) operating costs, occupancy level, permitted use of the properties, required return and cost of capital. Unrealised value changes may have significant impact on the Issuer's net profit and could also affect financial commitments included in some of the Issuer's loan agreements (financial covenants). Furthermore, the property value is affected by supply and demand on the property market, and property valuations are mainly dependent on the properties' expected operating surplus and a potential buyer's required return. The return is further dependent on, inter alia, the Issuer's ability to fulfil the intended objectives of the properties which mainly consists of rental, and in some cases sales, of the properties as well as the costs and expenses associated to development and renovation of the

properties. The fair value of the properties and the tenants' solvency, which may affect the Issuer's rental income, is also generally affected by general conditions in the economy, such as the GDP growth (Sw. *bruttonationalprodukt*), employment rate, inflation, changes in interest rate levels and amortisation requirements.

Decreased property values may, if materialised, negatively affect the Issuer's financial position and could also result in the Issuer or a Group Company not being able to meet its financial covenants included in its respective loans facilities, which in turn could result in a loan facility being accelerated prior to maturity unless remedied.

The Issuer deems the probability of risks relating to decreased property value materialising to be *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

### 3.1.3 *Risks associated with the Issuer's projects*

The risks associated with construction, management and development of properties include, but are not limited to, constructional faults, necessary conversions for housing purposes, delayed planning processes and time schedules, hidden defects, deficiencies and other damages and pollution, and increased construction costs in general. These risks apply to both construction and development of properties, as well as for property management. Regarding, for example, pollution and hidden defects there is a risk that these problems are not noticed until after completion of the project, which might negatively affect the Issuer.

Furthermore, the Issuer is dependent on suppliers for deliveries of material and customised solutions in connection with the Issuer's construction of housings. For example, the Issuer is dependent on a few bathroom suppliers for the deliveries of customised bathrooms to the Issuer's apartment units. If a specific supplier is unable to fulfil its obligation to supply the right equipment with the right quality and at the right time, or if the cooperation with a certain supplier is terminated or not well-functioning, it can lead to significant delays in the Issuer's construction projects. If agreements with important suppliers were to be terminated at short notice, there is also a risk that the Issuer will not be able to engage another supplier on the same terms or at such short notice which may lead to increased costs and delays.

The risks above may, if materialised, lead to delays in planned and ongoing projects, as well as higher costs for construction, development and management of the properties, which in turn could lead to decreased earnings. The Issuer deems the probability of risks related to the Issuer's construction projects materialising to be *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

### 3.1.4 *Risks associated with own production*

The construction projects developed by the Issuer are performed by the Issuer's subsidiary K2A Trähus AB. In K2A Trähus AB's two factories, located in Valdemarsvik and in Gävle, apartment units are manufactured. If the factories were to be destroyed, forced to close, or if any equipment in the factories were to be seriously damaged, the production may be hindered or discontinued. The

Issuer's counterparties in construction projects may be dependent on scheduled deliveries, and subcontractors or other parties engaged by the Issuer for construction may in turn be forced to redirect their production or their deliveries as a result of the Issuer's delays. By extension, this could lead to claims against the Issuer. To the extent unforeseen outages, damages or other events disturbing the construction chain are not fully covered by an insurance, this could lead to increased costs and decreased earnings.

As of 31 March 2022, the Issuer had 92 employees at the factories in Valdemarsvik and Gävle. There is a risk that the Issuer has made incorrect calculations of future production volumes due to misinterpretation of market trends, general economic downturn or other factors. If the demand for the Issuer's construction projects decreases, the Issuer may have to terminate employees or change its production strategy or business model. Dismissal of employees may also damage the Issuer's reputation since the Issuer is locally involved in Valdemarsvik and Gävle, and as the Issuer's sustainability strategy is based on being a long-term and attractive employer.

The Issuer has through its subsidiary K2A Trähus AB entered into a lease agreement regarding production premises in Gävle which will expire on 30 September 2022. A new agreement regarding the production premises is, on the date of this Base Prospectus, under negotiation. There is a risk that the Issuer will not be able to extend the existing agreement or to enter into a new lease agreement under the same terms effective as on the date of this Base Prospectus. If the Issuer is not able to extend the lease agreement this could lead to reduced or discontinued production of apartments which in turn could lead to delays in the Issuer's construction projects. Furthermore, changed lease terms could lead to increased costs for the Issuer.

If the above risks are materialised, either individually or in combination, it could lead to delays, increased costs and decreased earnings, negatively affecting the Issuer's profit. The Issuer deems the probability of risks related to the Issuer's own production materialising to be *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

### 3.1.5 *Risks due to COVID-19*

The outbreak of COVID-19 has had a general negative effect on the global economy which may cause delays from the Issuer's suppliers and which could have a negative effect on the Issuer's projects. Additionally, if the pandemic continues over a prolonged period of time, with continuing negative effect on the Swedish economy, a part of the Issuer's tenants may not be able to pay rent in accordance with their lease contracts due to the pandemic's effect on their employment or businesses. In turn, this could lead to higher vacancy levels as well as reduced property value.

The risks associated with COVID-19 may, if materialised, lead to delayed projects and have a negative effect on the Issuer's earnings and financial position. The Issuer deems the probability of above mentioned risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

### 3.1.6 *Risks due to rental value and rental income*

The Issuer is a real estate company mainly focused on development and production of rental housing, student housing and properties for public use, as well as long-term ownership and management of such properties. The rental income from the Issuer's properties for public use are normally based on marketable rent. For newly produced housings on the other hand, the rent can be determined (i) by agreement with tenants' associations regarding the housing's utility value (Sw. *bruksvärdeshyra*), (ii) by agreement with the tenants' associations regarding presumption rent (Sw. *presumtionshyra*) and (iii) by the landlord determining the rent. The Issuer is dependent on the tenants paying the agreed rents when due, and that the rent levels are reasonable to not risk that the rents are being subject to procedures at the rent tribunal (Sw. *hyresnämnden*). If tenants do not perform in accordance with their lease agreements it could have a negative effect on the Issuer's earnings.

Before initiating new projects, the Issuer estimates which rent level it may obtain after the project is completed. When producing new housings, agreements with tenants are normally not signed before the project is initiated meaning that there is a risk that the occupancy level will not meet the estimations made by the Issuer. Furthermore, the rent has normally not been negotiated with the tenants' association when the project is initiated, meaning that there is a risk that the rental income will be less than the Issuer estimated beforehand which may affect the projects' profitability and the valuation of the properties. The estimated rent may also turn out to be calculated on incorrect bases and assumptions, which may result in the actual rental incomes being lower than estimated, affecting the investment's profitability.

The Issuer is also exposed to risks related to single tenants. In Kiruna for example, the Issuer owns a property for public use rented by the Institute of Space Physics (Sw. *Institutet för rymdfysik*) and Luleå University of Technology (Sw. *Luleå tekniska universitet*) amongst others. As of 31 March 2022, the annual rental value for this property was MSEK 8.8 per year, which corresponds to approximately 2.4 per cent. of the Group's total rental value. If important single tenants were to terminate their lease agreements, it could lead to lower occupancy levels and reduced rental incomes, and as a result lower fair values for the properties.

Above mentioned risks related to rental value and rental income may, if they are materialised, have a negative effect on the Issuer's earnings and financial position. The Issuer deems the probability of the risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

### 3.1.7 *Risks related to increased operating and maintenance costs*

The Issuer's properties are rented by private individuals as well as commercial and public actors. The responsibility for operating and maintenance costs is regulated in the lease agreements. Operating and maintenance costs may, for example, refer to the costs of electricity, water, heat and cleaning as well as costs due to maintain the buildings' standard in the long term. The Issuer is also responsible for the technical operations of its properties which might be affected by constructional faults and other defects and damages.

The lease agreements between the Issuer and commercial or public actors normally stipulate that the rent should be adjusted to the same extent as the Issuer's operating and maintenance costs changes. However, this is not generally the case for lease agreements with private individuals. In such lease agreements it is normally stipulated that the landlord is responsible for the increased costs. Approximately 74 per cent. of the Issuer's total lettable area as of 31 March 2022 consisted of rental apartments rented by private individuals meaning that there is a risk of increased operating and maintenance costs for the Issuer. If the Issuer is not able to compensate for such increased costs through renegotiation of the lease agreements, it could have a negative impact on the Issuer's earnings.

If the above risks are materialised it could lead to increased costs for the Issuer, which in turn would have a negative effect on the Issuer's financial position and profit. The Issuer deems the probability of the risks relating to increased operating and maintenance materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

#### 3.1.8 *Dependence on retaining and recruiting key employees*

The Issuer is dependent on about 13 key employees. These employees have extensive knowledge of the property market and the Issuer's operations. The experience and commitment of these employees are important for the Issuer's future development. In addition to current employees, the Issuer also needs to recruit new employees with special skills or experience in order to expand further.

If the Issuer fails to recruit new employees, or if key employees leave the Issuer and suitable and experienced replacements cannot be recruited, this could have a negative effect on the Issuer's ability to conduct its operations. The Issuer deems the probability of such risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

#### 3.1.9 *Risks associated with the Issuer's geographical concentration of properties*

The supply and demand for properties, and consequently the valuation of properties, varies between different geographical markets which could develop differently. As of the date of this Base Prospectus, the Issuer has projects in many parts of Sweden but mainly in and around university and college (Sw. *högskola*) cities.

The demand may decrease in the geographical markets the Issuer operates in, even if the demand does not decrease in Sweden as a whole. Reduced demand may lead to lower occupancy levels, less opportunity to increase the rent levels or reduced property values.

A decreased demand for properties on the Issuer's geographical markets may result in decreased earnings and a negative effect on the Issuer's financial position and profit. The Issuer deems the probability of above mentioned risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

### 3.1.10 *The Issuer may lose the right to label its properties with a Nordic Swan Ecolabel*

The Issuer has an environmental profile and uses wood as the main building material. In December 2017, the Issuer received a license from Ecolabelling Sweden AB (Sw. *Miljömärkning Sverige*), which issues the environmental certification Nordic Swan Ecolabel (Sw. *Svanenmärket*). The Issuer's environmental profile also results in the opportunity to obtain so-called sustainable financing.

There is a risk that the Issuer's production of residences will not meet the requirements for labelling the residences with a Nordic Swan Ecolabel, or that existing Nordic Swan Ecolabelled residences, in retrospect, prove not to live up to the environmental requirements.

If this risk materialise it could have a negative effect on the Issuer's reputation and, as a result, its operations and earnings. The Issuer deems the probability of such risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

## 3.2 **Legal and regulatory risks**

### 3.2.1 *Environmental risks*

Property management and investments implies potential environmental risks. The Swedish Environmental Code (Sw. *miljöbalken (1998:808)*) states that business operators that have contributed to pollution are responsible for remediation of the relevant polluted property. If the responsible person or entity is unable to remediate a polluted property, the person or entity acquiring the property, under certain circumstances, is liable for remediation. Since the Issuer from time to time acquires properties as part of its operations, claims for remediation of polluted or environmentally damaged property could be directed at the Issuer for remediation. For example, the Issuer has an ongoing project on a property in Sundsvall which is suspected to be polluted and in need of remediation due to the property's prior use.

Further, since many of the Issuer's properties are used for residential purposes, the Issuer normally must conduct its operations in accordance with higher environmental requirements than what would be the case if the properties were used for other purposes. This results in a higher risk of being obliged to remediate properties in order to be able to use the properties for residential purposes.

However, as most of the Issuer's properties are acquired from Swedish municipalities, the Issuer's deems the probability of being forced to take remediation measures due to previous owners' pollution to be lower than usual. The Issuer's conclusion is based on the fact that municipalities should be able to remediate possible pollutions under their responsibility. For example, this has been the case on two properties in Gävle and Sundsvall. The respective municipalities have in these cases been forced and accepted to remediate the properties due to pollution.

If these risks materialise it could result in increased costs for the Issuer. The Issuer deems the probability of environmental risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

### 3.2.2 *Dependency on cash flow from its subsidiaries*

The Issuer is a holding company and the Group's operations are made through its subsidiaries. The Issuer is hence dependent on its subsidiaries in order to fulfil its obligations under the Notes. The transfer and distribution of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiary. Additionally, the Group Companies are separate legal entities and have no obligations to fulfil the Issuer's obligations towards its creditors unless otherwise agreed. If the subsidiaries do not provide dividend income, or due to other circumstances, conditions, laws or other regulations are prevented from providing liquidity distributions to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Notes or other financial commitments.

The Issuer deems the probability of such risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

## 3.3 **Risks related to the Issuer's and the Group's financing**

### 3.3.1 *Liquidity risks – project development*

Liquidity risk in relation to the Issuer's projects developments is the risk that liquid assets, in addition to available external financing, of the Issuer are not sufficient to finance ongoing projects, acquisitions and operations. In order to continue to grow the business and expand its operations and investments, access to liquid funds are necessary to such an extent that several projects can be started and run in parallel.

If the Issuer does not have sufficient liquidity to fulfil its ongoing projects this could result in decreased growth and expansion as well as increased costs and penalties, hence affect the Issuer's financial position. The Issuer deems the probability of such risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

### 3.3.2 *Liquidity risks – amortisations and interest due*

Liquidity risk in relation to amortisations and interest due is the risk that the liquid assets of the Issuer are not sufficient or not available to meet its payment obligations at the relevant maturity date without increasing the cost of obtaining such necessary liquidity. The Issuer is dependent on available liquidity in order to fulfil its obligations including, inter alia, paying interest and amortization costs related to its financing.

If the Issuer does not have sufficient liquidity to fulfil its obligations, this could result in increased costs and penalties, hence affect the Issuer's financial position. The Issuer deems the probability of such risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

### 3.3.3 *Interest rates risk*

Changed interest rates will affect the Issuer's interest expenses, which represent the Issuer's single largest cost item. Interest rate changes could result in changed fair values of the Issuer's properties, changes in cash flow and fluctuations in the

Issuer's profit. The Issuer is exposed to interest rate risks due to its interest-bearing liabilities.

Since most of the Issuer's operations concern rental for residential purposes, which is inherently associated with rigid rent levels, it may cause difficulties for the Issuer to increase its revenues to compensate for higher interest costs. This could result in the Issuer having less opportunity to pay interest and amortisation costs related to its financings, resulting in a risk that the Issuer is in breach of its or a Group Company's loan facility agreements.

The Issuer has entered into interest rate hedging agreements in accordance with the Issuer's financial policy which partially reduces the Issuer's exposure to floating rates and thereby increased interest rates. However, if the interest rates decrease below the fixed swap rate the hedging agreements result in higher costs than what floating interest rates would entail as well as negative value changes of the fair value of the hedging agreements. The net interest costs (Sw. *räntenetto*) were MSEK 90.9 during the last twelve month period (1 April 2021 to 31 March 2022), according to the Issuer's financial report for the first quarter 2022. Based on an interest sensitivity analysis (Sw. *känslighetsanalys räntekostnader*) regarding cash flow in the same report, a +/- 1 % change would affect the Group's cash flow during the last twelve month period (1 April 2021 to 31 March 2022) with approximately +/- MSEK 24.

The Issuer deems the probability of such risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

#### 3.3.4 *Refinancing risks*

Refinancing risks refer to, inter alia, the risks of increased funding costs and unavailability to refinance existing loan facilities.

The Issuer's total project development and investment costs exceed the Issuer's cash and cash equivalents, while the cash flow from the investment properties is not enough to finance the Issuer's new production. The Issuer's operations are therefore partly financed by externally provided debt capital. The required capital for financing of both development of existing properties and future acquisitions is and will be provided by banks and other financial institutions. As of 31 March 2022, the Group's interest-bearing liabilities amounted to MSEK 6,764, of which MSEK 1,108 will be due during 2022.

If the Issuer cannot refinance its loans in full or in part or a refinancing is made with increased funding and/or margin costs, it might have a negative effect on the Issuer's possibilities to repay its debts and its operations and earnings. The Issuer deems the probability of such risks materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

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

### **3.4 Risks relating to the value of the Notes and the bond market**

#### **3.4.1 Risk related to listing of the Notes, liquidity and the secondary market**

The Final Terms of a Loan may include an undertaking for the Issuer to ensure that the Notes under a Loan are admitted to listing on the relevant Regulated Market within certain stipulated time periods, as set out in the Final Terms of the relevant Loan. However, the Issuer is dependent upon Nasdaq Stockholm's or another Regulated Markets approval (as applicable) to be able to list the Notes under the relevant Loan.

Thus, there is a risk that the Notes under the relevant Loan will not be admitted to listing in time, or at all. If the Issuer fails to procure listing in time, Noteholders holding such Notes on an investment savings account (Sw. *ISK/Investeringssparkonto*) will no longer be able to hold the Notes under the relevant Loan on such account, thus affecting such Noteholder's tax situation. If the Issuer fails to procure listing in time, or at all, there is a high risk that a liquid market for trading in the Notes under the relevant Loan will not exist.

Even if the Notes (if required) are admitted to listing on Nasdaq Stockholm or another Regulated Market, the Notes, which will have a nominal value of at least EUR 100,000 (or an equivalent amount in SEK), may not always be actively traded, and there is a risk that there will not always be a liquid market for trading in the Notes. This may result in the Noteholders not being able to sell their Notes when desired or at a price level which allows for a profit comparable to similar investments with an active secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Notes. Further, the nominal value of the Notes may not be indicative compared to the market price of the Notes. It should also be noted that during a given time period it may be difficult or impossible to sell the Notes on reasonable terms, or at all, due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

The Issuer deems the probability of risks related to listing of the Notes, liquidity and the secondary market materialising to be *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

#### **3.4.2 Interest rate risks**

The value of the Notes will depend on several factors, one of the most significant in the long term being the market interest rates.

Notes issued with a floating rate are issued as FRNs (Floating Rate Notes). The coupon is calculated on the basis of an interest rate corresponding to the interest rate base plus the interest rate base margin, where the interest rate base is adjusted before each interest rate period whilst the interest rate base margin is fixed throughout the term. If the interest rate base, for example, is constituted of STIBOR 3 months, it is the market's perception of the development of the 3-month interest rates, in connection with the interest rate base margin, that constitutes the basis for calculating the market value of the placement. A changed expectation in the market regarding at what level the interest rate base

will be set at when determining the interest rate in the future will, hence, risk lowering the market value on Notes issued with a floating rate.

Investments in Notes issued with fixed interest rate involve a risk that the market price of such Notes may be negatively affected as a result of changes in the market interest rates. Generally, longer term of the securities means a higher risk.

The Issuer deems the probability of interest rate risks materialising to be *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

### 3.4.3 *European Benchmarks Regulation*

The process for determining interest-rate benchmarks, such as STIBOR and EURIBOR, is subject to a number of statutory rules and other regulations. Some of these rules and regulations have already been implemented, whilst some are due to be implemented in the near future. The most extensive initiative in this respect is the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014) ("**the Benchmark Regulation**"). The Benchmark Regulation came into force on 1 January 2018 and addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union. There is a risk that the Benchmark Regulation will affect how certain benchmarks are determined and how they will develop which, in turn, could lead to increased volatility in relation to STIBOR and EURIBOR and, thus, in relation to the interest rate of the Notes. There is also a risk that increased administrative requirements may discourage stakeholders from participating in the production of benchmarks, or that some benchmarks cease to be provided. If this were to happen in respect of STIBOR and EURIBOR it could potentially be detrimental to the Noteholders. More specifically, should STIBOR and/or EURIBOR be discontinued or cease to be provided, the General Terms and Conditions provides for an alternative calculation of the interest rate for the Notes. There is a risk that such alternative calculation results in interest payments less advantageous for the Noteholders or that such interest payment do not meet market interest rate expectations.

The Issuer deems the probability of risks related to European Benchmarks Regulation materialising to be *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

## 3.5 **Risks relating to the nature of the Notes**

### 3.5.1 *Credit risk towards the Issuer*

The Notes will constitute unsecured debt obligations of the Issuer and the Noteholders will carry a credit risk relating to the Issuer and the Group. The Noteholders' ability to receive payment under the Notes is therefore dependent on the Issuer's ability to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position and also, the availability of capital. There is a risk that the Group's financial position is affected by several factors, which have been mentioned above. An increased

credit risk is likely to cause the market to charge the Notes a higher risk premium, which can affect the Notes' value negatively. Further, if the Issuer's financial position deteriorates, it is likely to affect the Issuer's possibility to receive debt financing at the time of the maturity of the Notes. There is a risk that this could have a material adverse effect on the value of the Notes.

The Issuer deems the probability of the credit risk materialising to be *low*. If the risk would materialise, the Issuer considers the potential negative impact to be *high*.

### 3.5.2 *Risk related to the Notes being unsecured*

The Notes will 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 other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Loan Terms. Thus, a Noteholder will normally receive payment after any creditor with secured assets or other creditor with higher ranking claims in the event of the Issuer's liquidation, company reorganisation or bankruptcy. Consequently, a Noteholder may not recover any or full value in the event of the Issuer's liquidation, bankruptcy or company reorganisation. Each investor should be aware that by investing in the Notes, it risk losing the entire, or part of, its investment.

The Issuer deems the probability of risks related to the Notes being unsecured materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

### 3.5.3 *Risks relating to insolvency of subsidiaries and structural subordination*

A significant part of the Issuer's revenues relates to the Issuer's subsidiaries. In the event of the insolvency or liquidation of (or a similar event relating to) one of the Issuer's subsidiaries all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer (as a shareholder) would be entitled to any payments. Thus, the Notes will be structurally subordinated to the liabilities of the subsidiaries and there is a significant risk, should a subsidiary be subject to, *inter alia*, an insolvency or liquidation proceeding, that the Issuer will not be entitled to any payments. The Issuer and its assets may not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise.

The Issuer deems the probability of risks related to insolvency of subsidiaries and structural subordination materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

### 3.5.4 *Risks related to green notes*

The Final Terms of a Loan may specify that the Notes issued are defined as "green" according to the Issuer's Green Finance Framework. The Issuer's green finance framework, as well as market practice for green notes, may be amended and develop after the Issue Date of the Green Notes under the relevant Loan, thus affecting any of the requirements applicable to the Issuer in respect of any Green Notes issued thereafter. The Issuer's failure to comply with the Green

Finance Framework does not constitute an event of default under the Loan Terms and would not permit the Noteholders under the relevant Loan to exercise any early redemption rights or receive any other type of compensation for non-compliance with the Green Finance Framework. There is however a risk that a failure to comply with the Green Finance Framework could have a material adverse effect on the market value of the Green Notes under the relevant Loan due to investors perceiving the Green Notes as a less favourable investment.

On 22 June 2020 the taxonomy regulation was published (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment) (the “**Taxonomy Regulation**”). The Taxonomy Regulation entails stricter requirements in terms of assessing sustainable investments. Parts of the Taxonomy Regulation have entered into force on 1 January 2022 while other parts will apply from 1 January 2023. As of the day of this Base Prospectus, the effects of the Taxonomy Regulation are difficult to determine. There is a risk that the Taxonomy Regulation will affect the assessment of Green Notes and that Green Notes, once the Taxonomy Regulation fully has come into force, will no longer fulfil the requirements necessary for them to be defined as “green”.

The Issuer deems the probability of risks related to Green Notes materialising to be *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

## 4 GENERAL TERMS AND CONDITIONS AND FORM OF FINAL TERMS

### General terms and conditions for notes issued under K2A Knaust & Andersson Fastigheter AB (publ)'s MTN programme

The following general terms and conditions (the “**General Terms and Conditions**”) shall apply to Note Series which K2A Knaust & Andersson Fastigheter AB (publ), Reg. No. 556943-7600 (the “**Issuer**”) issues on the capital market under this MTN programme (the “**MTN Programme**”) by issuing notes in SEK or EUR with varying terms and tenor, however not less than one year (“**Notes**”). For each Note Series, Final Terms are prepared that includes supplementary terms and conditions which, together with these General Terms and Conditions, constitute the complete terms for each Note Series.

## 1 Definitions and Construction

### 1.1 Definitions

In these General 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 Noteholder has opened a Securities Account in respect of its Notes.

“**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, with respect to a Note Series, the Total Nominal Amount less the Nominal Amount of all Notes under the Note Series owned by a Group Company or an Affiliate, irrespective of whether such person is directly registered as owner of such Notes.

“**Administrative Agent**” means:

- (a) if a Note Series is raised through two or more Issuing Dealers, the Issuing Dealer appointed by the Issuer to be responsible for certain administrative tasks in respect of that Note Series as set out in the Final Terms; and
- (b) if a Note Series is raised through only one Issuing Dealer, the Issuing Dealer in respect of that Note Series.

“**Affiliate**” means (i) an entity controlling or under common control with the Issuer, other than a Group Company, and (ii) any other Person or entity owning any Notes (irrespective of whether such Person is directly registered as owner of such Notes) that has undertaken towards a Group Company or an entity referred to in item (i) to vote for such Notes in accordance with the instructions given by a Group Company or an entity referred to in item (i). For the purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise.

**“Agency Agreement”** means the agency agreement for all Note Series issued under the MTN Programme entered into on or before the date of these General Terms and Conditions, between the Issuer and the Agent, or any replacement agency agreement entered into after such date between the Issuer and an agent.

**“Agent”** means Nordic Trustee & Agency AB (publ), Reg. No. 556882-1879, or another party replacing it as Agent, in accordance with these General Terms and Conditions.

**“Base Rate”** means in respect of a Note Series with floating interest rate, the interest base (STIBOR or EURIBOR) stated in the Final Terms for that Note Series or any reference rate replacing STIBOR or EURIBOR in accordance with Clause 15 (*Replacement of Base Rate*).

**“Base Rate Administrator”** means Swedish Financial Benchmark Facility AB (in relation to STIBOR) and European Money Markets Institute (EMMI) (in relation to EURIBOR) or any person replacing it as administrator of the Base Rate.

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

**“Capital Securities”** means:

- (a) the Issuer’s up to SEK 750,000,000 subordinated perpetual green floating rate callable capital securities with ISIN SE0015407507; and
- (b) any other subordinated debt instruments (Sw. *hybridobligation*) issued by the Issuer which, entirely or partly, shall be or is 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).

**“Change of Control Event”** means the occurrence of an event or series of events whereby one or more Persons, not being any of the Main Shareholders or Main Shareholder Companies, acting in concert, acquire control over the Issuer and where “control” means:

- (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer; or
- (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

**“Compliance Certificate”** means a compliance certificate substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*) hereto.

**“CSD”** means the Issuer’s central securities depository and registrar in respect of the Notes, Euroclear, or another party replacing it, as CSD, in accordance with these General Terms and Conditions.

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

**“Day Count Convention”** means, in respect of the calculation of an amount of interest under a Note Series, that:

- (a) if the day count convention “30/360” is specified in the applicable Final Terms, the amount shall be calculated using a year of 360 days

comprising twelve months of 30 days each, and in the case of a fraction of a month using the actual number of days of the month that have passed; and

- (b) if the day count convention “Actual/360” is specified in the applicable Final Terms, the amount shall be calculated using the actual number of days in the relevant period divided by 360.

“**Dealers**” means Nordea Bank Abp, Swedbank AB (publ), Arctic Securities AS, filial Sverige, Carnegie Investment Bank AB (publ) and Danske Bank A/S, Danmark, Sverige Filial and such other dealer appointed for this MTN Programme in accordance with Clause 14.4 but only for so long as such dealer has not resigned as a dealer.

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

“**De-Listing Event**” means the occurrence of an event or series of events whereby:

- (a) the shares (including both ordinary share and Preference Shares) of the Issuer (i) cease to be listed on Nasdaq Stockholm or (i) trading of the Issuer’s listed shares on Nasdaq Stockholm is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) the Notes (subsequent to having been listed in accordance with the applicable Final Terms and pursuant to Clause 10.2.1) cease to be listed and/or admitted to listing on the Corporate Bond List or Sustainable Bond List of Nasdaq Stockholm (as applicable) or any other Regulated Market (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market on which the Notes are admitted to listing or listed, as applicable, and the CSD preventing trading in the Notes in close connection with the redemption of the Notes).

“**Equity**” means the aggregate book value of the Group’s total equity on a consolidated basis according to the latest Financial Report in respect of the Group.

“**Equity Ratio**” means, at any time, the ratio of Equity to Total Assets.

“**EURIBOR**” means:

- (a) the euro interbank offered rate administered by the relevant Base Rate Administrator for a period equal to the relevant Interest Period (before any correction, recalculation or republication by the administrator) displayed on Refinitiv’s screen EURIBOR01 (or through another system or another screen which replaces such system or screen) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no such interest rate is available for the relevant Interest Period according to paragraph (a), the rate determined by the Administrative Agent by interpolation between the two closest rates displayed on Refinitiv’s screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro;
- (c) if no interest rate as described in (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 Administrative Agent at its request quoted by the by leading banks in the Stockholm interbank market, for deposits of EUR 10,000,000 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 Administrative Agent, best reflects the interest rate for deposits in EUR offered for the relevant Interest Period.

“**Euro**” or “**EUR**” means the single currency of the member states of the European Union that adopts or has adopted, and in each case continues to adopt, the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“**Euroclear**” means Euroclear Sweden AB, Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden.

“**Event of Default**” means an event or circumstance specified in Clause 11 (*Events of Default and Acceleration of the Notes*).

“**Finance Charges**” means, for the Reference Period, finance charges (Sw. *räntenetto*) according to the latest Financial Report.

“**Final Terms**” means, in respect of a Note Series, the final terms prepared for that Note Series.

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

- (a) moneys borrowed (including under any bank financing or Market Debt);
- (b) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (e) the marked-to-market value of derivative transactions entered into in connection with protection against, or benefit from, fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter-indemnity obligations in respect of guarantees or other instruments 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 Report**” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, or the quarterly interim unaudited consolidated reports of the Group or

the quarterly interim unaudited unconsolidated reports of the Issuer, in each case prepared in accordance with the Accounting Principles, which shall be prepared and made available according to Clause 9.1 (*Information from the Issuer*).

**“First Issue Date”** means, in respect of a Note Series, the date specified in the Final Terms for that Note Series.

**“Force Majeure Event”** has the meaning set forth in Clause 20 (*Force Majeure and Liability*).

**“Framework Amount”** is the framework amount of this MTN Programme, which the Issuer and the Dealers agree on from time to time.

**“Green Finance Framework”** means the Issuer’s green finance framework from time to time, and as further specified and in force as at the date set out in the Final Terms of a Note Series.

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

**“Incurrence Test”** means the Equity Ratio being equal to or higher than twenty (20.00) per cent.

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

**“Interest”** means the interest on the Notes calculated in accordance with Clause 6 (*Interest*).

**“Interest Commencement Date”** means, in respect of a Note Series, the date specified in the Final Terms for that Note Series.

**“Interest Coverage Ratio”** means (i) the Management Profit minus costs for central administration (Sw. *central administration hänförligt till förvaltning*) according to the latest Financial Report to (ii) Finance Charges.

**“Interest Payment Date”** means the date(s) specified in the Final Terms for that Note Series.

**“Interest Period”** means, in respect of a Note Series, the period specified in the Final Terms for that Note Series.

**“Interest Rate”** means:

- (a) in respect of a Note Series with fixed interest rate, the interest rate specified in the relevant Final Terms; and
- (b) in respect of a Note Series with floating interest rate, the interest rate calculated in accordance with Clause 6.2 (*Floating interest rate*).

**“Issue Date”** means, in respect of a Note Series, the date specified in the Final Terms for that Note Series.

**“Issuer”** means K2A Knaust & Andersson Fastigheter AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556943-7600.

**“Issuing Dealer”** means, in respect of a Note Series, the Dealer(s) through which that Note Series is raised.

**“Management Profit”** means the Group’s consolidated operating surplus (Sw. *driftsöverskott*) according to the latest Financial Report.

**“Main Shareholders”** means, Johan Knaust, personal identity number 711116-0110, Johan Ljungberg, personal identity number 720727-0278, and Johan Thorell, personal identity number 700131-7010, and any other Person, directly or indirectly controlled by any of the Main Shareholders (**“Main Shareholder Company”**). For the purposes of this definition, **“control”** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise.

**“Maintenance Covenants”** means the financial covenants set out in Clause 10.5 (*Maintenance Covenants*) being Equity Ratio and Interest Coverage Ratio.

**“Margin”** means, for a Note Series with floating interest rate, the margin specified in the Final Terms for that Note Series.

**“Market Debt”** means bonds, notes or other debt securities (however defined), which are or can be quoted, listed, traded or otherwise admitted to listing on a Regulated Market, a multilateral trading facility or an organised trading facility (each as defined in Directive 2014/65/EU on markets in financial instruments).

**“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 ability of the Issuer to comply with its obligations under the Note Terms; or
- (c) the validity or enforceability of the Note Terms.

**“Maturity Date”** means, in respect of a Note Series, the date specified in the Final Terms for that Note Series.

**“Nasdaq Stockholm”** means the Regulated Market of Nasdaq Stockholm AB (Swedish Reg. No. 556420-8394, SE-105 78 Stockholm, Sweden).

**“Nominal Amount”** means, in respect of a Note Series, the amount for each Note specified in the Final Terms for that Note Series.

**“Note”** means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act, which represents a part of a Note Series and which is governed by and issued under these General Terms and Conditions.

**“Note Series”** means each series of Note(s) comprising one or more Note(s) with the same ISIN code, which the Issuer raises under this MTN Programme.

“**Note Terms**” means, for a Note Series, these General Terms and Conditions and the Final Terms for that Note Series.

“**Noteholder**” means, in respect of a Note, the person who is registered on a Securities Account as direct registered owner (Sw. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to a Note.

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clauses 13.1 (*Request for a decision*), 13.2 (*Convening of Noteholders’ Meeting*) and 13.4 (*Majority, quorum and other provisions*).

“**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.

“**Preference Shares**” means preference shares (Sw. *preferensaktier*) issued by the Issuer from time to time.

“**Property**” or “**Properties**” means all real properties (Sw. *fastigheter*) and site leasehold rights (Sw. *tomträtter*) owned by a Group Company from time to time.

“**Quotation Day**” means, for a Note Series with floating rate, the date that is specified in the Final Terms for that Note Series.

“**Record Date**” means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Maturity Date, (iii) the date of a Noteholders’ Meeting or Written Procedure, (iv) a date on which a payment to the Noteholders is to be made, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date as is generally applicable on the Swedish debt capital market.

“**Redemption Date**” means the date on which the relevant Note(s) are to be redeemed or repurchased in accordance with Clause 8 (*Redemption and Repurchase of the Notes*).

“**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, as amended from time to time).

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

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

“**STIBOR**” means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for Swedish Kronor and for a period equal to the relevant Interest Period, as displayed 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;

- (b) if no rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Administrative Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for 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 Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Administrative Agent 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 Administrative Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

**“Subordinated Debt”** means any loan made to the Issuer, where the creditor has entered into an intercreditor or subordination agreement with the Agent whereby such loan is duly subordinated.

**“Subsidiary”** means, in relation to any Person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (Sw. *dotterbolag*) to such Person, directly or indirectly, as defined in the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

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

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

**“Total Nominal Amount”** means, with respect to a Note Series, the total aggregate Nominal Amount of the Notes outstanding at the relevant time under that Note Series.

**“Written Procedure”** means the written or electronic procedure for decision making among the Noteholders in accordance with Clauses 13.1 (*Request for a decision*), 13.3 (*Instigation of Written Procedure*) and 13.4 (*Majority, quorum and other provisions*).

## 1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in these General 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, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, regulatory, authority or department;
- (d) a provision of regulation or law 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 Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](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 Noteholder to exercise any right or remedy under the Note Terms shall impair or operate as a waiver of any such right or remedy.

1.2.6 Further definitions in respect of a Note Series are contained (where relevant) in the applicable Final Terms. The definitions contained in these General Terms and Conditions shall also apply to the Final Terms.

## **2 Issuance of Notes**

2.1 Under this MTN Programme the Issuer may issue Notes in Euro and Swedish Kronor with a minimum term of one year. Under a Note Series, Notes may be issued in more than one tranche.

2.2 The Issuer may only issue Notes under this MTN Programme if no Event of Default is continuing or would result from such issue and considering Clause 10.1 (*Framework amount*) and provided that a Compliance Certificate is duly delivered to the Agent in accordance with Clause 9.1.4.

2.3 The Notes will 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 other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Note Terms. The Issuer undertakes to repay the principal and to pay interest in respect of each Note Series in accordance with the Note Terms.

- 2.4 In subscribing for Notes each initial Noteholder accepts that its Notes shall have the rights and be subject to the conditions stated in the Note Terms. In acquiring Notes each new Noteholder confirms such acceptance.
- 2.5 If the Issuer wishes to issue Notes under this MTN Programme the Issuer shall enter into a separate agreement for this purpose with one or more Dealers which shall be the Issuing Dealer(s) for that Note Series.
- 2.6 Final Terms shall be established in relation to each Note Series which together with these General Terms and Conditions shall constitute the complete Note Terms for that Note Series.
- 2.7 The Issuer agrees that it will, without undue delay, send a copy of the signed Final Terms to the Agent after the Final Terms for a Note Series have been signed.
- 2.8 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local regulation to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.9 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

### **3 Notes in Book-Entry Form**

- 3.1 The Notes will be registered for the Noteholders on their respective Securities Account and no physical Notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Noteholders and their holdings of Notes.
- 3.2 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 Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 3.3 The Issuer and the Agent (when permitted under the CSD 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. For the purpose of carrying out any administrative procedure that arises out of the Note Terms, the Administrative Agent shall be entitled to obtain information from the Debt Register.
- 3.4 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 Noteholders.

- 3.5 The Issuer, the Agent and/or the Administrative Agent may use the information referred to in Clause 3.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Note Terms and the Agency Agreement and shall not disclose such information to any Noteholder or third party unless necessary for such purposes. Neither the Agent nor the Administrative Agent shall be responsible for the content of such register that is referred to in Clause 3.3 or in any other way be responsible for determining who is a Noteholder.

#### **4 Right to Act on Behalf of a Noteholder**

- 4.1 If any person other than a Noteholder wishes to exercise any rights under the Note Terms, it must obtain a power of attorney or other authorisation from the Noteholder or a successive, coherent chain of powers of attorney or authorisations starting with the Noteholder and authorising such person.
- 4.2 A Noteholder 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 Notes held by it. Any such representative may act independently under the Note Terms in relation to the Notes for which such representative is entitled to represent the Noteholder.
- 4.3 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 Clause 4.1 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.
- 4.4 The Note Terms shall not affect the relationship between a Noteholder who is the nominee (Sw. *förvaltare*) with respect to a Note and the owner of such Note, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

#### **5 Payments in Respect of the Notes**

- 5.1 Payments in respect of Notes denominated in SEK shall be made in SEK and payments in respect of Notes denominated in EUR shall be made in EUR.
- 5.2 A Note Series falls due on its specified Maturity Date. Interest accruing on Notes shall be paid on each Interest Payment Date in accordance with the Final Terms for that Note Series. Subject to Clauses 8.2 (*Voluntary total redemption (call option)*) and 8.3 (*Early redemption due to illegality (call option)*), each Note shall be repaid on its specified Maturity Date at an amount equal to its Nominal Amount together with any accrued but unpaid interest.
- 5.3 Any payment or repayment under the Note Terms shall be made to such person who is registered as a Noteholder in respect of the Notes on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 5.4 If a Noteholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able

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

- 5.5 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 7 (*Default Interest*) during such postponement.
- 5.6 If payment or repayment is made in accordance with this Clause 5, 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.
- 5.7 The Issuer is not liable to gross-up any payments under the Note Terms by virtue of any withholding tax, public levy or the similar.

## **6 Interest**

### **6.1 Fixed interest rate**

- 6.1.1 If the Final Terms of a Note Series specify fixed interest rate as applicable to it, the Note Series shall bear interest on its Nominal Amount at the Interest Rate from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date.
- 6.1.2 If the Final Terms of a Note Series specify fixed interest rate as applicable to it, Interest accrued during an Interest Period is calculated using the Day Count Convention specified in the Final Terms and paid in arrears on the relevant Interest Payment Date or, to the extent such day is not a Business Day, the first following day that is a Business Day. Interest will however only accrue until the relevant Interest Payment Date.

### **6.2 Floating interest rate**

- 6.2.1 If the Final Terms of a Note Series specify floating interest rate as applicable to it, the Note Series shall bear interest on its Nominal Amount from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date.
- 6.2.2 If the Final Terms of a Note Series specify floating interest rate as applicable to it, the Interest Rate applicable to each respective Interest Period is determined by the Agent on the respective Quotation Day as the Base Rate for such period plus the Margin as adjusted by any application of Clause 15 (*Replacement of Base Rate*). If the Base Rate and the Margin for the relevant period is below zero (0), the Interest Rate shall be deemed to be zero (0).
- 6.2.3 If the Interest Rate is not determined on the Interest Determination Date because of an obstacle such as is described in Clause 20.1, the Note Series shall continue to bear interest at the rate that applied to the immediately preceding Interest Period. As soon as the obstacle has been removed the Administrative Agent shall calculate a new Interest Rate to apply from the second Business Day after the date of calculation until the end of the current Interest Period.

- 6.2.4 If the Final Terms of a Note Series specify floating interest rate as applicable to it, Interest accrued during an Interest Period is calculated using the Day Count Convention specified in the Final Terms and paid in arrears on the relevant Interest Payment Date or, to the extent such day is not a Business Day, 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.

## **7 Default Interest**

If the Issuer fails to pay any amount payable by it under the Note Terms on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2%) percentage points higher than the applicable 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, any Issuing Dealer(s) or the CSD, in which case the applicable Interest Rate shall apply instead.

## **8 Redemption and Repurchase of the Notes**

### **8.1 Repurchase of Notes by a Group Company**

The Issuer and any other Group Company may, subject to applicable regulations, at any time and at any price purchase Notes on the market or in any other way. Notes held by the Issuer or any other Group Company may at their discretion be retained or sold, but not cancelled, except in connection with a full redemption or repurchase of all the Notes under a Note Series.

### **8.2 Voluntary total redemption (call option)**

- 8.2.1 The Final Terms for a Note Series may specify a right for the Issuer to redeem all, but not some only, of the outstanding Notes under that Note Series in full on any Business Day prior to the Maturity Date for such Note Series. If Notes are redeemed pursuant to this Clause 8.2.1, such Notes shall be redeemed at the time and the price specified in such Final Terms together with any accrued but unpaid interest.

- 8.2.2 Redemption in accordance with Clause 8.2.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date, the redemption price and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent(s) (if any), the Issuer shall redeem the Notes in full at the applicable amount on the specified Redemption Date.

### **8.3 Early redemption due to illegality (call option)**

- 8.3.1 The Issuer may redeem all, but not only some, of the outstanding Notes under a relevant Note Series at an amount per Notes 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 Note Terms.

8.3.2 The Issuer shall give notice to the Noteholders and the Agent of any redemption pursuant to Clause 8.3.1 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 shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date.

8.3.3 A notice of redemption in accordance with Clause 8.3.1 is irrevocable and, on the Redemption Date specified in such notice, the Issuer is bound to redeem the Notes in full at the applicable amounts on the specified Redemption Date.

#### **8.4 Mandatory repurchase due to a Change of Control Event or a De-Listing Event (put option)**

8.4.1 Upon the occurrence of a Change of Control Event or a De-Listing Event, each Noteholder shall during a period of thirty (30) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or the De-Listing Event, as the case may be, pursuant to Clause 9.1.3 (after which time period such right shall lapse), have the right to request that all, or some only, of its Notes under the relevant Note Series be repurchased at a price per Note equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the De-Listing Event, as the case may be.

8.4.2 The notice from the Issuer pursuant to Clause 9.1.3 shall specify the period during which the right pursuant to Clause 8.4.1 may be exercised, the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 9.1.3. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 8.4.1

8.4.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Notes. To the extent that the provisions of such regulations conflict with the provisions in this Clause 8.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 8.4 by virtue of the conflict.

8.4.4 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 8.4, if a third party in connection with the occurrence of a Change of Control Event or a De-Listing Event offers to purchase the Notes in the manner and on the terms set out in this Clause 8.4 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If Notes tendered are not purchased within the time limits stipulated in this Clause 8.4, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.

- 8.4.5 Any Note repurchased by the Issuer pursuant to this Clause 8.4 may at the Issuer's discretion be retained or sold but not cancelled, except in connection with a redemption or repurchase of all of the Notes representing the relevant Note Series.
- 8.4.6 No repurchase of Notes pursuant to this Clause 8.4 shall be required if the Issuer prior to such event occurring has given notice of a redemption pursuant to Clause 8.2 (*Voluntary total redemption (call option)*) provided that such redemption is duly completed.

## **9 Information to Noteholders**

### **9.1 Information from the Issuer**

- 9.1.1 As long as there are any outstanding Notes issued under this MTN Programme, the Issuer shall make the following information available to the Noteholders by way of press release and by publication on the website of the Issuer:
- (a) prepare and make available the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, to the Agent and on its website not later than four (4) months after the expiry of each financial year;
  - (b) prepare and make available the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement of the Group and management commentary or report from the Issuer's board of directors, to the Agent and on its website not later than two (2) months after the expiry of each relevant interim period;
  - (c) as soon as practicable following an acquisition or disposal of Notes by a Group Company, the aggregate Nominal Amount held by Group Companies; and
  - (d) any other information required to be published by the Swedish Securities Markets Act (*Sw. lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to listing.
- 9.1.2 The Issuer shall prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).
- 9.1.3 The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event or a De-Listing Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.

- 9.1.4 The Issuer shall deliver the Compliance Certificate to the Agent:
- (a) when a Financial Report is made available;
  - (b) no later than 9.00 a.m. four (4) Business Days prior to the relevant Issue Date (including a statement that the Maintenance Covenants are met calculated pro forma including the relevant issue, whereby the relevant Reference Date for the ratios and calculations in respect of the Maintenance Covenants shall be the most recent Reference Date, however if such Reference Date falls after the date of the latest published Financial Report the relevant Reference Date shall be the date of the latest published Financial Report); and
  - (c) in connection with a Restricted Payment being made (which requires that the Incurrence Test is met).

## **9.2 Information from the Agent**

Subject to the restrictions of a non-disclosure agreement entered into by the Agent with the Issuer, the Agent is entitled to disclose to the Noteholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Notes.

## **9.3 Availability of Note Terms**

The latest version of these General Terms and Conditions and the Final Terms for each outstanding Note Series under this MTN Programme shall be available on the website of the Issuer and the Agent.

## **10 General Undertakings**

So long as any Note Series remains outstanding, the Issuer undertakes to comply with the general undertakings set forth in this Clause 10.

### **10.1 Framework amount**

The issuer may not issue additional Notes under this MTN Programme where such issue would entail that the aggregate Nominal Amount of all Notes outstanding under this MTN Programme exceeds the Framework Amount on the day on which the agreement regarding the issuance of Notes was entered into between the Issuer and the Issuing Dealer(s).

### **10.2 Admission to listing**

- 10.2.1 If admission to listing is applicable under the Final Terms of a Note Series, the Issuer shall use its best efforts to ensure that the Notes under that Note Series are admitted to listing on the relevant Regulated Market, or, if such admission to listing is not possible to obtain or maintain, admitted to listing on another Regulated Market, on or about the relevant date set out in such Final Terms.
- 10.2.2 Following an admission to listing (if any), the Issuer shall use its best efforts to maintain such listing for as long as any Notes are outstanding (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market on which the Notes are admitted to

listing, and the CSD preventing trading in the Notes in close connection with the redemption of the Notes).

### **10.3 Undertakings relating to the Agency Agreement**

- 10.3.1 The Issuer shall act with and comply to the terms and conditions of the Agency Agreement.
- 10.3.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders.

### **10.4 Disposals**

The Issuer shall not, and shall ensure that no other Group Company will, enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of all or a substantial part of the assets or operations of the Group (including shares in any Group Company) to any Person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect. Subject to applicable regulations, the Issuer shall upon request by the Agent, provide the Agent with any information relating to a transaction which the Agent deems necessary (acting reasonably).

### **10.5 Maintenance Covenants**

- 10.5.1 As long as any Note is outstanding, the Issuer shall ensure that:
- (a) the Equity Ratio is equal to or higher than fifteen (15%) per cent. at all times; and
  - (b) the Interest Coverage Ratio is equal to or higher than one point twenty-five (1.25) at all times.
- 10.5.2 The Maintenance Covenants shall be calculated in accordance with the latest Financial Report.
- 10.5.3 The Maintenance Covenants shall be tested quarterly on each Reference Date, on the basis of the Financial Report for the period ending on the relevant Reference Date.

### **10.6 Distributions**

- 10.6.1 The Issuer shall not, and shall procure that none of the Subsidiaries, (i) pay any dividend on shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, (iv) repay principal or pay interest under any shareholder loans or Subordinated Debt, (v) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the Issuer's or the Subsidiaries' direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (items (i)–(v) above are together and individually referred to as a “**Restricted Payment**”), provided however that any such Restricted Payment can be made, if such Restricted Payment is permitted by law and no Event of Default (other than in respect of distributions, directly or

indirectly, to the Issuer) is continuing or would result from such Restricted Payment, by:

- (a) any Group Company if such Restricted Payment is made to a Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis; or
- (b) the Issuer, in respect of dividend Preference Shares;
- (c) the Issuer, in respect of interest of Capital Securities; or
- (d) the Issuer, provided that the Incurrence Test is met.

10.6.2 The figures for calculating the Incurrence Test shall be calculated based on the most recent Financial Report (and the testing date being the last day of the period covered by such Financial Report) prior to the Restricted Payment which requires that the Incurrence Test is met, calculated pro forma including (i) the Restricted Payment in question, and (ii) any Restricted Payment in accordance with item (b) or (c) above that has been paid out after the last day of the period covered by the most recent Financial Report or resolved upon but excluding, for the avoidance of doubt, any Restricted Payment made in accordance with item (a) above.

## **10.7 Green Finance Framework**

The Issuer shall maintain a green finance framework. The relevant Green Finance Framework shall at all times be published on the Issuer's webpage and the Issuer shall ensure that an amount equivalent to the proceeds from any Notes specified as "Green Notes" in the applicable Final Terms are applied in accordance with the relevant Green Finance Framework.

## **10.8 Financial Indebtedness, Market Debt and guarantees**

10.8.1 The Issuer shall not incur, prolong, renew, extend or permit to be outstanding any Financial Indebtedness or guarantees other than in the form of (i) other Markets Debt provided such Market Debt is (a) unsecured and (b) subordinated to, or rank *pari passu* with the Notes and the Issuer's obligations under the Note Terms, (ii) Subordinated Debt and Capital Securities, (iii) parent company guarantees for the benefit of a Subsidiary, subordinated to, or ranking *pari passu* with the Notes, (iv) overdraft facilities (Sw. *checkräkningskredit*), and (v) indebtedness arising under any interest rate hedging transactions or currency hedging transactions, but not any transaction for investment or speculative purposes. The limitations set forth above does not apply to any Notes issued by the Issuer.

10.8.2 The Issuer shall procure that no Group Company other than the Issuer (subject to Clause 10.8.1 above) issues or permits to remain outstanding any Market Debt unless:

- (a) such Market Debt is issued on a non-recourse basis, i.e. is not secured or guaranteed by any Group Company; and
- (b) the relevant issuing Group Company provides security over its assets for its Market Debt.

#### **10.9 Compliance with laws etcetera**

The Issuer shall, and the Issuer shall ensure that the Group Companies, (i) comply in all material respects with the applicable articles of association and all laws and regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm or any other Regulated Market that may be applicable to the Issuer from time to time, and (ii) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

#### **10.10 Nature of Business**

The Issuer shall procure that no substantial change is made to the general nature of the business of the Group taken as a whole from that carried on at the First Issue Date.

#### **10.11 Dealings with Related Parties**

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

#### **10.12 Merger and demergers**

The Issuer shall not, and shall procure that no other Group Company will, enter into a merger or demerger unless such merger or demerger is not likely to have a Material Adverse Effect and, if the merger involves the Issuer, the Issuer is the surviving entity.

#### **10.13 CSD related undertakings**

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

#### **10.14 Insurance**

The Issuer shall procure that the Properties are insured to an extent which is customary for similar properties on the Swedish market with one or more reputable insurers. The insurance cover shall, inter alia, include full value insurance and third-party liability insurances.

#### **10.15 Maintenance of Properties**

The Issuer shall, and shall procure that each other Group Company owning a Property, keep the Property in a good state of repair and maintenance, subject to normal wear and tear and in accordance with normal market practice, and in such repair and condition as will enable the Issuer and each other Group Company owning a Property to comply in all material respects with the obligations under relevant rental agreements and in accordance all applicable laws and regulations.

## **10.16 Environmental**

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

## **11 Events of Default and Acceleration of the Notes**

11.1 The Agent (A) shall, following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount under a Note Series (such demand shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 11.6 and (B) is entitled to, provided that awaiting any such aforementioned written demand or instruction would adversely affect the interests or rights of the Noteholders (in the sole opinion of the Agent), on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes under such Note Series due and payable together with any other amounts payable under the Note Terms, immediately or at such later date as instructed to the Agent, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Note Terms, if:

### **(a) Non-payment**

The Issuer does not pay on the due date any amount payable by it under the Note Terms, unless the non-payment:

- (i) is caused by technical or administrative error; and  
is remedied within five (5) Business Days from the due date.

### **(b) Other obligations**

The Issuer does not comply with the Note Terms (other than those terms referred to in paragraph (a) above), unless the non-compliance:

- (i) is capable of remedy; and
- (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance.

Notwithstanding the above, any failure to comply with the undertaking set out in Clause 10.7 (*Green Finance Framework*) shall not constitute an Event of Default under any circumstance.

### **(c) Impossibility or illegality**

It is or becomes impossible or unlawful for the Issuer to perform any of its obligations under the Note Terms or the Note Terms are not, or cease to be, legal, valid, binding or enforceable.

### **(d) Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, company reorganisation

(Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) of the Issuer or a Group Company, other than a solvent liquidation or reorganisation of any Group Company other than the Issuer;

- (ii) a composition, compromise, assignment or arrangement with creditors of the Issuer or a Group Company generally, other than the Noteholders;
- (iii) the appointment of a liquidator, administrator or other similar officer in respect of the Issuer or a Group Company or any of their respective assets; or
- (iv) any step analogous to item (i) above is taken in any jurisdiction in relation to the Issuer,

provided however that the assets of the Group Company referred to under item (i), (ii) (iii) and/or (iv) above, individually or in the aggregate, at the date of the relevant event(s), have a value equal to or exceeding SEK 50,000,000, calculated in accordance with the latest Financial Report, to the extent applicable, and, if not reflected in the latest Financial Report, in accordance with the principles set out therein. For the purpose of calculating asset value in accordance with this section, the aggregate value of assets being or having been subject to such measures referred to in this paragraph (d) during the term of the Notes, calculated in accordance with the foregoing, shall be compounded (Sw. *sammanräknas*) and included when determining the asset value at the date of the relevant event(s).

This paragraph (d) shall not apply to any corporate action, legal proceedings or other procedure or step taken which is frivolous or vexatious and is discharged, stayed or dismissed within thirty (30) calendar days of commencement.

**(e) Insolvency**

The Issuer, or a Group Company, is, or is deemed for the purposes of any applicable regulation to be, Insolvent, provided however that the assets of the Issuer or such Group Company, individually or in the aggregate, at the date of the relevant event(s) resulting in the Issuer or such Group Company becoming or being deemed to be Insolvent, have a value equal to or exceeding SEK 50,000,000, calculated in accordance with the latest Financial Report, to the extent applicable, and, if not reflected in the latest Financial Report, in accordance with the principles set out therein.

For the purpose of calculating asset value in accordance with this section, the aggregate value of assets being or having been subject to such measures referred to in this paragraph (e) during the term of the Notes, calculated in accordance with the foregoing, shall be compounded (Sw. *sammanräknas*) and included when determining the asset value at the date of the relevant event(s).

**(f) Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value equal to or exceeding SEK 50,000,000 and is not discharged within sixty (60) calendar days.

**(g) Cross-acceleration:**

- (i) Any Financial Indebtedness of any Group Company:

- (a) is not paid when due nor within any originally applicable grace period and the Financial Indebtedness in question therefore has been accelerated by way of the relevant creditor issuing an Acceleration Notice, or, where the non-payment would have constituted final payment, where the late payment continues for ten (10) Business Days (it being expressly acknowledged that any waiver or extension granted by the relevant creditor in respect of such payment shall result in it no longer constituting a late payment); or
  - (b) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default howsoever described under any agreement or document relating to Financial Indebtedness of any Group Company;
- (ii) any security interest securing Financial Indebtedness over any asset of any Group Company is enforced following an Acceleration Notice (if applicable),

provided that no Event of Default will occur under this paragraph (g) if the aggregate amount of Financial Indebtedness is less than an amount equal to SEK 50,000,000 at any such relevant date.

For the purposes of this Clause 11.1(g) "*Acceleration Notice*" means any form of written acceleration or declaration by a creditor under the relevant credit agreement (however labelled), that such Financial Indebtedness is accelerated or declared prematurely due.

(h) **Cessation of business**

The Issuer ceases to carry on its business or a Group Company ceases to carry on its business except if due to (i) a solvent liquidation of a Group Company or (ii) a permitted merger or demerger as stipulated in Clause 10.12 and provided in relation to a discontinuation of a Group Company, that such discontinuation is likely to have a Material Adverse Effect.

- 11.2 The Agent may not accelerate the Notes in accordance with Clause 11.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 11.3 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice.
- 11.4 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to payments) up until the time stipulated in Clause 11.5 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Noteholders as a group. The Agent shall always be entitled to

take the time necessary to determine whether an event constitutes an Event of Default.

- 11.5 The Agent shall (provided that awaiting any such written demand or instruction as set out in Clause 11.1(A) would adversely affect the interests or rights of the Noteholders (in the sole opinion of the Agent), within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 13 (*Decisions by Noteholders*).
- 11.6 If the relevant Noteholders instruct the Agent to accelerate the Notes for a relevant Note Series, the Agent shall promptly declare the Notes for the relevant Note Series due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the relevant Note Terms, unless the relevant Event of Default is no longer continuing.
- 11.7 If the right to accelerate the Notes for a Note Series is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 11.8 In the event of an acceleration of the Notes for a Note Series in accordance with this Clause 11, the Issuer shall redeem all such Notes at an amount per Note equal to 101.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

## **12 Distribution of Proceeds**

- 12.1 All payments by the Issuer relating to a Note Series and the Note Terms following an acceleration of the Note Series in accordance with Clause 11 (*Events of Default and Acceleration of the Notes*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) first, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders) in respect of a relevant Note Series, (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, or the protection of the Noteholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 16.2.6 and (iv) any costs and expenses incurred by the Agent that have not been reimbursed by the Issuer in accordance with Clause 13.4.11, together with default interest in accordance with Clause 7 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;
  - (b) secondly, in or towards payment *pro rata* of accrued but unpaid Interest under the Note Series (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 Note Series; and

- (d) fourthly, in or towards payment pro rata of any other costs or outstanding amounts unpaid under the Note Series and/or applicable Note Terms for that Note Series, including default interest in accordance with Clause 7 (*Default Interest*) on delayed payments of interest and repayments of principal.
- 12.2 Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer.
- 12.3 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 12.1(a) such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 12.1(a)
- 12.4 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of Notes for a Note Series constitute escrow funds (Sw. *redovisningsmedel*) in accordance with the Swedish Funds Accounting Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 12 as soon as reasonably practicable.
- 12.5 If the Issuer or the Agent shall make any payment under this Clause 12, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least ten (10) Business Days before the payment is made. The notice shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 5.3 shall apply.

## **13 Decisions by Noteholders**

### **13.1 Request for a decision**

- 13.1.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Note Terms shall be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 13.1.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount of a Note Series (such request shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Note Series shall be directed to the Agent and dealt with at a Noteholders' 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 13.1.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable regulations.

- 13.1.4 The Agent shall not be responsible for the content of a notice for a Noteholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 13.1.5 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these General Terms and Conditions, without Clause 13.1.3 being applicable, the Issuer or the Noteholders(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Administrative Agent shall provide the convening Noteholders(s) with the information available in the Debt Register in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Noteholders(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 13.1.6 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 13.2 (*Convening of Noteholders' Meeting*) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 13.3 (*Instigation of Written Procedure*). After a request from the Noteholders pursuant to Clause 16.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 13.2. The Issuer shall inform the Agent before a notice for a Noteholders' 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.
- 13.1.7 Should the Issuer or any Noteholder(s) convene a Noteholders' Meeting or instigate a Written Procedure pursuant to Clause 13.1.5 or 13.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Noteholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

## **13.2 Convening of Noteholders' Meeting**

- 13.2.1 The Agent shall convene a Noteholders' Meeting by way of notice to the Noteholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 13.2.2 The notice pursuant to Clause 13.2.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Record Date on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) a form of power of attorney, and (v) the agenda for the meeting. The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Note Terms, such proposed amendment must always be set out in detail. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

- 13.2.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice. A Noteholder's Meeting for several Note Series may be held at the same time.
- 13.2.4 Without amending or varying these General Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

### **13.3 Instigation of Written Procedure**

- 13.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Noteholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 13.3.2 A communication pursuant to Clause 13.3.1 shall include (i) a specification of the Record Date on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (ii) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (iii) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 13.3.1). The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to the Note Terms, such proposed amendment must always be set out in detail. If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 13.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 13.3.1, when consents from Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 13.4.2 and 13.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 13.4.2 or 13.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

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

- 13.4.1 Only a Noteholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 4 (*Right to Act on Behalf of a Noteholder*) from a Noteholder:
- (a) on the Business Day specified in the notice pursuant to Clause 13.2, in respect of a Noteholders' Meeting, or
  - (b) on the Business Day specified in the communication pursuant to Clause 13.2, in respect of a Written Procedure,
- may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Nominal Amount. Each whole Note entitles to one vote and any fraction of a Note voted for by a person shall be disregarded. Such Business Day

specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

- 13.4.2 The following matters shall require the consent of Noteholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 13.3.2:
- (a) a change to the terms of any of Clause 2.3, and Clauses 2.8 to 2.9;
  - (b) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 8 (*Redemption and Repurchase of the Notes*);
  - (c) a change to the Interest Rate (other than as a result of an application of Clause 15 (*Replacement of Base Rate*) or the Nominal Amount;
  - (d) a change to the terms for the distribution of proceeds set out in Clause 12 (*Distribution of Proceeds*);
  - (e) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 13.4 (*Majority, quorum and other provisions*);
  - (f) a change of issuer, an extension of the tenor of a Note Series or any delay of the due date for payment of any principal or interest under a Note Series;
  - (g) a mandatory exchange of the Notes under a Note Series for other securities; and
  - (h) early redemption of the Notes under a Note Series, other than upon an acceleration pursuant to Clause 11 (*Events of Default and Acceleration of the Notes*) or as otherwise permitted or required by the applicable Note Terms.
- 13.4.3 Any matter not covered by Clause 13.4.2 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 13.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Note Terms that does not require a higher majority (other than an amendment permitted pursuant to Clause 14.2(a) or (c)), an acceleration of the Notes under a Note Series.
- 13.4.4 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 13.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 13.2.4 (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.

- 13.4.5 If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 13.4.6 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 13.2.1) or initiate a second Written Procedure (in accordance with Clause 13.3.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 13.4.6, the date of request of the second Noteholders' Meeting pursuant to Clause 13.2.1 or second Written Procedure pursuant to Clause 13.1.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 13.4.4 shall not apply to such second Noteholders' Meeting or Written Procedure other than in relation to an acceleration pursuant to Clause 11 (*Events of Default and Acceleration of the Notes*).
- 13.4.7 A Noteholder holding more than one Note under a Note Series 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.
- 13.4.8 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Note Terms shall be subject to the Issuer's or the Agent's consent, as applicable.
- 13.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Notes (irrespective of whether such person is a Noteholder) for or as inducement to any consent under the Note Terms, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' 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.
- 13.4.10 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Noteholders.
- 13.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 13.4.12 If a decision is to be taken by the Noteholders on a matter relating to the Note Terms, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates as per the Record Date for voting, irrespective of whether such person is a Noteholder. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate.

13.4.13 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be 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 Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **14 Amendments and Waivers**

14.1 The Issuer, the Agent and the Issuing Dealers may agree on adjustments to clear and obvious errors in these General Terms and Conditions.

14.2 The Issuer and the Agent (acting on behalf of the Noteholders) may agree in writing to amend and waive any provision in any Note Terms (in cases other than those set forth above in Clause 14.1), provided that the Agent is satisfied that such amendment or waiver:

- (a) is not detrimental to the interest of the Noteholders as a group;
- (b) is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) is required by any applicable regulation, law, a court ruling or a decision by a relevant authority;
- (d) has been duly approved by the Noteholders in accordance with Clause 13 (*Decisions by Noteholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Noteholders; or
- (e) is made pursuant to Clause 15 (*Replacement of Base Rate*).

14.3 The Issuer and the Dealers under the MTN Programme may from time to time agree to increase or decrease the Framework Amount. Information about such amendment shall promptly be published by the Issuer through a press release.

14.4 A new dealer may be engaged by agreement between the Issuer, the dealer in question and the Dealers. A Dealer may resign as a Dealer, but an Administrative Agent in respect of a specific Note Series may not resign unless a new Administrative Agent is appointed in its place.

14.5 The Agent shall promptly notify the Noteholders (by way of press release) and the Administrative Agent of any amendments or waivers made in accordance with Clause 14.1, setting out the date from which the amendment or waiver will be effective. The Issuer shall ensure that any amendments to the Note Terms are published in the manner stipulated in Clause 9.3 (*Availability of Note Terms*) and that any amendments to Note Terms are duly registered with the CSD and each other relevant organisation or authority.

14.6 An amendment or waiver to Note Terms shall take effect on the date determined by the Noteholders' Meeting, in the Written Procedure or by the Agent, as the case may be.

## 15 Replacement of Base Rate

### 15.1 General

- 15.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Noteholders in accordance with the provisions of this Clause 15 (*Replacement of Base Rate*) shall at all times be made by such Independent Adviser, the Issuer or the Noteholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.
- 15.1.2 If a Base Rate Event has occurred, this Clause 15 (*Replacement of Base Rate*) shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definitions of STIBOR and EURIBOR, respectively.

### 15.2 Definitions

In this Clause 15 (*Replacement of Base Rate*):

**“Adjustment Spread”** means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof to be applied to a Successor Base Rate and that is:

- (a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (b) if (a) is not applicable, the adjustment spread that the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate and is customarily applied in comparable debt capital market transactions.

**“Base Rate Amendments”** has the meaning set forth in Clause 15.3.4.

**“Base Rate Event”** means one or several of the following circumstances:

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Administrative Agent to calculate any payments due to be made to any Noteholder using the applicable Base

Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);

- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*), or in respect of EURIBOR, from the equivalent entity with insolvency or resolution powers over the Base Rate Administrator, containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

**“Base Rate Event Announcement”** means a public statement or published information as set out in paragraph (b) to (e) of the definition of Base Rate Event that any event or circumstance specified therein will occur.

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

**“Relevant Nominating Body”** means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*), the Financial Stability Board or any part thereof, respectively.

**“Successor Base Rate”** means:

- (a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as the Notes, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or
- (b) if there is no such rate as described in paragraph (a), such other rate as the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply mutatis mutandis to such new Successor Base Rate.

### **15.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments**

- 15.3.1 Without prejudice to Clause 15.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 15.3.2.

- 15.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate.
- 15.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 15.3.2, the Noteholders shall, if so decided at a Noteholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in Clause 15.3.2. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clause 15.3 to 15.6, the Agent (acting on the instructions of the Noteholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.
- 15.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").
- 15.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

#### **15.4 Interim measures**

- 15.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:
- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
  - (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.
- 15.4.2 For the avoidance of doubt, Clause 15.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 15. This will however not limit the application of Clause 15.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 15 (*Replacement of Base Rate*) have been taken, but without success.

## 15.5 Notices etc.

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Administrative Agent and the Noteholders in accordance with Clause **Fel! Hittar inte referenskölla.** (*Communications and Press Releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Notes are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

## 15.6 Variation upon replacement of Base Rate

- 15.6.1 No later than giving the Agent notice pursuant to Clause **Fel! Hittar inte referenskölla.** (*Notices etc.*), the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause **Fel! Hittar inte referenskölla.**) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 15 (*Replacement of Base Rate*). The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Administrative Agent and the Noteholders.
- 15.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 15.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Noteholders, without undue delay effect such amendments to these General Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 15 (*Replacement of Base Rate*).
- 15.6.3 The Agent and the Administrative Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 15 (*Replacement of Base Rate*). Neither the Agent nor the Administrative Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Administrative Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Administrative Agent in these General Terms and Conditions.

## 15.7 Limitation of liability for the Independent Adviser

Any Independent Adviser appointed pursuant to Clause 15.3 (*Determination of Base Rate, Adjustment Spread and Base Rate Amendments*) shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with these General Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

## **16 The Agent**

### **16.1 Appointment of Agent**

- 16.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Note Terms, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these General Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder, including the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 16.1.2 Each Noteholder 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 Note Terms. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- 16.1.3 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 Note Terms.
- 16.1.4 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 Note Terms and the Agency Agreement and the Agent's obligations as Agent under the Note Terms are conditioned upon the due payment of such fees and indemnifications.
- 16.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### **16.2 Duties of the Agent**

- 16.2.1 The Agent shall represent the Noteholders in accordance with the Note Terms.
- 16.2.2 When acting pursuant to the Note Terms, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent is never acting as an advisor to the Noteholders or the Issuer. Any advice or opinion from the Agent does not bind the Noteholders or the Issuer.
- 16.2.3 When acting pursuant to the Note Terms, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 16.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Note Terms, act with regard only to the interests of the Noteholders 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 Note Terms.
- 16.2.5 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 Noteholders 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 Note Terms.

- 16.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering (A) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Note Terms which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Note Terms, and (iii) in connection with any Noteholders' Meeting or Written Procedure, or (iv) in connection with any amendment (whether contemplated by the Note Terms or not) or waiver under the Note Terms. 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 Note Terms shall be distributed in accordance with Clause 12 (*Distribution of Proceeds*).
- 16.2.7 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 Note Terms.
- 16.2.8 Other than as specifically set out in the Note Terms, the Agent shall not be obliged to monitor (i) whether any Event of Default has occurred, (ii) the performance, default or any breach by the Issuer or any other party of its obligations under the Note Terms, (iii) the financial condition of the Issuer and the Group, or (iv) whether any other event specified in the Note Terms has occurred or is expected to occur. 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.
- 16.2.9 The Agent shall (i) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in these General Terms and Conditions and as otherwise agreed between the Issuer and the Agent, and (ii) verify that the Issuer according to its reporting in the Compliance Certificate meets the Maintenance Covenants, and (iii) if provided in connection with a Restricted Payment (which requires that the Incurrence Test is met), that the Incurrence Test is met as per the relevant test date, including calculations and figures in respect of the Incurrence Test, calculated pro forma including the Restricted Payment. 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 16.2.9
- 16.2.10 The Agent shall ensure that it receives evidence satisfactory to it that the General Terms and Conditions as well as the Final Terms for each Note Series 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 16.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Noteholders 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.

- 16.2.11 Notwithstanding any other provision of the Note Terms 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.
- 16.2.12 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 Noteholders, 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.
- 16.2.13 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Note Terms by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Note Terms or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 16.2.12

### **16.3 Liability for the Agent**

- 16.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Note Terms, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 16.3.2 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 16.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to any Note Terms to be paid by the Agent to the Noteholders, 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.
- 16.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with the Note Terms.
- 16.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, any Note Terms shall not be subject to set-off against the obligations of the Issuer to the Noteholders under such Note Terms.

### **16.4 Replacement of the Agent**

- 16.4.1 Subject to Clause 16.4.6, the Agent may resign for all Note Series, but not part of all Note Series, made under this MTN Programme by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent (which must be an independent financial institution or other reputable company which regularly acts as agent under debt issuances) at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

- 16.4.2 Subject to Clause 16.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 16.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount of all outstanding Note Series may, by notice to the Issuer (such notice shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 16.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, 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 Debt.
- 16.4.5 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 Note Terms of all outstanding Note Series.
- 16.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of (i) 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 (ii) the period pursuant to Clause 16.4.4(ii) having lapsed.
- 16.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Note Terms of all outstanding Note Series, but shall remain entitled to the benefit of the Note Terms and remain liable under the Note Terms in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the relevant Noteholders shall have the same rights and obligations amongst themselves under the respective Note Terms as they would have had if such successor had been the original Agent.
- 16.4.8 In the event that there is a change of the Agent in accordance with this Clause 16.4, 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 Note Terms of the outstanding Note Series and the Agency Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **17 No Direct Actions by Noteholders**

- 17.1 A Noteholder may not take any steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Note Terms, or to initiate, support or procure the winding-up, dissolution, liquidation, company

reorganisation or bankruptcy (or its equivalent in any other jurisdiction of any Group Company) in relation to any of the obligations liabilities of such Group Company under the Note Terms. Such steps may only be taken by the Agent.

- 17.2 Clause 17.1 shall not apply if the Agent has been instructed by the Noteholders for the relevant Note Series in accordance with the Note Terms 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 Noteholder to provide documents in accordance with Clause 16.1.2), 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 Note Terms or the Agency Agreement or by any reason described in Clause 16.2.11 such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 16.2.12 before a Noteholder may take any action referred to in Clause 17.1.
- 17.3 The provisions of Clause 17.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 8.4 (*Mandatory repurchase due to a Change of Control Event or a De-Listing Event (put option)*) or other payments which are due by the Issuer to some but not all Noteholders.

## **18 Prescription**

- 18.1 The right to receive repayment of the principal of Notes issued under the MTN Programme shall be prescribed and become void ten (10) years from the relevant Maturity Date (or other Redemption Date, if earlier). The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders' right to receive payment has been prescribed and has become void.
- 18.2 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 Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## **19 Communications and Press Releases**

### **19.1 Communications**

- 19.1.1 Any notice or other communication to be made under or in connection with the Note Terms:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time, and if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
  - (b) if to the Administrative Agent, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day

prior to dispatch or to such address notified by the Administrative Agent from time to time or, if sent by email, to such email address notified by the Administrative Agent from time to time;

- (c) 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 from time to time, and if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
- (d) if to the Noteholders, shall be given at their addresses registered with the CSD on a date selected by the sending person which falls no more than five (5) Business Days prior to the date on which the notice or communication is sent, and by either courier delivery (if practically possible) or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

19.1.2 Any notice or other communication made by one person to another under or in connection with the Note Terms shall be sent by way of courier, personal delivery or letter or, if between the Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 19.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 19.1.1 or, in case of email, when received in readable form by the email recipient.

19.1.3 Any notice or other communication pursuant to the Note Terms shall be in English. However, financial reports published pursuant to Clause 9.1.1 may be in Swedish.

19.1.4 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## **19.2 Press releases**

19.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 8.2, 8.4, 9.1.2, 11.4, 12.5, 13.4.13, 13.2.1, 13.3.1, 14.5, 15.5, 16.2.13 and 16.4.1 shall also be published by way of press release by the issuer.

19.2.2 In addition to Clause 19.1.1, if, any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders under these General 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 Noteholders 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 Noteholders, the Agent shall be entitled to issue such press release (to the extent it is able to do so).

## **20 Force Majeure and Liability**

20.1 Neither the Agent, the Administrative Agent nor the Dealers shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "Force Majeure Event"). The reservation in respect of

strikes, lockouts, boycotts and blockades applies even if the Agent, the Administrative Agent or any Dealer itself takes such measures, or is subject to such measures.

- 20.2 Losses arising in other cases shall not be compensated by an Issuing Dealer if the relevant entity has exercised due care. In no case shall compensation be paid for indirect losses.
- 20.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Dealer of a Note Series from taking any action required to comply with the relevant Note Terms, such action may be postponed until the obstacle has been removed.
- 20.4 The provisions in this Clause 20 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act, which respective provisions shall take precedence.

## **21 Governing Law and Jurisdiction**

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

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

Stockholm, 20 May 2022

**K2A Knaust & Andersson Fastigheter  
AB (publ) as Issuer**

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By:

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

Stockholm, 20 May 2022

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

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By:

## Form of Final Terms

## Final Terms

**K2A Knaust & Andersson Fastigheter AB (publ) Final Terms for Note Series number [●] under K2A Knaust & Andersson Fastigheter AB (publ)'s Swedish MTN Programme (the "MTN Programme")**

The following are the final terms and conditions ("**Final Terms**") of Note Series no. [●] (the "**Note Series**") that K2A Knaust & Andersson Fastigheter AB (publ) (the "**Issuer**") issues in the capital market under the MTN Programme.

The general terms and conditions dated [21 May 2021/20 May 2022] (the "**General Terms and Conditions**") set out in the Issuer's base prospectus dated [●] 2022, approved and registered with the Swedish Financial Supervisory Authority on [●] 2022, prepared by the Issuer in accordance with Article 8 of the Regulation (EU) 2017/1129 "**Prospectus Regulation**" ([as supplemented on [●]], the "**Base Prospectus**") and the Final Terms set forth below shall apply to the Note Series. Unless otherwise stated, definitions used in these Final Terms shall have the meaning set forth in the General Terms and Conditions or otherwise in the Issuer's Base Prospectus, including any published supplemental prospectus prepared for the MTN Programme from time to time in accordance with the Prospectus Regulation.

This document constitutes the Final Terms for the Note Series and has been prepared in accordance with Article 8.4 of the Prospectus Regulation. Complete information regarding the Issuer and the Note Series may only be obtained through a reading of the Final Terms together with the Base Prospectus. The [Issuer's Green Finance Framework, the] Base Prospectus and any supplemental prospectus are available on the Issuer's website [(www.k2a.se)].

[[These Final Terms replace the Final Terms dated [date], whereupon the Total Nominal Amount has been increased from [SEK]/[EUR]] [amount in figures] to [SEK]/[EUR] [amount in figures].]

<b>GENERAL</b>			
1.	Note Series number:		[●]
	(i)	Tranche number:	[●]
2.	<b>Aggregate Nominal Amount:</b>		
	(i)	For the Note Series:	[SEK]/[EUR] [●]
	(ii)	Tranche 1:	[SEK]/[EUR] [●]

	[(iii)]	Tranche [2]:	[SEK]/[EUR] [●]
3.		<b>Price per Note:</b>	[●] % of the Nominal Amount [plus accrued interest from and including [●]]
4.		<b>Currency:</b>	[SEK]/[EUR]
5.		<b>Nominal Amount:</b>	[SEK]/[EUR] [●] [(the stated amount may not be less than EUR 100,000 or an equivalent amount in SEK)]
6.		<b>First Issue Date:</b>	[●]
7.		<b>Issue Date:</b>	[●]
8.		<b>Interest Commencement Date:</b>	[●]
9.		<b>Maturity Date:</b>	[●]
10.		<b>Voluntary total redemption (call option):</b>	[●] [Further details specified under paragraph 16] [Not Applicable]
11.		<b>Interest structure:</b>	[Fixed interest]/ [Floating Rate (FRN)]
12.		<b>Basis for calculation of interest:</b>	[Nominal Amount]/ [●]
<b>BASIS FOR CALCULATION OF RETURN</b>			
13.		<b>Fixed Interest Rate:</b>	[Applicable]/[Not applicable] <i>(if not applicable, delete the remaining subheadings under this heading)</i>
	(i)	Interest Rate:	[●] % per annum
	(ii)	Interest Period:	[Period from (but excluding) [●] up to and including [●] (the first interest period) and thereafter each period of approximately [●] months with the final day on an Interest Payment Date]  <i>(Correct the above in the event of a short or long first coupon)</i>

	(iii)	Interest Payment Date(s):	[Annually [●]] [semi-annually [●] and [●]] [quarterly [●], [●], [●] and [●]], the first time on [●] and the last time on [●], however if such a day is not a Business Day, interest will not be paid until the following Business Day.
	(iv)	Day Count Convention:	[30/360]/[Actual/360]
	(v)	Risk factors:	In accordance with the risk factor with the heading [●] in the Base Prospectus
14.	<b>Floating Rate (FRN:)</b>		[Applicable]/[Not applicable]  <i>(if not applicable, delete the remaining subheadings under this heading)</i>
	(i)	Base Rate:	[●] months [[STIBOR]/[EURIBOR]]  [The Base Rate for the first coupon will be a linear interpolation between [●] months [STIBOR]/[EURIBOR and [●] months [STIBOR]/[EURIBOR]]
	(ii)	Base Rate Margin:	[+/-][●] % <i>per annum</i>
	(iii)	Interest Determination Date:	Two Business Days prior to the first day of each Interest Period, commencing on [●]
	(iv)	Interest Period:	[Period from (but excluding) [●] up to and including [●] (the first interest period) and thereafter each period of approximately [●] months with the final day on an Interest Payment Date]
	(v)	Interest Payment Date(s):	[●], [●], [●] and [●] of each year, the first time on [●] and the last time on [●]. However, if such a day is not a Business Day, the Interest Payment Date shall instead be the next Business Day provided that such Business Day does not fall in the new calendar month, in which case the Interest Payment Date shall be the preceding Business Day.
	(vi)	Day Count Convention:	[30/360]/[Actual/360] or by using such other method of calculation as is applied for the relevant Base Rate

	(vii)	Risk factors:	In accordance with the risk factor with the heading [●] in the Base Prospectus
<b>REPAYMENT</b>			
15.	<b>Amount with which Notes are to be repaid on the Maturity Date:</b>		[●] % of the Nominal Amount
16.	<b>Voluntary total redemption (call option):</b>		[Applicable]/[Not Applicable]  <i>(if not applicable, delete the remaining subheadings under this heading)</i>
			[The Issuer may redeem all, and not some only, of the outstanding Notes in accordance with Clause 8.2 ( <i>Voluntary total redemption (call option)</i> ) in the General Terms and Conditions:]
			[[i)] at any time from and including [the first Business Day falling [●] ([●])[months/days] after the [First Issue Date] / [●] to, but excluding, [the Maturity Date] / [●] at an amount per Note equal to [●] per cent. of the Nominal Amount, together with accrued but unpaid interest;][and/or]  [[i)] / [(ii)] at any time from and including the first Business Day falling [●] ([●]) [months/days] prior to the Maturity Date to, but excluding, the Maturity Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid interest [in connection with a refinancing of the Notes in full or in part with one or several new note issue or other similar capital markets issues.]]  [Specify]
<b>MISCELLANEOUS</b>			
17.	<b>Green Notes</b>		[Applicable]/[Not applicable]  [[Green Finance Framework dated [●] applies to this Note Series]]

	(i)	Risk factors:	[In accordance with the risk factor[s] titled [●] in the Base Prospectus]/[Not applicable]
18.	<b>Issuing Dealer(s):</b>		[Nordea Bank Abp] / [Swedbank AB (publ)] / [Arctic Securities AS, filial Sverige] / [Carnegie Investment Bank AB (publ)] / [Danske Bank A/S, Danmark, Sverige Filial] / [●]
19.	<b>Administrative Agent:</b>		[Nordea Bank Abp] / [Swedbank AB (publ)] / [Arctic Securities AS, filial Sverige] / [Carnegie Investment Bank AB (publ)] / [Danske Bank A/S, Danmark, Sverige Filial] / [●]
20.	<b>CSD:</b>		[Euroclear] / [●]
21.	<b>Admission to listing:</b>		[Applicable]/[Not applicable]  <i>(if not applicable, delete the remaining subheadings under this section)</i>
	(i)	Regulated Market:	An application for registration will be submitted to the [Corporate] / [Sustainable] [bond list of Nasdaq Stockholm] / [state other Regulated Market]  <i>(if Green Notes under item 17 above have been specified as applicable, such Notes are to be listed on the Sustainable Bond List of Nasdaq Stockholm if possible)</i>
	(ii)	Estimate of all costs in conjunction with admission to listing:	[●]
	(iii)	Total number of Notes admitted to listing:	[●]
	(iv)	Earliest date for admission to listing:	Tranche 1: [●]  [Tranche 2:] [●]

22.	<b>ISIN:</b>	[SE[●]]
23.	<b>Common Code:</b>	[●] / [Not Applicable]
24.	<b>Credit rating for Note Series:</b>	[Not applicable] / [Specify]
25.	<b>Resolution as basis for the Issue:</b>	[Specify]
26.	<b>Interests of natural or legal persons involved in the issue:</b>	<p>[Other than the compensation paid to the Issuing Dealers based on their participation in the MTN Programme and this issue, the Issuer is not aware of any persons involved with any interest of significance to the issue] / [Specify]</p> <p><i>[description of the interests of significance to the issue for any natural or legal persons involved in the issue, including conflicts of interest]</i></p>
27.	<b>Information from third parties:</b>	[Any information in these Final Terms 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] / [Not Applicable]
28.	<b>Use of proceeds:</b>	[General corporate purposes] / [[To be used in accordance with the Issuer's Green Finance Framework dated [date]]] / [●]
29.	<b>Net proceeds:</b>	[●] [less customary transaction costs and fees] / [Specify]

The Issuer confirms that it has disclosed all material events after the date of this MTN Programme regarding the Base Prospectus that could affect the market's perception of the Issuer.

The Issuer further confirms that the above Final Terms are applicable to the Note Series, together with the General Terms and Conditions, and undertakes accordingly to pay principal and, where applicable, interest.

[Place] [date for signing of Final Terms]

Form of Compliance Certificate

Compliance certificate

To: Nordic Trustee & Agency AB (publ) as Agent  
From: K2A Knaust & Andersson Fastigheter AB (publ)  
Dated: [●]

Dear Sirs,

**K2A Knaust & Andersson Fastigheter AB (publ)'s MTN Programme (the "MTN Programme")**

(1) We refer to the general terms and conditions dated 20 May 2022 (the "**General Terms and Conditions**"). This is a Compliance Certificate with respect to the Reference Period [●] – [●]. Terms defined in the General Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

(2) [We confirm that:

- (a) the Equity Ratio on the Reference Date [date], was [●]; and
- (b) the Interest Coverage Ratio on the Reference Date [date] was [●].

We confirm that the Maintenance Covenants are met.]

[We confirm that the Equity Ratio is equal to or higher than (20.00) per cent. calculated in accordance with the calculation principles set out in Clause 10.6.2 of the General Terms and Conditions.]<sup>2</sup>

(3) We have attached calculations and figures establishing the figures in paragraph (2).

(4) We confirm that no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) [or from the issue of the [Notes]<sup>3</sup> [or from the making of the Restricted Payment consisting of [specify Restricted Payment for the relevant situation]<sup>4</sup>. *[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.]*

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<sup>2</sup> Only to be included if this compliance certificate is provided in connection with the Incurrence Test.

<sup>3</sup> 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.

<sup>4</sup> Only to be included if this compliance certificate is provided in connection with the Incurrence Test.

(5) [Attached hereto you will find copies of any notices sent to the Regulated Market.]

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Name:

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Name:

## **5 THE ISSUER AND ITS OPERATIONS**

### **5.1 Company description**

The Issuer's legal and commercial name is K2A Knaust & Andersson Fastigheter AB (publ) and its registration number is 556943-7600. The Issuer was incorporated in Sweden and founded as well as registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 27 September 2013. The Issuer is a public limited liability company (Sw. *publikt aktiebolag*) subject to, inter alia, the Swedish Companies Act (Sw. *aktiebolagslag* (2005:551)) and the Swedish Annual Accounts Act (Sw. *årsredovisningslag* (1995:1554)). The seat of the Issuer is in Stockholm. The Issuer's operations are governed by Swedish law.

The Issuer's head office and registered address is Nybrogatan 59, 114 40 Stockholm. The Issuer's legal identifier code (LEI code) is 549300Q62J8QZJ5TGJ71. The telephone number of the Issuer is 010-510 55 10. The website of the Issuer is [www.k2a.se](http://www.k2a.se). Information made available on the Issuer's website does not form part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus.

According to section three of the Issuer's articles of association, the purpose and business of the Issuer is to directly and/or indirectly own and manage real estate, conduct consultative activities regarding property management and financing, engage in securities trading, and thereto pertaining business.

### **5.2 Business and operations**

The Issuer's main business idea is to engage in long-term ownership, development and management of rental housing and properties for public use in Stockholm, Mälardalen and at a number of university cities in Sweden, such as Gävle, Karlstad, Kiruna, Lund, Sundsvall, Umeå, Uppsala, Växjö and Örebro.

As of 31 March 2022, the Issuer's property portfolio consisted of a total of 4,379 rental apartments. The total lettable area amounted to approximately 171 thousand square meters, the fair value of the investment objects amounted to approximately MSEK 7,766 and the total rental value amounted to approximately MSEK 372. Rental housing constituted the largest category, corresponding to approximately 43 per cent. of the rental value, while student housing constituted approximately 42 per cent. of the rental value and properties for public use approximately 15 per cent. Geographically, Stockholm and Mälardalen constituted the Issuer's largest market with 51 per cent. of the rental value, while university cities accounted for 41 per cent. of the rental value and other locations 8 per cent. of the rental value.

As of 31 March 2022, the Issuer had projects with the purposes of producing 5,547 apartments with an estimated total rental value of approximately MSEK 564. As of the aforementioned date, 1,829 of these apartments were in production and for the remaining apartments, production has not yet started.

The Issuer is active in all parts of the value chain - from the initial customer analysis and land acquisition to production and construction of the apartments and finally leasing and management of the apartments.

The Issuer's conducts analyses to investigate what is most important to potential tenants. Such studies have proven that a well-planned layout and high functionality are normally more important to the tenants than the size of the apartment.

The Issuer normally acquires land in two different ways; through land allocations and through off-market-transactions. In land allocation procedures, a municipality distributes land to one developer or a group of developers in connection with the municipality's planning of a new built environment. Normally, the developer who wins a land allocation has the exclusive right to negotiate with the municipality, for a certain period of time and under certain conditions, regarding the exploitation of the land that has been assigned to the developer. The off-market-transactions are privately negotiated transactions.

Through the subsidiary K2A Trähus AB, the Issuer has access to its own production capacity. The Issuer normally produces four types of well-planned standard apartments which can be adapted to different environments and requirements. The standardised production of these apartments provides the basis for an efficient production process. Furthermore, since the Issuer has its own factories, it allows production capacity to be adjusted, which, in turn, might result in better control in terms of deliveries and production costs. When the units are completed, they are transported to the building site and then assembled to create complete residential buildings.

The Issuer also manage the leasing and management of the residences and properties. This, among other things, includes maintenance in order to maintain the long-term value of the properties.

The Issuer practices a sustainability perspective on both its production of apartments and its property management. The Issuer's production method contributes to an environmentally sustainable development of the property market. The production method involves manufacturing apartments mainly in wood, which is a versatile material and the only economically competitive renewable building material. Ecolabelling Sweden AB (Sw. *Miljömärkning Sverige AB*) has examined the Issuer's production process and awarded the Issuer with a licence to Nordic Swan Ecolabel (Sw. *Svanenmärka*) all upcoming and self-produced property productions.

### **5.3 Organisational structure**

As per the date of this Base Prospectus, the Issuer is the parent company of 108 directly or indirectly wholly owned subsidiaries. Furthermore, the Issuer owns 95 per cent. of the shares in K2A Studenthus i Linköping AB. As the Issuer's operations are conducted by the subsidiaries, the Issuer is dependent on its subsidiaries to generate revenues and profits in order to be able to fulfil its obligations.

In addition to companies directly or indirectly owned by the Issuer, the Issuer from time to time holds shares in companies through which properties are owned jointly with other investors. For example, the Issuer (through its subsidiaries) and Samhällsbyggnadsbolaget i Norden AB (through its subsidiaries) are joint owners of Slaggborn Utvecklings AB. Further, the Issuer (through its subsidiaries) and Genova Property Group AB (through its subsidiaries) together owns the company Genova Viby Holding AB.

## 5.4 Share capital, shares and ownership structure

Pursuant to its articles of association, the Issuer's share capital shall be not less than SEK 500,000,000 and not more than SEK 2,000,000,000 split into not less than 80,000,000 shares and not more than 320,000,000 shares. On the day of this Base Prospectus the Issuer's share capital amounts to SEK 547,938,125 split into 87,670,100 shares. All outstanding shares issued by the Issuer have been fully paid.

Shares in the Issuer may be issued in four classes; ordinary class A, B and D shares, and preference shares. Class A shares carry ten (10) votes per share. Class B and D shares and preference shares carry one (1) vote per share. On the day of this Base Prospectus the number of class A shares amounts to 10,604,640, class B shares to 68,454,500, class D shares to 6,806,160 and preference shares to 1,804,800. The Issuer's class B shares and preference shares are listed on Nasdaq Stockholm.

The following table sets forth the major shareholders in the Issuer as of 31 March 2022.

Shareholder	Number of shares				Percentage of	
	Series A	Series B	Series D	Preference shares	Shares, %	Voting rights, %
Johan Knaust (private and through companies)	2,841,840	17,402,015	6,806,160	94,025	31.0	28.8
Länsförsäkringar Fastighetsfond	-	8,574,652	-	-	9.8	4.7
Johan Ljungberg (private and through companies)	2,412,000	5,795,000	-	13,864	9.4	16.3
Johan Thorell (private and through companies)	2,412,000	5,711,000	-	19,499	9.3	16.3
Claes-Henrik Julander (private and through companies)	2,176,800	5,086,280	-	17,659	8.3	14.7
SEB Fonder	-	6,484,436	-	-	7.4	3.5
Verdipapirfondet Odin Eiendom	-	3,238,190	-	-	3.7	1.8
Enter Sverige	-	2,525,174	-	-	2.9	1.4
Ludwig Holmgren	762,000	1,316,730	-	2,032	2.4	4.9
Humle fonder	-	1,635,755	-	-	1.9	0.9
<b>Total for the ten largest shareholders</b>	<b>10,604,640</b>	<b>57,769,232</b>	<b>6,806,160</b>	<b>147,079</b>	<b>86.0</b>	<b>93.3</b>
Others	-	10,685,268	-	1,657,721	14.0	6.7
<b>Total</b>	<b>10,604,640</b>	<b>68,454,500</b>	<b>6,806,160</b>	<b>1,804,800</b>	<b>100</b>	<b>100</b>

As far as the Issuer is aware, there are no direct or indirect significant ownership or control over the Issuer in addition to the table above. Further, there are currently no known agreements or other arrangements that will or may result in a change of control over the Issuer.

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

## 6 BOARD OF DIRECTORS, SENIOR MANAGEMENT AND AUDITOR

### 6.1 Board of directors

As of the date of this Base Prospectus, the Issuer's board of directors consists of seven ordinary board members, including the chairman of the board, elected on the annual general meeting for the period up to the end of the 2023 annual general meeting. According to the Issuer's articles of association, the board shall consist of a minimum of three and a maximum of seven board members. All members of the board of directors and senior executives can be reached through the Issuer's address, stated in the section 8 "Addresses" below.

Name	Position	Elected as board member	Independent in relation to the Issuer and its management	Independent in relation to major shareholders
Sten Gejrot	Chairman of the board of directors	2017	No <sup>5</sup>	Yes
Johan Thorell	Board member	2015	Yes	No <sup>6</sup>
Johan Ljungberg	Board member	2017	Yes	No <sup>7</sup>
Claes-Henrik Julander	Board member	2014	Yes	No <sup>8</sup>
Ingrid Lindquist	Board member	2019	Yes	Yes
Ludwig Holmgren	Board member	2017	Yes	Yes
Johan Knaust	Board member and CEO	2013	No <sup>9</sup>	No <sup>10</sup>

#### **Sten Gejrot (born 1962)**

Chairman of the board since 2022 (board member since 2017)

Significant commitments outside the Group: Lawyer and partner of Advokatfirman Lindahl.

Shareholdings in the Issuer: 10,000 class B shares, held through a company.

<sup>5</sup> Sten Gejrot is partner at Advokatfirman Lindahl from which the Issuer purchases legal services.

<sup>6</sup> Johan Thorell controls (private and/or through companies) more than ten per cent. of the shares and/or votes in the Issuer.

<sup>7</sup> Johan Ljungberg controls (private and/or through companies) more than ten per cent. of the shares and/or votes in the Issuer.

<sup>8</sup> Claes-Henrik Julander controls (private and/or through companies) more than ten per cent. of the shares and/or votes in the Issuer.

<sup>9</sup> Johan Knaust is the CEO of the Issuer.

<sup>10</sup> Johan Knaust controls (private and/or through companies) more than ten per cent. of the shares and/or votes in the Issuer.

### **Johan Thorell (born 1970)**

Board member since 2015. Chairman of the board between 2017 and 2022. Member of the Issuer's audit committee (Sw. *revisionsutskott*)

Significant commitments outside the Group: chairman of the board directors of Kallebäck Property Invest AB. Board member of AB Sagax, Hemsö Fastighets AB, Tagehus Holding AB and Storskogen Group AB.

Shareholdings in the Issuer: 2,412,000 class A shares, 5,711,000 class B shares and 19,499 preference shares, held privately and/or through companies.

### **Johan Ljungberg (born 1972)**

Board member since 2017. Member of the Issuer's sustainability committee (Sw. *hållbarhetsutskott*)

Significant commitments outside the Group: chairman of the board of directors of Atrium Ljungberg AB, Tagehus Holding AB and John Mattson Fastighetsföretagen AB.

Shareholdings in the Issuer: 2,412,000 class A shares, 5,795,000 class B shares and 13,864 preference shares, held privately and/or through companies.

### **Claes-Henrik Julander (born 1969)**

Board member since 2014. Member of the Issuer's audit committee (Sw. *revisionsutskott*)

Significant commitments outside the Group: chairman of the board of directors of Erik Penser Bank Aktiebolag and Star Stable Entertainment AB. Board member of Biocrine AB, Svipdag AB and The Forest Solution Falun Sweden AB.

Shareholdings in the Issuer: 2,176,800 class A shares, 5,086,280 class B shares and 17,659 preference shares, held privately and/or through companies.

### **Ingrid Lindquist (born 1957)**

Board member since 2019. Member of the Issuer's audit committee (Sw. *revisionsutskott*)

Significant commitments outside the Group: chairman of the board of directors of Lysa AB. Board member of Hobohm Brothers Equity AB, Länsförsäkringar Stockholm, Kavot Vård AB, Fora AB, Collectum AB, Wise Group AB and Kollektivavtalsinformation Sverige AB.

Shareholdings in the Issuer: 30,000 class B shares, held privately and/or through companies.

### **Ludwig Holmgren (born 1972)**

Board member since 2017. Member of the Issuer's sustainability committee (Sw. *hållbarhetsutskott*)

Significant commitments outside the Group: Head of Business Development at Carneo Asset Managers.

Shareholdings in the Issuer: 762,000 class A shares, 1,316,730 class B shares and 2,032 preference shares, held privately and/or through companies.

### **Johan Knaust (born 1971)**

Board member and CEO since 2013. Member of the Issuer's sustainability committee (Sw. *hållbarhetsutskott*)

Significant commitments outside the Group: Johan Knaust has no other on-going commitments of significance.

Shareholdings in the Issuer: 2,841,840 class A shares, 17,402,015 class B shares, 6,806,160 class D shares and 94,025 preference shares, held privately and/or through companies.

## **6.2 Senior management**

<b>Name</b>	<b>Position</b>	<b>Employed (year)</b>
Johan Knaust	CEO	2013
Christian Lindberg	Deputy CEO	2017
Ola Persson	CFO	2021
Sandra Sundman	Head of finance	2016
Henrik Nordlund	Head of asset management	2020
Karl Vahlund	Head of transactions	2019
Erik Lemaitre	Head of business development	2020
Karina Antin	Chief sustainability officer	2020
Fredrik Widerstedt	Head of project management	2016
Emma Nyborg	Head of marketing and communication	2018

### **Johan Knaust (born 1971)**

Board member and CEO since 2013.

See above under section 6.1 "*Board of directors*".

### **Christian Lindberg (born 1980)**

Deputy CEO since 2020. Head of business development 2017–2018, CFO 2018–2020

Significant commitments outside the Group: Christian Lindberg has no other on-going commitments of significance.

Shareholdings in the Issuer: 375,000 class B shares, held privately and/or through companies.

**Ola Persson (born 1969)**

CFO since 2021

Significant commitments outside the Group: Ola Persson has no other on-going commitments of significance.

Shareholdings in the Issuer: 8,500 class B shares, held privately and/or through companies.

**Sandra Sundman (born 1986)**

Head of finance since 2017

Significant commitments outside the Group: Sandra Sundman has no other on-going commitments of significance.

Shareholdings in the Issuer: 2,600 class B shares, held privately and/or through companies.

**Henrik Nordlund (born 1987)**

Head of asset management since 2020

Significant commitment outside the Group: Henrik Nordlund has no other on-going commitments of significance.

Shareholdings in the Issuer: 3,000 class B shares, held privately and/or through companies.

**Karl Vahlund (born 1984)**

Head of transactions since 2019

Significant commitments outside the Group: Karl Vahlund has no other on-going commitments of significance.

Shareholdings in the Issuer: 62,500 class B shares, held privately and/or through companies.

**Erik Lemaitre (born 1968)**

Head of business development since 2020

Significant commitments outside the Group: Erik Lemaitre has no other on-going commitments of significance.

Shareholdings in the Issuer: 5,500 class B shares, held privately and/or through companies.

**Karina Antin (born 1986)**

Chief sustainability officer since 2020

Significant commitments outside the Group: Karina Antin has no other on-going commitments of significance.

Shareholdings in the Issuer: Karina Antin does not own any shares in the Issuer.

### **Fredrik Widerstedt (born 1983)**

Head of project management since 2020

Significant commitments outside the Group: Fredrik Widerstedt has no other on-going commitments of significance.

Shareholdings in the Issuer: 16,675 class B shares and 3 preference shares, held privately and/or through companies.

### **Emma Nyborg (born 1989)**

Head of marketing and communication since 2021

Significant commitments outside the Group: Emma Nyborg has no other on-going commitments of significance.

Shareholdings in the Issuer: 1,950 class B shares, held privately and/or through companies.

## **6.3 Possible conflicts of interest**

Save for what is mentioned below, the board members and the senior management do not have any private interests which could conflict with the Issuer's interest.

There are no family ties between the individuals on the Issuer's board of directors or the senior management. However, as set out in section 6.1-6.2 above, certain members of the board of directors and senior management hold shares in the Issuer.

Board members Johan Thorell and Johan Ljungberg have board assignments and own shares in other real estate companies which, directly or indirectly, operates on the Swedish real estate market. Situations may arise where Johan Thorell and Johan Ljungberg might have interests that differ from the Issuer's interests. See section 6.1 "*Board of directors*" above for a description of Johan Thorell's and Johan Ljungberg's current on-going assignments.

Board member Sten Gejrot is partner at Advokatfirman Lindahl, which regularly performs legal services for the Issuer.

## **6.4 Auditor**

According to the Issuer's articles of association, the Issuer must have at least one and no more than two auditors, with or without deputies. KPMG AB has been the Issuer's auditor during the period covered by the historical financial information. At the annual general meeting held on 29 April 2022, KPMG was re-elected as auditor of the Issuer, with Peter Dahllöf (born 1972) as auditor in charge, for the time until the end of the next annual meeting. Peter Dahllöf replaced Fredrik Sjölander (born 1970) as KPMG's auditor in charge at the annual general meeting held on 28 April 2021. Peter Dahllöf is a certified public accountant and member of FAR. KPMG's office address is Vasagatan 16, 101 27 Stockholm.

## **7 OTHER INFORMATION**

### **7.1 Information regarding the Base Prospectus**

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

### **7.2 Responsibility**

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

### **7.3 Legal and arbitrary proceedings**

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

### **7.4 Certain material interests**

The Dealers (and closely related companies) have provided, and may in the future provide, certain investment banking and/or commercial banking and other services and facilities to the Issuer for which they have received, or will receive, remuneration. Accordingly, conflicts of interest may exist or may arise as a result of the Dealers having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

### **7.5 Material changes and trend information**

There have been no significant changes to the Issuer's financial performance or position since 31 March 2022 (the end of the last period where financial information is available).

There has been no material adverse change in the prospects of the Issuer since 31 December 2021, being the end of the last financial period for which an audited financial report has been prepared and there has been no recent events specific to the Issuer which to a material extent are relevant to the evaluation of the Issuer's solvency.

## 7.6 Material agreements

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

## 7.7 Documents incorporated by reference

The following information has been incorporated in, and should be read as part of, this Base Prospectus:

### The Issuer's interim report for the period 1 January 2022 – 31 March 2022

1. Consolidated income statement, page 14;
2. consolidated balance sheet, page 15;
3. consolidated statement of changes in equity, page 16;
4. consolidated cash flow statement, page 17;
5. the notes, page 24; and
6. accounting policies, page 24.

### The Issuer's annual report for the financial year ended 31 December 2021

1. Consolidated income statement, page 128;
2. consolidated balance sheet, page 129;
3. consolidated statement of changes in equity, page 130;
4. consolidated cash flow statement, page 131;
5. the notes, pages 136-156; and
6. the audit report, pages 158-161.

### The Issuer's annual report for the financial year ended 31 December 2020

1. Consolidated income statement, page 116;
2. consolidated balance sheet, page 117;
3. consolidated statement of changes in equity, page 118;
4. consolidated cash flow statement, page 119;
5. the notes, pages 124-142; and
6. the audit report, pages 144-147.

The Issuer's consolidated and audited annual reports for the financial years ended 31 December 2020 and 31 December 2021, respectively, as well as the Issuer's unaudited interim report for the period of 1 January 2022 to 31 March 2022 (the "**Financial Statements**"), are incorporated into this Base Prospectus by reference to the extent set out above. The Financial Statements are to be read as part of this Base Prospectus, provided that the non-incorporated parts are not relevant for investors in the Notes or covered elsewhere in the Base Prospectus.

The Issuer's annual reports for the financial years ended 31 December 2020 and 31 December 2021, respectively, have been audited. The Issuer's interim report for the period 1 January 2022 to 31 March 2022 has not been audited by the

Issuer's auditor. Save for what is mentioned above, the Issuer's auditor has not audited or reviewed any part of this Base Prospectus.

The audited annual reports have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the interpretations provided by the International Financial Reporting Interpretations Committee ("IFRIC") as adopted by the EU. The interim report for the period 1 January 2022 – 31 March 2022 has been prepared in accordance with International Accounting Standards (IAS) 34 Interim Financial Reporting. Furthermore, the Issuer also applies the Swedish Annual Accounts Act.

All Financial Statements are available on the Issuer's website <https://investerare.k2a.se/sv/finansiella-rapporter> and can be obtained in paper format at the Issuer's head office at Nybrogatan 59, 114 40 Stockholm.

In addition to the Financial Statements and in order to enable further tap issuances under the Issuer's previous prospectus, the following information has been incorporated into this Base Prospectus by reference and is available on the Issuer's website <https://investerare.k2a.se/sv/mtn-program>.

The Issuer's base prospectus dated 21 May 2021

1. General Terms and Conditions, pages 24-63; and
2. Form of Final Terms, pages 64-69.

**7.8 Documents available for inspection**

Copies of the following documents are available at the Issuer's website ([www.k2a.se](http://www.k2a.se)):

- The Issuer's articles of association and certificate of registration;
- The Financial Statements;
- The Issuer's base prospectus dated 21 May 2021; and
- The Green Finance Framework.

## 8 ADDRESSES

### **The Issuer**

K2A Knaust & Andersson Fastigheter  
AB (publ)  
Nybrogatan 59  
114 40 Stockholm  
010-510 55 10  
[www.k2a.se](http://www.k2a.se)

### **Dealer**

Swedbank AB (publ)  
105 34 Stockholm  
Stockholm: 08-700 99 98  
Göteborg: 031-739 78 50  
[www.swedbank.se](http://www.swedbank.se)

### **Dealer**

Nordea Bank Abp  
Smålandsgatan 17  
105 71 Stockholm  
010-157 10 00  
[www.nordea.se](http://www.nordea.se)

### **Dealer**

Arctic Securities AS, filial Sverige  
Regeringsgatan 38  
111 56 Stockholm  
08-446 841 00  
[www.arctic.com/secse](http://www.arctic.com/secse)

### **Dealer**

Carnegie Investment Bank AB (publ)  
Regeringsgatan 56  
103 38 Stockholm  
08-588 689 86  
[www.carnegie.se](http://www.carnegie.se)

### **Dealer**

Danske Bank A/S, Danmark, Sverige Filial  
Norrmalmstorg 1  
Box 7523, 103 92 Stockholm  
08-568 805 77  
[www.danskebank.se](http://www.danskebank.se)

### **Legal advisor**

Advokatfirman Lindahl KB  
Studentgatan 6  
211 38 Malmö  
040-664 66 50  
[www.lindahl.se](http://www.lindahl.se)

### **Agent**

Nordic Trustee & Agency AB (publ)  
Landsvägen 40  
Box 7329, 103 90 Stockholm  
08-783 79 00  
[www.nordictrustee.com](http://www.nordictrustee.com)

### **Central Securities Depository**

Euroclear Sweden AB  
Klarabergsviadukten 63  
Box 191, 101 23 Stockholm  
08-402 90 00  
[www.euroclear.com/Sweden](http://www.euroclear.com/Sweden)

### **Auditor**

KPMG AB  
Vasagatan 16  
Box 382, 101 27 Stockholm  
08-723 91 00  
[www.kpmg.se](http://www.kpmg.se)