

Stockholm, 27 February 2024

NOTICE OF WRITTEN PROCEDURE

ISIN: SE0016101810

**Ilija Batljan Invest AB (publ) (the “Issuer”)
up to SEK 2,500,000,000 Senior Unsecured Floating Rate Green Notes (the “Notes”)**

At the request of the Issuer, the Agent hereby initiates a written procedure (“Written Procedure”) in accordance with the terms and conditions of the Notes (the “Terms and Conditions”). Noteholders (as defined in the Terms and Conditions) are urged to carefully review and consider the details of this notice of Written Procedure (the “Notice”) in its entirety.

If you are an authorised nominee (*Sw. förvaltare*) holding Notes on behalf of someone else, please forward this Notice to the Noteholder you represent at your earliest convenience.

Terms defined in the Terms and Conditions shall have the same meaning in this Notice, unless otherwise defined herein.

Key information:

Record Date for being eligible to vote:	1 March 2024
Deadline for voting:	15:00 CET, 15 March 2024
Quorum requirement:	At least fifty (50) per cent. of the Adjusted Nominal Amount, for the Request (as defined below).
Majority requirement:	At least two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders reply to the Request.

Important information

Each Noteholder is solely responsible for making its own independent evaluation of all matters as such Noteholder deems appropriate (including those relating to the Request (as defined herein) and the Issuer), and each Noteholder must make its own decision as to whether to participate in the Request. Noteholders should consult their own tax, accounting, financial and legal adviser regarding the impact to themselves of voting in favour for or against the Request. Neither the Issuer nor any director, officer, employee, agent or affiliate of the Issuer, is acting for any Noteholder or will be responsible for providing advice in relation to the Request. None of the Issuer or the Agent, nor any director, officer, employee, agent or affiliate of any such person, makes any recommendation as to whether such Noteholders should vote in favour for or against the Request.

Noteholders are responsible for complying with all of the procedures for submitting a Voting Form. Neither the Issuer nor the Agent assumes any responsibility for informing any Noteholder of irregularities with respect to such Noteholder's participation in the Written Procedure (including any errors or other irregularities, manifest or otherwise, in any Voting Form).

***Disclaimer:** Please note that no due diligence whatsoever (legal, financial, tax or otherwise) has been carried out by the Agent or any of its advisors or any other person for the purpose of this Written Procedure or with respect to the Issuer or its assets. The Request (as defined below) is presented to the Noteholders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Request (and its effects, should it be adopted) from a legal or commercial perspective of the Noteholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and its effects, should it be adopted). Before making a decision whether to accept the Request, each Noteholder is advised to carefully review the content of this Notice. If a Noteholder is uncertain as to the content and significance of any of those documents and the measures the Noteholders should take, the Noteholder is recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not.*

***Risk Factors:** Non-exhaustive risk factors in relation to the Issuer and the Notes are attached hereto as Schedule 4 (Risk Factors).*

1. Background and request

1.1 Background

Due to the rising interest rates, soaring inflation, general financial market volatility (incl. the debt capital markets where the Issuer has historically found its main source of financing), decreased rental income in the Issuer's indirectly owned real estate portfolio, a material decrease in the value of the Issuer's stake in Samhällsbyggnadsbolaget i Norden AB ("**SBB**") as well as SBB's decision to postpone its planned dividend for 2023, the Issuer is facing liquidity issues which could adversely impact its ability to fulfil its on-going payment obligations under the Notes. Further, the above factors could, if they

consist or remain materially unchanged, pose a significant risk to the Issuer's ability to procure a commercially viable source for refinancing of the Notes.

As a result of the foregoing, the Issuer, proposes to make certain amendments to the Terms and Conditions as further detailed below under section 1.2 (*Request*) and in Schedule 3 (*Mark up of amendments relating to the Request*).

The Agent is informed that Noteholders representing an aggregate Nominal Amount of approximately 38 per cent. of the Adjusted Nominal Amount for the Notes have undertaken to vote in favour of the Request (as defined below).

1.2 Request

With reference to the above, the Issuer hereby requests that the Noteholders agree to amend the Terms and Conditions as detailed in the consolidated page-pull mark-up attached as Schedule 3 (*Mark up of amendments relating to the Request*) (the "**Amendments**") (the "**Request**").

For ease of reference, the Amendments include, *inter alia*:

- (i) removal of the Issuer's right to issue Subsequent Notes (and consequential changes following such amendment, including the removal of the Incurrence Test);
- (ii) an extension of the final maturity date so that the new extended final maturity date shall be 20 January 2026;
- (iii) an amendment of the Interest Rate so that it shall be a fixed PIK interest of 12.00 *per cent.* per annum (which shall be capitalised annually), which shall take effect from but excluding 15 December 2023;
- (iv) an option for the Issuer to make voluntary partial prepayments of the Notes;
- (v) an undertaking for the Issuer to use reasonable efforts to divest non-core assets and apply the net proceeds from such divestments to partially prepay or repurchase the Notes and any bank financing issued by and/or incurred (as applicable) by the Issuer that are not subordinated to the Notes (if any) on a *pro rata* basis;
- (vi) and amendment of Clause 11.2 (*Market Loans*) with the effect that the Issuer may only issue new Market Loans which are subordinated to the Notes or which are issued for the purpose of refinancing the Notes in full (subject to a customary escrow arrangement);
- (vii) an amendment of Clause 11.3 (*Negative pledge*) with the effect that the Issuer and certain of its Affiliates may not grant new security over its assets;
- (viii) an amendment to Clause 11.4 (*Investments*) with the effect that all acquisitions of or investments in any asset (other than in respect of notes issued by the Issuer, and any repurchase or redemption thereof in accordance with the applicable terms and conditions) shall require the Issuer to procure requisite consent from the requisite majority of Noteholders in accordance with the Terms and Conditions;
- (ix) an undertaking for the Issuer to have repurchased Notes in a total aggregate nominal amount of no less than SEK 300,000,000 by no later than the date falling six (6)

months from the date on which this Written Procedure has been approved by the Noteholders (and which Notes may not be resold);

- (x) an undertaking for the Issuer to ensure that neither itself nor any Group Company provides any loan or credit to party other than if such loan or credit is subordinated;
- (xi) an amendment to Clause 11.12 (*Dividends*) with the effect that the Issuer is prohibited from making any payments of interest or principal on a SEK 100,000,000 shareholder loan provided by Ilija Batljan (the “**Existing Shareholder Loan**”);
- (xii) an amendment to Clause 11.12 (*Dividends*) with the effect that the Issuer is prohibited from making any payments of dividends to its shareholders and payment of interest under Hybrid Instruments (in the latter case, save in the event that the Hybrid Instruments are refinanced in full by way of issuance of New Hybrid Instruments or by way of equity injections);
- (xiii) an amendment of Clause 11.19 (*Financial Indebtedness*) with the effect that the Issuer and certain of its Affiliates may not incur new Financial Indebtedness ranking senior or *pari passu* with the Notes (save for such Financial Indebtedness incurred for refinancing purposes and which Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount has approved);
- (xiv) and amendment to the redemption price per Note at an Event of Default, with the effect that the Issuer must pay a make whole amount instead of 101 per cent of the Nominal Amount; and
- (xv) the facilitation of the entry into of a subordination agreement between the Issuer, Ilija Batljan and the Agent, pursuant to which the Existing Shareholder Loan and future Shareholder Loans will be subordinated to the obligations of the Issuer under the Finance Documents (the “**Subordination Agreement**”).

For complete disclosure of the content of the Request, each Noteholder is referred to the Terms and Conditions as detailed in the consolidated page-pull mark-up attached as Schedule 3 (Mark up of amendments relating to the Request).

The Issuer requests that the Noteholders submit their votes as soon as possible, even if the voting period has not ended. Please refer to section 3.1 (Voting procedure) for further details on the voting procedure.

2. Effectiveness

The amendments proposed pursuant to the Request shall be deemed to be approved:

1. immediately upon expiry of the voting period and receipt of the required quorum and majority as set forth in sections 3.4 (*Quorum*) and 3.5 (*Majority*) below; or
2. if earlier, when the requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent.

Provided that:

1. the Request has been approved in accordance with the above (section 2 (Effectiveness) item 1 or item 2);

2. evidence that the maturity date of the Existing Shareholder Loan has been extended to 20 April 2026 (evidence for the occurrence of which may, for the avoidance of doubt, be evidenced and satisfied by way of a press release on the website of the Issuer (<https://www.ilijabatljaninvest.com/en/financial-information/press-releases/>)); and
3. the Issuer and the Agent have entered into the Subordination Agreement on standard market terms and conditions in respect of the Existing Shareholder Loan (evidence for the occurrence of which may, for the avoidance of doubt, be evidenced and satisfied by way of a press release on the website of the Issuer (<https://www.ilijabatljaninvest.com/en/financial-information/press-releases/>)),

the Issuer and the Agent shall, upon the Issuer's request, amend and restate the Terms and Conditions and (it being noted that there shall only be one set of amended and restated Terms and Conditions reflecting the amendments proposed by the Request) as well as enter into and deliver any other agreements and/or documents (including but not limited to the Subordination Agreement) that are necessary and/or desirable for the purpose of effectuating the proposals and requests set out in this Notice including reflecting any immaterial amendments which Euroclear Sweden may request in order to register the amended Terms and Conditions. The Issuer shall, following the execution of such amendment and restatement, procure that the duly executed amended and restated Terms and Conditions are registered with the CSD.

Please note that although the Issuer intends to implement the amendments as proposed pursuant to the Request, it has no obligation to do so even if the Request is approved by the Noteholders.

The Issuer shall in accordance with Clause 15.17 of the Terms and Conditions promptly notice each person registered as a Noteholder and publish information about the decision in relation to the Request on its website (<https://www.ilijabatljaninvest.com/en/>).

3. Written Procedure

The following instructions must be adhered to under the Written Procedure.

3.1 Voting procedure

To be eligible to vote, you must be a Noteholder on 1 March 2024 (the “**Record Date**”). This means that you must be registered in the debt register with the CSD (Sw. *skuldbok*) for the Notes (the “**Debt Register**”) as direct registered owner (Sw. *direktregistrerad ägare*) or as authorised nominee (Sw. *förvaltare*) with respect to one or several Notes.

If you hold Notes through an authorised nominee and wish to exercise voting rights in respect of such Notes, you will need to instruct your nominee to vote on your behalf (in such case, please instruct the authorised nominee to submit the votes as soon as possible, even if the voting period has not ended). Alternatively, you may request your nominee to issue a power of attorney preferably in the format set out in Schedule 2 (Power of Attorney) to this Notice authorising you to vote. If your Notes are held through several intermediaries (*i.e.* your authorised nominee is not registered in the Debt Register), you will need to obtain a power of attorney from the Noteholder listed in the Debt Register, or otherwise obtain a coherent chain of powers of attorney starting with the Noteholder listed in the Debt Register.

Noteholders participate in the Written Procedure by completing and sending a voting form in the format set out in Schedule 1 (Voting Form) to this Notice (the “**Voting Form**”) and, if applicable, a power of attorney, to the Agent.

A Noteholder who has submitted a valid Voting Form undertakes by such submission not to revoke such valid Voting Form.

Notes owned by the Issuer, another Group Company or an Affiliate do not entitle such owner to any voting rights.

3.2 Final date to vote in the Written Procedure

The Agent must receive the duly completed Voting Form **no later than 15.00 (CET) on 15 March 2024** either by regular mail, courier or email using the contact details set out in section 3.6 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

3.3 Decision procedure

The Agent will determine if a submitted Voting Form will be counted as a valid vote in the Written Procedure.

When a requisite majority of votes in favour of the Request has been received by the Agent, the Request shall be deemed to be adopted even if the time period for replies in the Written Procedure has not yet expired.

A notice of the outcome of the Written Procedure will promptly be sent by regular mail to the Noteholders and be published on the websites of the Issuer (<https://www.ilijabatljaninvest.com/en/>) and the Agent (www.nordictrustee.com and www.stamdata.com).

Any matter decided upon through the Written Procedure will be binding for all Noteholders, irrespective of them responding in the Written Procedure.

3.4 Quorum

Noteholders representing at least fifty (50) per cent. of the Adjusted Nominal Amount must participate in the Written Procedure (by way of casting votes) in order to form quorum.

If the required quorum is not reached, the Agent shall, if requested by the Issuer, initiate a second Written Procedure for which no quorum requirement will apply.

3.5 Majority

The Agent must receive votes in favour thereof in the Written Procedure representing at least two thirds (2/3) of the Adjusted Nominal Amount of the Noteholders voting in the Written Procedure in order for the Request to be approved, since the Request relates to an amendment of a payment day for principal.

3.6 Address for sending replies

By regular mail:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure Ilija Batljan Invest AB (publ)
P.O. Box 7329
SE-103 90 Stockholm

By courier:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure Ilija Batljan Invest AB (publ)
Norrländsgatan 23
111 43 Stockholm

By email:

E-mail: voting.sweden@nordictrustee.com

4. Role of the Agent

The role of the Agent under this Written Procedure is solely mechanical and administrative in nature. The information set out herein is presented to the Noteholders without any evaluation, advice or recommendations from the Agent whatsoever. The Agent is not an advisor to any party and has not reviewed or assessed the information set out herein from a legal or commercial perspective of the Noteholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice (or the effect(s) of the Request, should it be adopted). The Noteholders are recommended to seek legal advice in order to independently evaluate whether the Request (and their effect(s), should they be adopted) are acceptable or not.

Further to the above and as set out in the Terms and Conditions, the Agent may assume that any documentation and other evidence delivered to it or to be entered into by it in relation to the Written Procedure is accurate, legally valid, correct and complete and the Agent does not have to verify the contents of such documentation or evidence.

5. Further information

For questions regarding the Request, please contact the Issuer at kontakt@ilijabatljaninvest.com. Management will be available for meetings and Q&A with investors on request.

For questions to the Agent regarding the administration of the Written Procedure, please contact the Agent at voting.sweden@nordictrustee.com or +46 8 783 79 00.

Stockholm, 27 February 2024

NORDIC TRUSTEE & AGENCY AB (PUBL)

as Agent

at the request of Ilija Batljan Invest AB (publ)

Enclosed:

Schedule 1	Voting Form
Schedule 2	Power of Attorney
Schedule 3	Mark up of amendments relating to the Request
Schedule 4	Risk Factors

VOTING FORM

Schedule 1

For the Noteholders of ISIN: SE0016101810, Ilija Batljan Invest AB (publ) up to SEK 2,500,000,000
Senior Unsecured Floating Rate Green Notes

The undersigned Noteholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Request by marking the applicable box below.

NOTE: If you are not registered in the debt register with the CSD (Sw. skuldbok (direktregistrerade)) as a direct registered owner (Sw. direktregistrerad ägare) or as an authorised nominee (Sw. förvaltare), you cannot submit this Voting Form without enclosing an executed Power of Attorney, see Schedule 2 to the Notice.

Name of the Voting Person: _____

Capacity of the Voting Person: Noteholder: ¹ authorised person: ²

For the Request

Against the Request

Voting Person's reg.no/id.no: _____

Securities Account number at Euroclear Sweden:
(if applicable) _____

Name and Securities Account number of authorised
nominee (Sw. förvaltare): (if applicable) _____

Nominal Amount voted for (in SEK): _____

Telephone number, email address and contact person:

Name of authorised signatory:³ Place, date _____

¹ When voting in this capacity, no further evidence is required.

² When voting in this capacity, the Voting Person must also enclose Power of Attorney (Schedule 2) from the Noteholder or other proof of authorisation showing the number of votes held on the Record Date.

³ If the undersigned is not a Noteholder according the Terms and Condition and has marked the box” authorised person”, the undersigned – by signing this document – confirms that the Noteholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

POWER OF ATTORNEY

Schedule 2

For the Noteholders of ISIN: SE0016101810, Ilija Batljan Invest AB (publ) up to SEK 2,500,000,000
Senior Unsecured Floating Rate Green Notes

NOTE: This Power of Attorney and authorisation document shall be filled out if the Voting Person is not registered as Noteholder (as defined in the Terms and Conditions) in the debt register (Sw. skuldbok (direktregistrerade)), held with the CSD. If the Voting Person's Notes are held through several intermediaries, the Voting Person will need to obtain a Power of Attorney from the Noteholder (as defined in the Terms and Conditions), or otherwise obtain a coherent chain of powers of attorney starting with the Noteholder.

Name of person/entity that is given authorisation (Sw. *befullmäktigad*) to vote as per the Record Date:

Nominal Amount (in SEK) the person/entity is authorised to vote for as per the Record Date:

Name of Noteholder or other intermediary giving the authorisation (Sw. *fullmaktsgivaren*):

We hereby confirm that the person/entity specified above (Sw. *befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK _____

We are:

Registered as Noteholder on the Securities Account

Other intermediary and holds the Notes through (specify below):

Place, date: _____

Name of authorised signatory of Noteholder/other intermediary (Sw. *fullmaktsgivaren*)

**MARK UP OF AMENDMENTS RELATING TO THE
REQUEST**

Schedule 3



Ilija Batljan Invest AB (publ)

~~TERMS AND CONDITIONS FOR
ILIJA BATLJAN INVEST AB~~

~~UP TO SEK 2,500,000,000
SENIOR UNSECURED
FLOATING RATE GREEN NOTES~~

~~DUE DECEMBER 2024~~

Terms and Conditions for
SEK 1,350,000,000
Senior Unsecured
Floating Rate and PIK Interest Green Notes
2021/2026

ISIN: SE0016101810

Originally dated 9 June 2021 and as amended and
restated on [●] 2024

Selling ~~Restriction~~Restrictions

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

Privacy Notice

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

The personal data collected will be processed by the Issuer, the Issuing Agent and the Agent for the following purposes:

- (a) ~~(a)~~ to exercise their respective rights and fulfil their respective obligations under the Finance Documents;
- (b) ~~(b)~~ to manage the administration of the Notes and payments under the Notes;
- (c) ~~(c)~~ to enable the Noteholders' to exercise their rights under the Finance Documents; and
- (d) ~~(d)~~ to comply with their obligations under applicable laws and regulations.

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

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

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

The Issuer's, the Issuing Agent's and the Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites www.ilijabatljaninvest.com, www.nordea.com and www.nordictrustee.com.

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TERMS AND CONDITIONS

1 Definitions and construction

1.1 Definitions

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

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator pursuant to the 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 (as amended from time to time).

“**Accrued PIK Interest**” means at any time, the sum of the PIK Interest accrued and capitalised pursuant to Clause 8.2 (*Interest from the Interest Rate Switch Date*) on each Note, less an amount equal to the PIK Interest accrued and capitalised on that Note and which has been repaid in connection with a an amortisation of that Note pursuant to Clause 9.6 (*Mandatory amortisation due to a SBB Shares Disposal Event*).

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

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

“**Agency Agreement**” means the agency agreement entered into on or before the ~~First~~ Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the ~~First~~ Issue Date between the Issuer and an agent, regarding, *inter alia*, the remuneration payable to the Agent.

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

“**Base Rate**” mean STIBOR (3 months) or any reference rate replacing STIBOR.

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

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

“**Business Day Convention**” means:

- (a) from the Issue Date to (and including) the Interest Rate Switch Date, 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; and
- (b) from (but excluding) the Interest Rate Switch Date, the first following date that is a Business Day.

“**Cash**” means immediately available funds in bank or postal accounts.

“**Change of Control**” means the occurrence of an event or series of events whereby the Shareholder ceases to own and have the right to vote as he or it sees fit for one-hundred (100) per cent of the total number of shares and votes in the Issuer.

“**Compliance Certificate**” means a certificate, substantially in the form set out in Schedule 2 (Form of Compliance Certificate) and reasonably satisfactory to the Agent.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Notes, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or another party replacing it, as CSD, in accordance with these 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.

“**Event of Default**” means an event or circumstance specified in Clause 12 (*Events of Default*).

“**Extended Final Maturity Date**” means ~~the date falling three and a half (3.5) years after the First Issue Date, being 15 December 2024.~~ 20 January 2026.

“**Existing Shareholder Loan**” means the SEK 100,000,000 loan provided by Ilija Batljan as creditor to the Issuer as debtor pursuant to a loan agreement originally dated 30 September 2023, which is subject to the terms and conditions of the Subordination Agreement.

“**Finance Documents**” means these Terms and Conditions, the ~~Agency-Subordination Agreement,~~ and any Compliance Certificate and any other document designated by the Issuer and the Agent as a Finance Document.

“**Financial Indebtedness**” means:

- (a) monies borrowed (including under any bank financing);
- (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 amount raised pursuant to any note purchase facility or the issue of any bond or note or similar instrument (including Market Loans);

- (e) 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;
- (f) 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);
- (g) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (h) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) 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 quarterly interim unaudited consolidated financial statements of the Group or the year-end report (Sw. bokslutskommuniké), in each case prepared in accordance with the Accounting Principles, which shall be prepared and made available according to Clause 10.1.1 (a) and (b).

“**Financial Year**” means the annual accounting period of the Issuer.

~~“**First Issue Date**” means 15 June 2021.~~

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

~~“**Green Assets**” means assets or investments in accordance with the Issuer’s Green Note Framework.~~

“**Green Note Framework**” means the Issuer’s framework for green notes from time to time.

“**Group**” means the Issuer and each of the Issuer’s direct and indirect ~~subsidiaries~~ Subsidiaries from time to time (each a “**Group Company**” and all together the “**Group**”).

~~“**Inurrence Test**” means the Loan to Value test set out in Clause 11.14.2.~~

“**Health Runner**” means Health Runner AB (Reg. No. 556744-1745).

“**Hybrid Instrument**” means any subordinated debt instruments issued by the Issuer which, entirely or partly, 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).

“**Ilija Batljan Invest Fast 1**” means Ilija Batljan Invest Fast 1 AB (Reg. No: 559243-1000).

“**Initial Nominal Amount**” has the meaning set forth in Clause 2.3.

~~“**Initial Notes**” means the Notes issued on the First Issue Date in the total amount of SEK 1,100,000,000.~~

“**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 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 (1996:764/2022:964) 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 Clauses 8.1 to ~~8.3~~8.1.3.

“**Interest Payment Date**” means ~~subject to Clause 8.2 (Interest from the Interest Rate Switch Date)~~, 15 March, 15 June, 15 September and 15 December of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 15 September 2021 and the last Interest Payment Date shall be the relevant Redemption Date.

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

“**Interest Rate**” means:

(a) ~~from the three-period from (3 but excluding) month STIBOR~~ from the Issue Date to (and including) the Interest Rate Switch Date, the Base Rate plus 3.25 per cent. *per annum*; ~~and~~

(b) for the period from (but excluding) the Interest Rate Switch Date, the PIK Interest.

“**Interest Rate Switch Date**” means 15 December 2023, or such other Business Day communicated by the Issuer following the required registrations with the CSD.

“**Issue Date**” means 15 June 2021.

“**Issuer**” means Ilija Batljan Invest AB (publ), a limited liability company incorporated under the laws of Sweden with Reg. No. 559053-5166.

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

“**Issuing Agent**” means Nordea Bank Abp, filial i Sverige, Reg. No. 516411-1683, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD Regulations.

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

(a) the ~~Initial~~ Notes have not been admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within one hundred eighty (180) days after the ~~First~~ Issue Date; and

~~(b) if the Initial Notes have been admitted to trading on any Regulated Market at the time any Subsequent Notes are issued, such Subsequent Notes have not been admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days after the relevant issuance of such Subsequent Notes; and~~

(b) ~~(e)~~ at any time after the Notes have been admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market), the Notes cease to be listed on the sustainable bond list of Nasdaq Stockholm (or such other Regulated Market), however subject to and taking into account the rules and regulations of Nasdaq Stockholm (or such other applicable Regulated Market) and the CSD (as amended from time to time) preventing trading in the Notes in close connection to the redemption of the Notes.

“**Loan to Value**” means, at any time, expressed as a percentage, the ratio of:

(a) the outstanding Financial Indebtedness of the Group (excluding guarantees and similar arrangements as well as any intra group loans) less Cash and cash equivalent investments of the Group at the relevant Test Date; to

(b) the Total Assets at the relevant Test Date.

“**Market Loan**” means any loan or other indebtedness, listed or which can be listed on a Regulated Market, a multilateral trading facility or an organised trading facility (as defined in Directive 2014/65/EU on markets in financial instruments), where an entity issues convertibles, subordinated debentures, bonds, notes or other debt securities (however defined) (including, for the avoidance of doubt, medium term note programmes and other market funding programmes).

“**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 each Note the Initial Nominal Amount, less the aggregate amount by which that Note has been amortised pursuant to Clause 9.6 (*Mandatory amortisation due to a SBB Shares Disposal Event*).

“**Nominal Interest Amount**” means an amount equal to the sum of (i) the Nominal Amount and (ii) the Accrued PIK Interest.

“**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 and which are governed by and issued under these Terms and Conditions.

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

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 16 (*Noteholders’ Meeting*).

~~“**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 and which are governed by and issued under these Terms and Conditions, including the Initial Notes and any Subsequent Notes.~~

~~“**Note Issue**” means the Initial Note Issue and any Subsequent Note Issue.~~

~~“**Permitted Investment**” means,~~

- ~~i. direct or indirect, acquisitions of or investments in properties and site leaseholds, development, construction and renovation of properties (including the acquisition of shares in public or private real estate companies by the Issuer or any Group Company);~~
- ~~ii. shares, or other marketable securities, listed, or which are contemplated to be listed within twelve (12) months from the date of the investment, on a Regulated Market, a multilateral trading facility or an organised trading facility (as defined in Directive 2014/65/EU on markets in financial instruments); or~~
- ~~iii. Green Assets.~~

~~“**Permitted Market Loan**” means any Market Loan issued by:~~

- ~~(a) the Issuer under the Notes or any other Market Loans provided that such other Markets Loans are (i) unsecured, (ii) does not benefit from any third-party guarantee, (iii) are subordinated to, or rank *pari passu* with, the Notes and (iv) have a maturity dated falling on or after the Final Maturity Date; or~~
- ~~(b) any Group Company other than the Issuer having its shares listed on a Regulated Market, provided that such Market Loans are not guaranteed by or secured by security provided by the Issuer,~~

~~in each case provided that the Incurrence Test is met in accordance with Clause 11.14.2.~~

“**Original Final Maturity Date**” means the date falling three and a half (3.5) years after the Issue Date, being 15 December 2024.

“**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.

“**PIK Interest**” means 12.00 per cent. *per annum*.

“PIK Interest Period” means (i) in respect of the first PIK Interest Period, the period from (but excluding) the Interest Rate Switch Date to (and including) the first anniversary of the Interest Rate Switch Date, and (ii) in respect of subsequent PIK Interest Periods, the period from (but excluding) the relevant anniversary of the Interest Rate Switch Date to (and including) the next succeeding anniversary of the Interest Rate Switch Date (or relevant Redemption Date if a redemption or repurchase pursuant to Clause 9 (Redemption, Amortisation and Repurchase of the Notes) occurs prior to or after the scheduled Interest Rate Switch Date). A PIK Interest Period shall not be adjusted due to an application of the Business Day Convention.

“Properties” means all real properties and site leasehold rights owned by any member of the Group from time to time.

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

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

“Redemption Date” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 9 (*Redemption, Amortisation and Repurchase of the Notes*).

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

“SBB” means Samhällsbyggnadsbolaget i Norden AB (publ), Swedish Reg. No. 556981-7660.

“SBB Shares” means the ~~(i) 63,495,701 shares of series A; (ii) 9,249,668 shares of series B; (iii) 530,000 shares of series D, issued by SBB and (ii) any additional shares issued by SBB~~ shares issued by SBB and owned by the Issuer or another Group Company from time to time.

“SBB Shares Disposal Event” means an event whereby SBB Shares held by the Issuer or a Group Company are sold or otherwise disposed of following the ~~First~~ Issue Date.

“SBB Shares Disposal Proceeds” means any proceeds received by the Issuer (or a Group Company as the case may be) from a disposal of SBB Shares held by it in connection with a SBB Shares Disposal Event after repaying any financial indebtedness secured by such SBB Shares (to the extent such security is permitted pursuant to these Terms and Conditions) and after deducting transaction costs.

“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.

“**Shareholder**” means:

- (a) Ilija Batljan, personal ID no. 670723-0253, or his children, siblings or nephews or any spouse of any of the beforementioned persons;
- (b) any trust, foundation or similar legal entity in which one or more of the persons under (a) above is or are the sole beneficiary(ies); or
- (c) any other company, limited partnership or other legal entity which, directly or indirectly, is controlled by one or more of the persons under (a) above where control, direct or indirect, shall be present if one or more of the persons under (a) and (b) above alone or jointly have the right to cast one hundred (100) percent of the votes at the annual general meeting of the shareholders or equivalent governing body or own one hundred (100) percent or more of the economic rights of a such company, limited partnership or other entity.

“**Shareholder Loan**” means the Existing Shareholder Loan any future Financial Indebtedness owing to a shareholder of the Group.

“**STIBOR**” means:

- (a) the applicable percentage rate per annum of the Stockholm interbank offered rate for STIBOR fixing administered and calculated by Swedish Financial Benchmark Facility AB and displayed on the appropriate Reuters screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period; or
- (b) if no rate as described in (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by interpolation between the two closest rates displayed on the appropriate Reuters screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor;
- (c) if no rate as described in (b) is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no quotation is available pursuant to paragraph (c), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

~~“**Subsequent Notes**” means any Notes issued after the First Issuance Date on one or more occasions.~~

“**Subordinated Debt**” means any loan incurred by a Group Company, if such loan:

- (a) pursuant to a subordination agreement entered into with the Agent, is subordinated to the obligations of the Issuer under the Finance Documents;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date.

“Subordination Agreement” means the subordination agreement entered into between Ilija Batljan, the Issuer and the Agent, pursuant to which the Existing Shareholder Loan and any future Shareholder Loan is subordinated to the obligations of the Issuer under the Finance Documents.

“Subsidiary” means, in relation to any Person, any Swedish or foreign legal entity (whether incorporated or not), in respect of which such Person, directly or indirectly:

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

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

“Shareholder” means:

- (a) ~~Ilija Batljan, personal ID no. 670723-0253, or his children, siblings or nephews or any spouse of any of the beforementioned persons;~~
- (b) ~~any trust, foundation or similar legal entity in which one or more of the persons under (a) above is or are the sole beneficiary(ies); or~~
- (c) ~~any other company, limited partnership or other legal entity which, directly or indirectly, is controlled by one or more of the persons under (a) above where control, direct or indirect, shall be present if one or more of the persons under (a) and (b) above alone or jointly have the right to cast one hundred (100) percent of the votes at the annual general meeting of the shareholders or equivalent governing body or own one hundred (100) percent or more of the economic rights of a such company, limited partnership or other entity.~~

“Test Date” the last Business Day of each period to which each Financial Report relates ~~to and each date the Incurrence Test is tested.~~

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

“Total Nominal Amount” means the total aggregate Nominal Amount of the Notes outstanding at the relevant time.

2.3 The initial nominal amount of each Note is SEK 1,250,000 (the “**Initial Nominal Amount**”). All ~~Initial~~ Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Initial Nominal Amount.

~~2.4~~ ~~Provided that no Event of Default is continuing or would result from such issue and that none of the financial covenants in Clause 11.14 (Financial Covenants) will be breached as a result of the issue, the Issuer may, on one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The issue price of the Subsequent Notes may be set at par, at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Notes (Initial Notes and all Subsequent Notes) may not exceed SEK 2,500,000,000. Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Notes.~~

2.4 ~~2.5~~ The Notes 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 those obligations which are mandatorily preferred by law.

2.5 ~~2.6~~ 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 laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

2.6 ~~2.7~~ 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 Use of proceeds

The Issuer shall apply the net proceeds from the issue of the Notes, less the costs and expenses incurred by the Issuer in connection with the issue of the Notes, in accordance with the Issuer’s Green Finance Framework.

4 Conditions for settlement of the Notes

4.1 The Issuer shall provide to the Agent no later than two (2) Business Days prior to the ~~First~~ Issue Date (or such shorter period as agreed by the Agent) the documents and other evidence set out in Schedule 1 (*Conditions Precedent for Settlement of ~~Initial~~ Notes*).

4.2 The Agent may assume that the documentation delivered to it pursuant to Clauses 4.1 ~~and 4.4~~ is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify or assess the contents of any such documentation. The documentation and evidence delivered to the

Agent pursuant to Clauses 4.1 ~~and 4.4~~ are not reviewed by the Agent from a legal or commercial perspective of the Noteholders.

- 4.3 The Agent shall immediately confirm in writing to the Issuing Agent when the conditions in Clauses 4.1 ~~and 4.4~~ have been fulfilled to the satisfaction of the Agent (acting reasonably), after which the Issuing Agent shall procure the settlement of the ~~Initial~~ Notes and transfer the proceeds to an account as instructed by the Issuer.

~~4.4 The proceeds from any Subsequent Notes shall be transferred to the Issuer once the Issuer has provided to the Agent a (i) Compliance Certificate (evidencing that the Incurrence Test is met) and (ii) a copy of a resolution of the board of directors or other persons authorised to exercise the relevant powers of the Issuer, approving the issue of Subsequent Notes. The Agent shall immediately confirm in writing to the Issuing Agent when the conditions in this Clause 4.4 have been fulfilled to the satisfaction of the Agent (acting reasonably), after which the Issuing Agent shall procure the settlement of the Subsequent Notes and transfer the proceeds to an account as instructed by the Issuer.~~

5 Notes in book-entry form

- 5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts 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.
- 5.2 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.
- 5.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 5.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.
- 5.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.
- 5.6 The Issuer may use the information referred to in Clause 5.3 and 5.5 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Noteholder or third party unless necessary for such purposes.

8 Interest

8.1 Interest up to the Interest Rate Switch Date

8.1.1 ~~8.1~~ Each ~~Initial~~ Note carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the ~~First~~ Issue Date up to (and including) the ~~relevant Redemption Date. Any Subsequent Note will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption~~ Interest Rate Switch Date.

8.1.2 ~~8.2~~ Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.

8.1.3 ~~8.3~~ Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

8.2 Interest from the Interest Rate Switch Date

8.2.1 Each Note carries Interest at the PIK Interest applied to the Nominal Interest Amount, from (but excluding) the Interest Rate Switch Date up to (and including) the relevant Redemption Date.

8.2.2 PIK Interest accrues during a PIK Interest Period and shall be capitalised yearly on each anniversary of the Interest Rate Switch Date, and should the relevant Redemption Date occur prior to or after the scheduled Interest Rate Switch Date then the PIK Interest shall be calculated and deemed to be capitalised on such Redemption Date. Subject to Clause 8.2.5, all Accrued PIK Interest shall be paid in full on the Extended Final Maturity Date.

8.2.3 PIK Interest shall be calculated on the basis of a 360-day year comprised of twelve (12) months of thirty (30) days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

8.2.4 All Accrued PIK Interest and any PIK Interest accruing during the current PIK Interest Period shall become immediately payable if all amounts due in respect of the Notes shall be immediately due and payable under Clause 12 (Events of Default) or if the Notes are redeemed in accordance with Clause 9 (Redemption, Amortisation and Repurchase of the Notes).

8.2.5 For each PIK Interest Period, the Issuer shall calculate and provide information on the Nominal Interest Amount to the Agent where such information on calculation for a PIK Interest Period shall be provided to the Agent each anniversary of the Interest Rate Switch Date. Before any redemption and/or partial prepayment of the Notes, the Issuer shall provide the CSD with such calculations, in accordance with the applicable rules and regulations of the CSD in order to establish with the CSD the correct amount to be redemption and/or partial prepayment of the Notes under these Terms and Conditions.

8.3 **Default Interest**

- 8.4 If the Issuer fails to pay or capitalise (as applicable) any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the earlier of (i) the date of actual payment and (ii) the date of actual capitalisation (as applicable), at a rate which is two (2) percentage units higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9 Redemption, Amortisation and Repurchase of the Notes

9.1 Redemption at maturity

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

9.2 ~~Issuer's purchase~~ Purchase of Notes by the Issuer and any other Group Company

The Issuer or any Group Company may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way at prices aligned with current market prices of the Notes (traded or quoted). The Notes held by the Issuer or any Group Company may at such Group Company's discretion be retained or sold but not cancelled, except (in relation to the Issuer) in connection with a redemption in full or repurchase by the Issuer of all outstanding Notes not already held by the Issuer.

9.3 Early redemption (call option)

- 9.3.1 The Issuer may redeem all, but not some only, of the outstanding Notes in full:
- (a) any time from but excluding the ~~First~~ Issue Date to, but excluding, the first Business Day falling thirty-nine (39) months after the ~~First~~ Issue Date at an amount per Note equal to 100 per cent. of the Nominal Amount plus all remaining coupon payments until the Original Final Maturity Date (calculated at the Interest Rate applicable on the relevant Redemption Date), together with any accrued (but unpaid) Interest; and
 - (b) provided that the Notes are, in whole or in part, refinanced by the Issuer taking up one or several new Market Loans, any time from and including the first Business Day falling thirty-nine (39) months after the ~~First~~ Issue Date to, but excluding, the Extended Final Maturity Date at an amount per Note equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- 9.3.2 The Issuer shall give notice to the Noteholders and the Agent of any redemption pursuant to Clause 9.3.1 no later than twenty (20) Business Days prior to the Redemption Date, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be

shall specify the Redemption Date, the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date and also 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, or a person designated by the Issuer, shall 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 this Clause 9.5.3. The repurchase date must fall no later than sixty (60) Business Days after the end of the period of thirty (30) Business Days referred to in this Clause 9.5.3.

- 9.5.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.
- 9.5.5 Any Notes repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained or sold but not cancelled.

9.6 Mandatory amortisation due to a SBB Shares Disposal Event

- 9.6.1 Upon the occurrence of a SBB Shares Disposal Event, the Issuer shall use the SBB Shares Disposal Proceeds to amortise Notes ~~and~~ any other Market Loans and any bank financing issued and/or incurred (as applicable) by the Issuer that are not subordinated to the Notes (if any) on a *pro rata* basis, whereby the Nominal Amount of each Note will be reduced.
- 9.6.2 The Issuer shall within three (3) Business Days notify the Noteholders of the SBB Shares Disposal Event. The notice from the Issuer shall specify the amortisation date which shall fall on the next following Interest Payment Date, unless such Interest Payment Date falls within ten (10) Business Days after the SBB Shares Disposal Event in which case the amortisation date shall fall on the next thereafter following Interest Payment Date (the "**Amortisation Date**") and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on the Amortisation Date. The Issuer shall amortise the relevant Notes and the amortisation amount shall fall due on the Amortisation Date specified in the notice given by the Issuer pursuant to this Clause. The Issuer shall amortise each Note at the applicable amount on the specified Amortisation Date. The applicable amount shall be an even amount in Swedish Kronor and rounded down to the nearest SEK 1.

9.7 Voluntary partial redemption

- 9.7.1 The Issuer may on one or more occasions amortise Notes on a *pro rata* basis, whereby the Nominal Amount of each Note will be reduced.
- 9.7.2 Partial redemption in accordance with Clause 9.7.1 shall be made by the Issuer giving not less than ten (10) 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 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 (if any), the Issuer shall redeem each Note in part at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in Swedish Kronor and rounded down to the nearest SEK 1.

10 Information to Noteholders

10.1 Information from the Issuer

10.1.1 The Issuer will make the following information available to the Noteholders (by way of press release and by publication on the website of the Issuer):

- (a) as soon as the same become available, but in any event within six (6) months after the end of each financial year, commencing with the financial year 2021, its audited consolidated Financial Report of the Group for that financial year and the audited unconsolidated financial report of the Issuer for that financial year;
- (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter, commencing with the second calendar quarter 2021, its quarterly interim unaudited consolidated Financial Report of the Group and the quarterly interim unaudited unconsolidated financial report of the Issuer;
- (c) any other information required by the Swedish Securities Markets Act and the rules and regulations of the Regulated Market on which the Notes are admitted to trading (as relevant); and
- (d) any information which could reasonably be expected to affect the pricing of the Notes.

10.1.2 The reports referred to in Clause 10.1.1(a) and Clause 10.1.1(b) shall be prepared in accordance with IFRS and shall include a profit and loss account and a balance sheet. In addition, each of the Financial Reports shall include a cash flow statement and a management commentary or report from the Issuer's board of directors.

10.1.3 The Issuer shall immediately notify the Agent (and in respect of a Change of Control Event or a Listing Failure, also the Noteholders) (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, a Change of Control Event or a Listing Failure 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 the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

10.1.4 A notice pursuant to Clause 10.1.3 may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such a Change of Control Event.

~~10.1.5 The Issuer shall issue a Compliance Certificate to the Agent in connection with the incurrence of Financial Indebtedness or a Distribution which requires that the Incurrence Test is met and in connection with the issue of any Subsequent Notes.~~

10.1.5 ~~10.1.6~~ When the Financial Reports and other information are made available to the Noteholders pursuant to Clause 10.1.1, the Issuer shall send copies of such Financial Reports and other information to the Agent. Together with the Financial Reports delivered pursuant to Clause 10.1.1, and whenever the Agent in its sole discretion (acting reasonably) so desires, the Issuer shall submit to the Agent a Compliance Certificate and, if relevant, attaching copies of any notices sent to the Regulated Market on which the Notes are admitted to trading.

10.2 Information from the Agent

The Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

10.3 Information among Noteholders

Upon request by a Noteholder, but subject to applicable laws and regulations and applicable non-disclosure agreements, the Agent shall promptly distribute to the Noteholders any information from such Noteholder which relates to the Notes. The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed.

10.4 Publication of Finance Documents

10.4.1 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

10.4.2 From the date the Notes are admitted to trading on a Regulated Market, the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.

11 General Undertakings

11.1 Disposals

11.1.1 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 where such disposal is reasonably likely to have an adverse effect on the ability of the Issuer to perform its payment obligations under the Finance Documents. In addition, the Issuer shall not, and shall ensure that no other Group Company will, divest of any SBB Shares held by it unless the Issuer

amortises principal on the Notes as set out in Clause 9.6 (*Mandatory amortisation due to a SBB Shares Disposal Event*).

11.1.2 Subject to Clause 11.1.1, the Issuer shall use reasonable efforts to divest non-core assets (subject to commercially justified terms) and apply the net proceeds from any such divestment to amortises on the Notes and any bank financing issued and/or incurred (as applicable) by the Issuer that are not subordinated to the Notes (if any) on a pro rata basis, as set out in Clause 9.7 (Voluntary partial redemption) and/or repurchase Notes as set out in Clause 9.2 (Purchase of Notes by the Issuer and any other Group Company).

11.1.3 Any disposal made pursuant to this Clause 11.1 (Disposals) shall be carried out at fair market value and on arm's length terms, provided that the Issuer shall:

- (a) in connection with any divestment of shares in Ilija Batljan Invest Fast 1 (if any), send to the Agent a valuation report issued by a reputable and independent third-party appraiser evidencing that the sale price was at fair market value; and
- (b) in connection with any divestment of securities which are listed on a Regulated Market or an MTF in an amount exceeding SEK 100,000,000, send to the Agent a certificate issued by the Issuer confirming that such securities are divested at market price.

11.2 Market Loans

The Issuer shall not, and shall ensure that no other Group Company will, issue any Market Loans other than ~~Permitted Market Loans~~.

- (a) any Market Loan which constitutes Subordinated Debt; or
- (b) any Market Loan incurred for the purpose of refinancing the Notes in full, provided that the net proceeds of such Market Loan are kept on an escrow account until such refinancing is made.

11.3 Negative pledge—SBB Shares

11.3.1 Subject to Clauses 11.3.2 and 11.3.3 below, the Issuer shall not, and shall procure that ~~no other Group Company will (alone or together with any security created by any other Group Companies)~~ each of Ilija Batljan Invest Fast 1 and Health Runner do not, create or allow to subsist, retain, provide, prolong or renew any security over ~~SBB Shares~~.any of its assets.

11.3.2 Clause 11.3.1 above shall not apply to any security existing on the date of these Terms and Conditions.

11.3.3 Clause 11.3.1 above shall, with respect to Ilija Batljan Invest Fast 1, only apply as long as (subject to Clause 11.1 (Disposals)) Ilija Batljan Invest Fast 1 is:

- (a) prior to any merger between the Issuer and Health Runner pursuant to Clause 11.9.2, a joint venture jointly controlled by the Issuer and Health Runner; or
- (b) a Subsidiary of the Issuer.

~~Notwithstanding 11.3.1 above, the Issuer and other Group Companies may (together) create or allow to subsist, retain, provide, prolong or renew any security over not more than fifty (50) per cent. of the total number of SBB Shares held by the Group from time to time as security for indebtedness that is (i) not secured by any other security than such SBB Shares and (ii) 11.3.2 not guaranteed by any other company or third party guarantor.~~

11.4 Investments

Prior to the making of any acquisitions of or investments in any asset (other than in respect of notes issued by the Issuer, and any repurchase or redemption thereof in accordance with the applicable terms and conditions), the Issuer shall procure requisite consent from the requisite majority of Noteholders in accordance with these Terms and Conditions.

11.5 Repurchase of Notes by the Issuer

(a) The Issuer shall have repurchased Notes in a total aggregate Nominal Amount of no less than SEK 300,000,000 by no later than the date falling six (6) months from the date on which the Issuer's Written Procedure, initiated on 27 February 2024, has been approved by the Noteholders. Any Notes repurchased pursuant to this Clause 11.5 may not be resold.

~~(b) The Issuer shall procure that in relation to any investment to be made by any Group Company:~~confirm the satisfaction of the above paragraph (a) by way of press release on the website of the Issuer.

~~(a) if at the date the relevant Group Company commits to the investment 90% or more of the Total Assets (excluding Cash and cash equivalents) would be deemed Permitted Investments, then such new investment may only be made if at least 90% (calculated *pro forma* as at the date of committing to the new investment) of the Total Assets (excluding Cash and cash equivalents), including the committed investment, would be deemed Permitted Investments; and~~

~~(b) if at the date the relevant Group Company commits to the investment, less than 90% the Total Assets (excluding Cash and cash equivalents) would be deemed Permitted Investments, then such new investment may only be made if at least 90% (calculated as at the date of committing to the new investment) of the assets constituting such investment would be deemed a Permitted Investment.~~

~~The Compliance Certificate delivered pursuant to Clause 10.1.6 shall include a confirmation of compliance with the undertaking under this Clause.~~

11.6 ~~11.5~~ Compliance with laws

The Issuer shall, and the Issuer shall ensure that the Group Companies, (i) comply in all material respects with 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.

11.7 ~~11.6~~ 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.

11.8 Loans out

The Issuer shall not, and the Issuer shall ensure that no Group Company will, provide any loan or credit to any party, other than any loan or credit to another Group Company which is subordinated under the Subordination Agreement.

11.9 ~~11.7~~ Merger

11.9.1 The Issuer shall not, and shall procure that no Group Company will, enter into any amalgamation, demerger, merger, consolidation, unless (i) between Group Companies (other than the Issuer), or (ii) between the Issuer and a Group Company or any other company, if such amalgamation, demerger, merger, consolidation is reasonably likely to have an adverse effect on the ability of the Issuer to perform its payment obligations under the Finance Documents, and provided that the Issuer is the surviving entity.

11.9.2 The Issuer shall procure that Health Runner is merged with the Issuer (with the Issuer being the surviving entity) by no later than 31 December 2024.

11.10 ~~11.8~~ Change 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.

11.11 ~~11.9~~ Pari Passu Ranking

The Issuer shall ensure that at all times its obligations under the Terms and Conditions rank at least *pari passu* with the claims of all its other unsubordinated and unsecured creditors, except those whose claims are mandatorily preferred by laws of general application.

11.12 ~~11.10~~ Maintenance of Properties

The Issuer shall, and shall procure that each other Group Company, keep the Properties 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 each Group Company owning a Property to comply in all material respects with all applicable laws and regulations.

11.13 ~~11.11~~ Insurance

The Issuer shall, and shall procure that each other Group Company, will keep the Properties 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.

11.14 ~~11.12~~ Dividends

11.14.1 Subject to Clause ~~11.12.2~~ 11.14.2 below, the Issuer shall not, and shall procure that no other Group Company will, ~~declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution); repurchase any of its own shares or pay interest or principal under subordinated hybrid notes;~~

- (a) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution);
- (b) repurchase any of its own shares or pay interest or principal under subordinated hybrid notes;
- (c) ~~11.12.1~~ repay any principal on the Existing Shareholder Loan or pay any capitalised, accrued or deferred (as applicable) interest thereunder; or
- (d) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer (whether in cash or in kind) on or in respect of its share capital attributable to common shares or preference shares (or any class of its share capital attributable to common shares or preference shares) ~~(a “Distribution”)~~.

(the payments and value transfers set out in paragraphs (a) – (d) above are together and individually referred to as a “Distribution”).

11.14.2 ~~11.12.2~~ Notwithstanding Clause ~~11.12.1~~ 11.14.1 above, a Distribution may be made if at the time of the payment:

- (a) ~~if made by the Issuer:~~
 - (i) ~~the Incurrence Test is met (calculated on a *pro forma* basis including the relevant Distribution); and~~
 - (ii) ~~at the time of the payment, the aggregate amount of all Distributions of the Issuer (excluding paragraph (b) and (d) below) in that fiscal year does not exceed 50 per cent. of the Group’s consolidated net profit for the previous financial year;~~
- (a) ~~(b)~~ if such payment is made to the Issuer or another Group Company but, if made by a Group Company other than the Issuer which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis; and
- (c) ~~if made by the Issuer, if such Distribution constitutes payment of interest under hybrid notes, provided that such hybrid notes have been initially issued pursuant to a customary public offering of hybrid instruments in the Nordic capital markets on terms and conditions customary for such transaction (“Hybrid Instruments”); and~~
- (b) ~~(d)~~ if made by the Issuer, if such Distribution constitutes payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by an issuance of new Hybrid Instruments or

an equity injection in cash by way of a share issue in the Issuer or an unconditional shareholder contribution to the Issuer.

11.15 ~~11.13~~ Valuation

The Issuer shall procure that a valuation of the Properties is prepared by a reputable external property appraiser appointed by the Issuer each Financial Year (on a rolling twelve (12) months basis), which shall be reflected in good faith and in accordance with the Group's valuation policy in the value of the Properties in the following Financial Reports.

11.16 ~~11.14~~ Financial Covenants

11.16.1 ~~11.14.1~~ Maintenance Test

The Loan to Value shall not exceed sixty-five (65) per cent. at any time and shall be tested and measured from the ~~First~~ Issue Date on each Test Date (~~however subject to Clause 11.14.2 below~~) with the first Test Date being 30 June 2021.

~~11.14.2~~ Incurrence Test

~~The Loan to Value shall not exceed fifty (50) per cent. upon (i) the incurrence of any additional Financial Indebtedness under a Market Loan and (ii) a Distribution pursuant to Clause 11.12.2(a)(ii) above and shall in each case be tested as of the date of such new Financial Indebtedness being incurred or Distribution being made.~~

~~11.14.3 When calculating the Loan to Value for the Incurrence Test pursuant to Clause 11.14.2(i) above, it shall be calculated on a *pro forma* basis including the relevant additional Financial Indebtedness but any Cash being the result of such new Financial Indebtedness shall be disregarded.~~

11.17 ~~11.15~~ Admission to trading

11.17.1 ~~11.15.1~~ The Issuer shall ensure that the Notes are admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within twelve (12) months after the Issue Date.

11.17.2 ~~11.15.2~~ Following an admission to trading, the Issuer shall ensure that the Notes continue being listed thereon (however, subject to and taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Notes in close connection to the redemption of the Notes and taking into account that if the Notes are listed on another Regulated Market than Nasdaq Stockholm, the Issuer may always apply for a change of listing to Nasdaq Stockholm).

11.18 ~~11.16~~ Undertakings relating to the Agency Agreement

11.18.1 ~~11.16.1~~ The Issuer shall, in accordance with the Agency Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;

- (c) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent; and
- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

11.18.2 ~~11.16.2~~ 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.

11.19 ~~11.17~~ Undertakings relating to the CSD

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

11.20 ~~11.18~~ Green Note Framework

The Issuer shall maintain a Green Note Framework and shall ensure that the proceeds from any ~~Note Issue~~ issuance of Notes is used in accordance with the Green Note Framework applicable from time to time.

11.21 Financial Indebtedness

- (a) Subject to paragraph (b) and (c) below, the Issuer shall not (and shall procure that no member of the Group, Ilija Batljan Invest Fast 1 or Health Runner will) incur, maintain, prolong or renew any Financial Indebtedness.
- (b) Paragraph (a) does not apply to:
 - (i) Subordinated Debt;
 - (ii) any Financial Indebtedness existing on the date of these Terms and Conditions; or
 - (iii) any new Financial Indebtedness which (A) is used to refinance Financial Indebtedness referred to in paragraph (ii) above and (B) is approved by beneficial owners of Notes (such ownership to be evidenced by proof of ownership from the direct registered Noteholder) (save for any Group Company or Affiliates) representing more than 50 per cent. of the Adjusted Nominal Amount.
- (c) Paragraph (a) above shall, with respect to Ilija Batljan Invest Fast 1, only apply as long as (subject to Clause 11.1 (Disposals)) Ilija Batljan Invest Fast 1 is:
 - (i) prior to any merger between the Issuer and Health Runner pursuant to Clause 11.9.2, a joint venture jointly controlled by the Issuer and Health Runner; or
 - (ii) a Subsidiary of the Issuer.

12 Events of Default

Each of the events or circumstances set out in Clauses 12.1 to 12.9 is an Event of Default.

12.1 Non-Payment

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

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

12.2 Other obligations

The Issuer or any other person (other than the Agent) does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in Clause 12.1), unless the non-compliance:

- (a) is capable of remedy; and
- (b) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance.

Notwithstanding paragraph (a) and (b) above, any failure to comply with the undertakings set out in Clause 11.18 (*Green Note Framework*) or Clause 3 (*Use of proceeds*) above shall not constitute an Event of Default under any circumstance.

12.3 Misrepresentation

Any representation or statement made or deemed to be made by a Group Company in the Finance Documents or any other document delivered by or on behalf of any Group Company under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

12.4 Impossibility or illegality

It is or becomes impossible or unlawful for any Group Company ([or, in respect of the Subordination Agreement, Ilija Batljan](#)) to perform any of its obligations under the Finance Documents or any Finance Documents is not, or ceases to be, legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Noteholders under the Finance Documents.

12.5 Insolvency

Any Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent.

12.6 Insolvency proceedings

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

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any member of the Group, other than a solvent liquidation or reorganisation of any Group Company which is not the Issuer;
- (b) the appointment of a liquidator, receiver, administrative receiver, administrator or other similar officer in respect of any member of the Group or any of its assets,

other than in connection with a solvent liquidation or reorganisation of any Group Company which is not the Issuer; or

- (c) enforcement of any Security over any assets of any member of the Group, or any analogous procedure or step is taken in any jurisdiction, where the amount of such Security exceeds SEK 30,000,000 or the equivalent of any other currency.

12.6.2 Clause 12.6.1 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) days of commencement.

12.7 Creditors' process

Any expropriation, attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, which affects any asset of a Group Company having an aggregate value of SEK 30,000,000 and is not discharged within sixty (60) calendar days.

12.8 Cross acceleration

Any Financial Indebtedness of the Issuer or a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity, as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph 12.8 if the aggregate amount of Financial Indebtedness is less than SEK 30,000,000 (or its equivalent in any other currency).

12.9 Cessation of business

Any Group Company suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business, except (a) any amalgamation, demerger, merger, consolidation not prohibited by Clause ~~11.7~~11.9 (*Merger*) or (b) if the Group Company suspending or ceasing to carry on its business is not the Issuer and such suspension or cessation of business is not reasonably likely to have an adverse effect on the ability of the Issuer to perform its payment obligations under the Finance Documents.

13 Acceleration of the Notes

13.1 Upon the occurrence of an Event of Default, and for as long as such event is continuing, the Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 13.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

13.2 The Agent may not accelerate the Notes in accordance with Clause 13.1 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).

- 13.3 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. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the 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 15 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 13.4 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes 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 Finance Documents, unless the relevant Event of Default is no longer continuing.
- 13.5 If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 13.6 In the event of an acceleration of the Notes in accordance with this Clause 13, the Issuer shall redeem all Notes at an amount per Note equal to ~~101 per cent. of the Nominal Amount together with~~ the amount payable per Note in connection with a redemption pursuant to Clause 9.3.1 for the relevant period plus accrued but unpaid interest.

14 Distribution of Proceeds following an Acceleration

- 14.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 13 (*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 and the other Finance Documents (other than any indemnity given for liability against the Noteholders), (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 20.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15.15, together with default interest in accordance with Clause 8.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

- 15.3 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 laws.
- 15.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 15.3 being applicable, the Issuer or the Noteholder(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 shall upon request provide the convening Noteholder(s) with the information available in the debt register kept by the CSD in respect of the Notes in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- 15.5 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 16.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 17.1, in both cases with a copy to the Agent. After a request from the Noteholders pursuant to Clause 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 16.1. 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 shall, on the request of the Agent, append information from the Agent together with the notice or the communication.
- 15.6 Only a person who is registered as a Noteholder, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is registered as a Noteholder at the following times:
- (a) on the Business Day specified in the notice pursuant to Clause 16.2, in respect of a Noteholders' Meeting, or
 - (b) on the Business Day specified in the communication pursuant to Clause 17.2, 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 definition of Adjusted Nominal Amount. Such Business Day specified pursuant to (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.
- 15.7 The following matters shall require the consent of Noteholders representing at least two thirds (2/3) 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 17.2:
- (a) a change to the terms of any of Clause 2.1, and Clauses ~~2.5 to 2.7~~2.4 to 2.6;
 - (b) a change to the Interest Rate or the Nominal Amount;
 - (c) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of ~~proceeds~~ Proceeds following an Acceleration*);

- (d) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 15 (*Decisions by Noteholders*);
- (e) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (f) [consent for the making of an investment pursuant to Clause 11.4 \(*Investments*\)](#);
- (g) [a change to the terms of Clause 11.14 \(*Dividends*\)](#);
- (h) ~~(h)~~ a mandatory exchange of the Notes for other securities; and
- (i) ~~(g)~~ early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 13 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

15.8 Any matter not covered by Clause 15.7 shall require the consent of Noteholders representing more than fifty (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 17.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 18.1(a) or (b)) and an acceleration of the Notes.

15.9 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 15.7, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

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

15.10 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 16.1) or initiate a second Written Procedure (in accordance with Clause 17.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal has not been withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 15.10, the date of request of the second Noteholders' Meeting pursuant to Clause 16.1 or second Written Procedure pursuant to Clause 17.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 15.9 shall not apply to such second Noteholders' Meeting or Written Procedure.

15.11 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.

- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*).
- 18.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- 18.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 18.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 18.4 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

19 Replacement of Base Rate

19.1 General

- 19.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Noteholders in accordance with the provisions of this Clause 19 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.
- 19.1.2 If a Base Rate Event has occurred, this Clause 19 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

[19.1.3 From \(and including\) the Interest Rate Switch Date, this Clause 19 shall cease to apply.](#)

19.2 Definitions

In this Clause 19:

“**Adjustment Spread**” means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof determined in accordance with Clause 19.3, to be applied to a Successor Base Rate or an Alternative Base Rate, the objective of which, in each case, shall be to reduce or eliminate, to the fullest extent reasonably practicable, any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

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

“**Base Rate Amendments**” has the meaning set forth in Clause 19.3.5.

“**Base Rate Event**” means that:

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

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

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

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

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

19.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments

- 19.3.1 Without prejudice to Clause 19.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate or an Alternative Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to determine a Successor Base Rate or, if there is no Successor Base Rate, an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and

calculating the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 19.3.2.

- 19.3.2 If (i) a Base Rate Event has occurred or (ii) a Base Rate Event Announcement has been made and the announced Base Rate Event will occur within six (6) months, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to determine, as soon as commercially reasonable, a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate.
- 19.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 19.3.2, 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 19.3.2.
- 19.3.4 The Adjustment Spread determined by the Independent Adviser in accordance with Clause 19.3.1 or 19.3.2, shall be the Adjustment Spread which:
- (a) is formally recommended in relation to the replacement of the Base Rate by any Relevant Nominating Body; or
 - (b) if paragraph (a) above does not apply, the Independent Adviser determines is customarily applied to the relevant Successor Base Rate or Alternative Base Rate (as applicable), in comparable debt capital markets transactions.
- 19.3.5 The Independent Adviser shall also determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or an Alternative Base Rate or to reflect the adoption of such Successor Base Rate or Alternative Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").
- 19.3.6 Provided that a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the applicable Adjustment Spread and any Base Rate Amendments have been determined no later than ten (10) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period.

19.4 Interim measures

- 19.4.1 If a Base Rate Event has occurred but no Successor Base Rate or Alternative Base Rate and Adjustment Spread have been determined at least ten (10) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period, the Interest Rate applicable to the next succeeding Interest Period shall be:
- (a) ~~(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) ~~(4)~~ 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.

19.4.2 For the avoidance of doubt, Clause 19.4.1 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 19.

19.5 Notices etc.

The Issuer shall promptly following the determination by the Independent Adviser of any Successor Base Rate, Alternative Base Rate, Adjustment Spread and any Base Rate Amendments give notice thereof to the Agent, the Issuing Agent and the Noteholders in accordance with Clause 25 (*Notices and Press releases*) and the CSD.

19.6 Variation upon replacement of Base Rate

19.6.1 No later than giving the Agent notice pursuant to Clause 19.5, 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 confirming the relevant Successor Base Rate or Alternative Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 19. The Successor Base Rate or Alternative Base Rate, the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any determination, be binding on the Issuer, the Agent, the Issuing Agent and the Noteholders.

19.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 19.6.1, 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 Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 19.

19.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 19. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in these Terms and Conditions.

19.7 Limitation of liability for the Independent Adviser

Any Independent Adviser appointed pursuant to Clause 19.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with these 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.

- 20.2.3 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 20.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 20.2.5 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents or (iii) as otherwise agreed between the Issuer and the Agent. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 14 (~~Proceeds~~ *Proceeds following an Acceleration*).
- 20.2.6 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 20.2.7 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 20.2.8 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 or the Noteholders (as applicable), the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 20.2.9 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2.8.
- 20.2.10 The Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent only acts in accordance with the Finance Documents and upon instructions from the Noteholders, unless otherwise set out in the Finance Documents. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Noteholders or any other person.
- 20.2.11 The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Terms and Conditions and the other Finance Documents, or to take any steps to ascertain whether any Event of Default has occurred.

25.2 Press releases

- 25.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 9.3 (*Early redemption (~~Call-Option~~call option)*), 9.4 (*Early ~~Redemption redemption~~ due to illegality (call option)*), 10.1.3, 15.17, 16.1, 17.1 and 18.3 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 25.2.2 In addition to Clause 25.2.1, if any information relating to the Notes or the Issuer contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the 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.

26 Force Majeure and Limitation of Liability

- 26.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 26.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 26.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 26.4 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

27 Governing Law and Jurisdiction

- 27.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 27.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

Signature page follows

EXECUTION VERSION

Draft 26 February 2024
WP launch version

SIGNATURE PAGE

We hereby certify that the above terms and conditions are binding upon ourselves.

~~Place: Stockholm, Sweden~~

~~Date: ___ June 2021~~

~~**ILIJA BATLJAN INVEST AB**
as Issuer~~

~~Name: Ilija Batljan~~

~~We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.~~

~~Place: Stockholm, Sweden~~

~~Date: ___ June 2021~~

~~**NORDIC TRUSTEE & AGENCY AB (publ)**
as Agent~~

~~Name:~~

*[Executed by way of an amendment and restatement agreement dated [**] 2024]*

Conditions Precedent for Settlement of ~~Initial~~ Notes

1 Documents and agreements

- (a) A copy of the constitutional documents of the Issuer;
- (b) a copy of a resolution of the board of directors or other persons authorised to exercise the relevant powers of the Issuer, approving the transactions contemplated by, the Finance Documents and resolving that it execute, deliver and perform its obligations under the Finance Documents and all related documents to which it is or will become a party;
- (c) documents evidencing that the Issuer owns 63,495,701 shares of series A, 9,249,668 shares of series B, 530,000 shares of series D issued by SBB at a date falling not earlier than ten (10) Business Days prior to the ~~First~~ Issue Date;
- (d) a copy of the executed Agency Agreement;
- (e) a copy of the executed Terms and Conditions; and
- (f) a copy of an executed Compliance Certificate, however, only certifying that so far as the Issuer is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it.

Form of Compliance Certificate

COMPLIANCE CERTIFICATE

To: Nordic Trustee & Agency AB (publ) as Agent
From: Ilija Batljan Invest AB ([publ](#))
Dated: [●]

Dear Sirs,

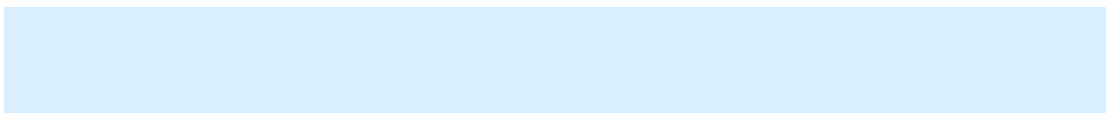
Terms and conditions for Ilija Batljan Invest AB with respect to the **up-to** SEK ~~2,500,000,000~~ 1,350,000,000 senior unsecured floating rate and PIK interest green notes due ~~2024~~ 2026 (the “Terms and Conditions”)

- (1) We refer to the Terms and Conditions. This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
- (2) We confirm that: (a) ~~_____ [The_ the~~ Loan to Value on the Test Date [date] ~~], was [●]; [and] was [●].~~
(b) ~~[the Loan to Value calculated on [date] in connection with [the incurrence of additional Financial Indebtedness under a Market Loan]/[a Distribution pursuant to Clause 11.12.2(a)(ii)] was [●]. We confirm that the Incurrence Test is met.][†]~~
- (3) ~~(+)~~ We set out below calculations establishing the figures in paragraph (2):
[●]
- ~~(2) We confirm that we complied with Clause 11.4 (Investments). [If this statement cannot be made, the certificate should identify the steps, if any, being taken to remedy such non-compliance.]~~
- (4) ~~(3)~~ We confirm that no Event of Default is continuing. [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.]
- (5) ~~(4)~~ [Attached hereto you will find copies of any notices sent to the Regulated Market.]

ILIJA BATLJAN INVEST AB

[†] To be included only if the Compliance Certificate is provided in connection with incurrence of Financial Indebtedness, a Distribution or an issuance of Subsequent Notes.

[•] [By:](#)



RISK FACTORS

Schedule 4

Risk Factors

This section contains the risk factors considered to be material to the Issuer's and the Group's business and future development. The risk factors relate to the Group and its market and the Notes and are further divided into separate categories. The 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 risk factors mentioned below are limited to risks which are specific to the Issuer and/or the Notes and which are considered material by the Issuer. 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. The description below is based on information available as of the date of this notice of written procedure. Terms not defined herein shall have the same meaning as ascribed to them in the Terms and Conditions.

Risks relating to the Group

Risks related to the Group's operations

Risks relating to the Issuer's holding company activities

The Issuer is the parent company in the Group and does only conduct limited business operations, it mainly functions as a holding company for the operating business of the Group. The Issuer's ability to make required payments of interest on its debts and funding is thus affected by the ability of its subsidiaries to transfer available cash resources to it. The transfer of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and/or contractual requirements applicable to the respective subsidiaries. Additionally, the Group companies are separate legal entities and have no obligation to fulfil the Issuer's obligations towards its creditors unless otherwise agreed. Limitations or restrictions on the transfer of funds between companies within the Group may become more restrictive in the event that the Group experiences difficulties with respect to liquidity and its financial position, which may negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Notes.

For example, the Issuer's subsidiary Samhällsbyggnadsbolaget i Norden AB ("**SBB**") resolved on 8 May 2023 to stop its planned payment of dividend, which has had a material adverse impact on the Issuer's operations and financial position. The market value of the Issuer's portfolio has further suffered from the sharp decline in SBB's share price over the past months, to which it has become increasingly sensitive due to an increase in holdings in SBB and divestments of several other holdings. Due to its particular dependency on SBB, the outcome of any potential acquisitions or divestments made by SBB, as well as the development in the share price of SBB (see further the risk factor titled "*Risks related to changes in share price of the Group's associated companies*" below) may have a material adverse effect on the Issuer's financial position, results and operations, and also the Issuer ability to meet its payment obligations under the Notes, including any repurchase or redemption of the Notes.

Furthermore, in the event of insolvency, liquidation or a similar event relating to one of the 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. Such an event

could have a material adverse effect on the Issuer's operations, financial position and results, and also its ability to meet its payment obligations under the Notes.

Risks related to the ownership of the Group

The Group is currently controlled by one principal shareholder, whose interests may conflict with the Noteholders', particularly if the Group encounters difficulties or is unable to pay its debts as they fall due. The owner has the power to control all matters to be decided by vote at a shareholders' meeting and has the ability to appoint the board of directors of the Issuer. Furthermore, the owner may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in its judgment, could enhance its equity investments, although such transactions might involve risks to the Noteholders. There is nothing in the Terms and Conditions that prevents the owner or any of its affiliates from acquiring businesses that directly compete with the Group. If such event was to arise, there is a risk this may adversely affect the Group's operations, financial position, results and even the market value of the Notes.

Risks related to the Issuer's organisation

Since the Issuer mainly functions as a holding company, it has no employees. Consequently, the Issuer is dependent on its service providers, suppliers and its sole owner in operating its day-to-day activities. The lack of employees, a management team and internal control functions exposes the Group to certain operational risk as a result of insufficient or absent internal procedures to handle unforeseen external events and ongoing compliance with applicable laws and regulations. If the Group, as a result of its limited internal control functions and organisation, fails to identify, control and avoid operational risks which arise due to the Group's property holdings and/or its holding company activities, it could adversely affect the Group's financial position and results.

Risks related to the Group's investments and own property holdings

Risks related to 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 SEK 333 million as of 30 September 2023. 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, value of the building rights, required return and cost of capital. Unrealised value changes may have an impact on the Group's net profit. 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 Group'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 Group's rental income, is also generally affected by general conditions in the economy, such as the GDP growth, employment rate, inflation, changes in interest rate levels and amortisation requirements. Decreased property values may, if materialised, have a material adverse impact on the Group's financial position.

Risks related to decreased rental income and large tenants not renewing or extending the leases

An absolute majority of the Group's turnover derives from rental incomes. Therefore, in additions to rental rates, a notable risk to the Group's operations is related to its properties' occupancy rate and

the amount of rental income the Group is able to generate. Occupancy rate and rental rates depend on, for example, macroeconomic conditions such as general economic trends, regional economic development, employment rates, production rates of new premises, changes in infrastructure, inflation, interest rates and demographic trends.

Decreased occupancy and rental rates can negatively affect a property company's earnings and this risk is increased when a property company has a high concentration of large tenants, including tenants that hold multiple leases across a number of properties. The Group currently derives approximately 65 per cent. of its rental income from its 2 largest tenants. If the Group's largest tenants do not renew or extend a significant number of these leases when they expire, this could lead to reduced rental income and increased vacancies. If these tenants experience financial difficulties or are otherwise unable to fulfil their obligations under any lease, this could have significant consequences for the Group, resulting in the Group's rental income being significantly lower than estimated. Vacancies prevent property owners from benefiting from their properties' full earning capacities. Occupancy rates may decrease if tenants move out and the premises cannot be rented out again immediately, or within a reasonable period of time. Additionally, this could lead to the Group having to expend money and resources in order to find replacement tenants, thereby incurring unexpected legal or marketing costs and if the Group is unable to replace outgoing tenants this may result in a decreased occupancy rate and additional turnover costs.

If the Group fails to maintain rental rates, retain its largest tenants, or if its tenants are unable to fulfil their obligations, it can lead to a loss of rental income and cause the Group to incur additional expenses which in turn would have a material adverse impact on the Group's financial positions and results.

Risks related to macroeconomic trends

The Group is affected by macroeconomic factors such as general economic trends (including interest rate levels and inflation), regional economic development, employment rates, production rates of new premises, changes of infrastructure, inflation and interest rates in the markets where the Group and its associated companies operate, mainly Sweden, Norway, Finland and Denmark. For example, these factors significantly impact supply and demand in the real estate market and accordingly affect occupancy rates, rent levels and gross asset values of the Group's and its associated companies' properties. Further, a weakened macroeconomic sentiment could affect the employment rate, which is an important factor regarding, for example, demand in the lease market and tenant solvency which therefore could affect vacancy rates and rental levels.

If the general economic situation weakens, the value and rental income of the Group's property portfolio may decline. The majority of the Group's property portfolio is directly or indirectly owned by SBB. Sweden's economy may be impacted by its neighbouring countries which could result in deterioration of the economic conditions in Sweden. In addition, events, such as natural disasters and pandemics, may have an impact on macroeconomic factors. Russia's aggression and attack on Ukraine, high inflation and Central banks responses through fast increasing interest rates may have an indeterminable adverse impact on the world economy and hence also the supply and demand in the real estate market and accordingly affect occupancy rates, rental levels and gross asset values of the Group's and its associated companies' properties.

Consequently, economic downturns or fluctuations could impact the Group's occupancy rates and rent levels, which can negatively impact the Group's rental income, and may have a material adverse impact the Group's business overall, its financial position, its results and the Issuer's ability to meet its payment obligations under the Notes.

Risks relating to the Group's Real Estate and Logistics Investments, and dependency on SBB

Apart from the Group's directly owned property Vågskålen 24 Eskilstuna, it owns shares in several real estate and logistics companies, out of which its investment in SBB constitute its largest investment. Through its indirect exposure to its associated companies' property holdings, the Group is exposed to a number of property related risk, including but not limited to (i) development of general macro-economic conditions, (ii) ability to find and keep tenants which are willing and continually able to pay market rent, (iii) maintenance and repair costs, (iv) valuation of properties, (v) acquisitions, integration and development of properties and (vi) regulatory matters (including environmental risks). Many of these risks are similar to the risks which the Group is exposed to pursuant to its own property holdings while others are materialized in different ways and depend on factors, conditions and circumstances relevant and present for a specific company and/or property. All of these risks, present as a result of indirect holdings of properties, affect the Group but are in some cases difficult to identify, quantify and control.

For example, the Group controls 28.01 per cent. (the Group together with Ilija Batljan in person controls 31.61 per cent. of the votes in its largest shareholding, SBB. The Group, and more specifically the Issuer, is dependent on dividends from SBB to ensure its financial position and debt service ability, which in turn is dependent on the financial position and development of SBB. The Group does not control SBB and is therefore unable to influence its operations. The Group is therefore to a large extent dependent on SBB's ability to identify and control the risk which the company is exposed to in order to generate revenue for its shareholders, including the Group. Should SBB, or any other associated property company, fail to operate its business successfully then it could have a material adverse impact on the Group's financial position and results, which could have a material adverse effect on the Issuer's ability to meet its payment obligations under the Notes.

Risks related to increased maintenance and repair costs associated with its properties

All of the Group's properties will require some level of repair and maintenance in the future following expiration of current lease agreements or otherwise. Such regular property maintenance is necessary in order to maintain the fair value of and rent levels of the properties in the Group's portfolio. However, the amount of required maintenance and repair work may increase, for example, as a result of changes to energy efficiency or other requirements or as a result of damage caused by tenants or other parties. In addition, the associated maintenance costs may increase as a result of inflation, which is beyond the Group's control and the Group's repair cost and modernization investments may increase more than the Group currently anticipates as a result of its growth strategy and the related party acquisitions and real estate development projects. Furthermore, if some maintenance needs are not recognized in time and as a result the level of maintenance is left insufficient, this may lead to decreases in the value of such properties, and the Group may also need to set lower rent levels in these properties. Operating in the real estate industry also entails the possibility of technical risks. Technical risks refer to the risks associated with the technical operation of properties, such as the risk of design errors, other hidden defects or deficiencies, damage (caused, for example, by fire or another force of nature, or by tenants) and contaminants. If technical problems arise, they can lead to a significant increase in costs for the Group. In addition, a property company's reputation is particularly important in relation to new and current tenants. If the Group fails to adequately respond to technical or maintenance problems, the Group's reputation may be damaged, which in turn can lead to difficulties in retaining current tenants or attracting new tenants. If the Group's reputation is damaged or it has increased costs due to technical damage, this can lead to a loss of income and/or lost growth opportunities.

Risks related to changes in share price of the Group's associated companies

The Group owns shares in both listed and unlisted companies. Share price can fluctuate for a number of different reasons. The Group's investment portfolio including main investment in SBB mainly consists of listed companies. Publicly traded companies' share price will change over time and may fluctuate due to general macroeconomic trends, stock market trends and company specific developments, conditions and circumstances. Since the Group exercise only limited control over its listed holdings and in addition, are exposed to changes in share prices which are caused by circumstances outside of its control, the aggregate value of the Group's listed companies may change rapidly and unexpectedly which could have a material adverse effect the Group's financial position (see further the risk factor titled "*Risks related to the Issuer's holding company activities*" above).

Unlisted portfolio companies expose the Group to value changes, as a majority of the unlisted holdings are not yet fully established and whose valuations may therefore be more uncertain than listed companies. The risk that the unlisted holdings are valued incorrectly may be greater during times of general uncertainty, such as during the corona pandemic. Contrary to what is usually the case with listed holdings, it can be difficult for the Group to sell and trade with its unlisted share holdings. Should the financial position of the Group deteriorate, it might have to sell some of its holdings (including unlisted holding). There is a risk that the Group will not find a buyer or that the Group underestimates the value of the unlisted shares being sold. This could adversely affect the Group's financial position, results and operations.

Risks relating to the Group's shareholdings and minority holdings

In the majority of the Group's associated companies, the Group is not a majority shareholder. The Group generally has an ownership corresponding to less than 30 per cent of the share capital. The associated companies and its majority shareholders can therefore make decisions and implement measures that may be negative for or have a material adverse impact on the Group and its interest without the Group having the opportunity to influence these decisions or measures. The fact that associated companies can implement measures that are not in line with the Group's interests could have a material adverse impact on the Group's financial position, result and operations.

Further, the Group has made several "Sustainable Impact Investments" by investing in companies on the basis of environmental, social and/or corporate governance factors. The Group has also made "Digital Investments", by investing in companies with innovative technology. Including ownership in SBB (with 98% of the assets been social infrastructure) about 85-90% of total investments as of 30 September 2023 consists of shares in companies which business relate to sustainable impact or innovation technology. A majority of these companies are currently in a growth phase with both on-shore wind power project development in emerging markets and off-shore wind power development and some have relatively novel business models and/or uses new technology. These companies may thus be considered as high-risk investments. A large portion of these companies do currently not have enough liquidity or otherwise lack the ability to distribute dividends, and there is a risk that they may never be able to disburse dividends. These investments may prove to be non-profitable for the Group, which in turn could have a material adverse impact on the Group's financial position and its results.

Risks related to acquisitions and investments

A central part of the Group's business and expansion strategy is to acquire real properties and holdings in listed and non-listed companies. Hence, the Group is exposed to the risk of a decrease in the value of its investments, either as a result of write-downs due to revised valuations or

macroeconomic factors, both in relation to its non-listed investments and its listed investments. A decrease in the value of the Issuer and its subsidiaries' investments may adversely affect the Issuer's portfolio value and balance sheet, and thereby have a material adverse impact on the Issuer's and the Group's financial position and the Issuer's ability to make payments under the Notes.

There is also a risk that potential issues with an acquired company are not detected in the due course of the due diligence review or that there are other unidentified risks associated with the company. If these risks would materialise, it would have a material adverse impact on the relevant company's operations, financial position and profits which would subsequently affect the portfolio value of the Group adversely.

The non-listed shares held by the Issuer are not publicly traded and are thus illiquid, as opposed to listed shares, which could result in difficulties to divest non-quoted shares on short notice if the Issuer would be required to sell its non-listed shares should the financial position of the Issuer deteriorate. There is also a risk that such divestment would be discounted compared to the actual value, which could affect the Issuer's financial position negatively.

If the Request is approved, all acquisitions of or investments in any asset (other than in respect of notes issued by the Issuer, and any repurchase or redemption thereof in accordance with the applicable terms and conditions) shall require the Issuer to procure requisite consent from the requisite majority of Noteholders in accordance with the Terms and Conditions. Due to the administrative procedure required to be completed in order to procure such consents, it may be difficult for the Issuer to timely and effectively divest its assets and/or holdings at an attractive price, if necessary, or at all, which in turn may limit the Issuer's ability to procure sufficient funds to, if need be, cover its financing costs, including any repayment or repurchase of the Notes.

The ability to execute its general acquisition strategy may further be limited by external factors such as competition, demand for attractive investment objects, financing possibilities, market conditions and the price levels of investment objects. Consequently, unfavourable external factors may impede the ability of the Group to execute its acquisition strategy. Completed acquisitions may also have a material adverse impact on the Group's result if, for example, in relation to property acquisitions, unexpected vacancies occur, accounting or economic assumptions do not match projections or if unforeseen environmental requirements or tax claims arise. The Group may have, and may in the future, overestimate the profitability and/or potential return on investment objects or otherwise make incorrect assumptions or miscalculations in relation to investments. Any such investments made could materially adversely affect the Group's financial position and results.

Risks related to the Issuer's financing

Refinancing risks

The Group's long-term liabilities as of 30 September 2023 amounted to approximately SEK 1,477.618 million including leases of which a significant amount must be renewed or refunded within two years. The Group's short-term liabilities as of 30 September 2023 amounted to approximately SEK 355.393 million. There is a high risk that the Group will be unable to secure financing at favourable rates, or at all, when the Notes are to be redeemed or other debt falls due and needs to be refinanced. In the future, loans may need to be obtained at significantly higher costs than at present, lenders may choose not to extend the Group's loans at maturity or there may not be alternative credit facilities at the Group's disposal. Further, certain loan agreements and note terms contain provisions which may limit the Issuer's and the Group's ability to incur new debt. The Group's operations have

historically been financed by bank loans and bonds and it is likely that the capital necessary to finance future business operations will be obtained from these sources. The Group's ability to obtain financing in the future will depend upon its business, prospects and general market conditions. In the event of adverse market conditions or impaired prospects of the Group's operations, the Group's financial performance may suffer which may reduce the availability of financing to the Group. Further, the Issuer's ability to cover its financing and refinancing costs (including any repurchase or redemption of the Notes) may be impaired by certain proposed amendments to the Terms and Conditions of the Notes (see further the risk factor titled "*Risks related to acquisitions and investments*" above). If financing cannot be obtained at all, or refinancing cannot be obtained with reasonable terms or only at a materially increased cost, it could have a material adverse impact on the Group's financial position and results of operations, and in turn the Issuer's ability to make required payments under the Notes.

Furthermore, if the Issuer fails to obtain consent from the Noteholders in respect of the current written procedure in order to, amongst other things, extend the Final Maturity Date of the Notes, it will entail a severely increased risk of payment default (and in the long run, maybe even the need for re-organisation, winding-up or bankruptcy) in respect of the Notes by the Issuer unless other adequate refinancing options are found.

Liquidity risks

Liquidity risk in relation to the Issuer's and the Group's business is the risk that liquid assets, in addition to available external financing, are not sufficient to finance ongoing investments, acquisitions, operations or debt service. In order to continue to grow the business and expand its operations and investments, access to liquid funds are necessary. If the Issuer or the Group (taken as a whole) does not have sufficient liquidity to fulfil its ongoing business this could result in decreased growth and expansion as well as increased costs and penalties, hence adversely affect the Group's financial position.

Liquidity risk in relation to amortizations 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 amortisation costs related to its financing. As the payment obligations under the current liabilities in general is covered by the Issuer's cash flow, there is a risk that the Issuer does not have sufficient liquidity to meet its payment obligations if the cash flow is negatively affected by, e.g. the refinancing of the Group's financial indebtedness or cancelled dividends (both as described above). 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 and its ability to meet its payment obligations under the Notes.

Interest rates risk

Interest rates risk is the risk that changes in interest rates affect the Group's interest expense. For example, other than equity, the Group's operations are mainly financed by loans from credit institutions and issue of Notes. Interest expenses are therefore one of the Group's main cost items. Interest expenses are mainly affected by the level of market interest rates, credit institutions' margins and the Group's strategy regarding interest rate fixation periods.

The Group's credit agreements and notes include floating interest rates (however, please see risk factor *Risks related to the proposed PIK interest* below). Consequently, there is a risk that an increase in the interest rates would have a material adverse impact on the Group's financial position and results and the Issuer's ability to make payments under the Notes. The Group's average interest rate as of 30 September 2023 was 7.6 per cent. Based on the conditions at 30 September 2023, a change in the Group's average interest rate of +/- one percentage point would theoretically affect the Group's profit before tax by approximately +/- SEK 15 million.

Security over assets granted to third parties

According to the Terms and Conditions, the Issuer shall not (and shall procure that each of its subsidiaries Ilija Batljan Invest Fast 1 AB and Health Runner AB do not) incur any new financial indebtedness ranking senior or *pari passu* with the Notes. However, the Issuer and each of Ilija Batljan Invest Fast 1 AB and Health Runner AB may incur new financial indebtedness which is used to refinance existing financial indebtedness and provide security for such financial indebtedness. As security may be granted to additional debt providers, the Noteholders will, in the event of bankruptcy, re-organisation or winding-up of the Issuer, be subordinated in right of payment of the assets being subject to security provided to such third-party debt providers. In addition, if any such third-party debt provider holds security provided by the Group were to enforce such security due to a default by any company within the Group under the relevant finance documents, such enforcement would have a material adverse impact on the Group's assets, operations and financial position, and the rights of the Noteholders to receive payments under the Notes.

Risks relating to rating

In order to fund its business activities, the Issuer is dependent on its ability to access the capital markets and its cost of borrowing will be affected by its credit rating. The Issuer has been assigned a long-term debt issuer rating of CCC- with negative outlook by Scope Ratings GmbH. Third party rating agencies may also issue unsolicited ratings intended to measure the Issuer's ability to repay its obligations and are based upon criteria established by such agencies. The Issuer's credit rating is subject to periodic review and may be revised downward or revoked. Rating agencies assign credit ratings based on several factors, most of which are company specific. However, some factors relate to general economic conditions and circumstances that are outside the Issuer's control. The Issuer cannot predict what actions rating agencies may take, or what actions may be taken in response to the actions of rating agencies. Any downgrade or revocation of a credit rating assigned to the Issuer could increase the Issuer's borrowing cost and impact its financial flexibility and competitive position. Changes in methodology and criteria used by rating agencies could result in downgrades that do not reflect changes in general economic conditions or the financial condition of the Issuer.

Risks related to legal and regulatory issues

Risks related to failure to comply with applicable regulations and risks being involved in legal and administrative proceedings

The Group and its associated companies operate across various geographical markets and their respective businesses must comply with the requirements set out in a number of codes, acts and regulations in the jurisdictions which they operate, for example, laws and regulations relating to production and maintenance of real estate (including health and environmental regulations), tax and general corporate matters. New acts and regulations, or a change that affect the operations of the

Group or its associated companies may directly or indirectly negatively impact the Group's business, financial position, result of operations and prospects. In addition, there is a risk that the Group's interpretation of existing codes, acts and regulations is incorrect, or the accepted interpretation of these codes could change in the future which could cause the Group to incur increased costs or face the risk of material fines or penalties.

The Group also risks becoming involved in legal or administrative proceedings, which could result in significant claims for damages or other demands for payment. It is inherently difficult to predict the outcome of legal, regulatory and other adversarial proceedings or claims and if the outcome of any future legal or administrative proceeding turns out to be negative for the Group or any of its associated companies, this could have a material adverse impact on the Group's financial position and results of operations.

Environmental risks and compliance with various health, safety and environmental regulations

The Group's and its associated companies' operations in property management and property development carry environmental risks and the Group is subject to environmental regulations that may impose liability if the Group fails to comply. Although the Group conducts inspections during the acquisition of individual properties, there is a risk that environmental regulations were not complied with. Under current environmental legislation in the jurisdictions in which the Group operates, an operator that has contributed to the contamination of a property is also liable for its remediation. If the operator cannot carry out or pay for remediation of the property, the party who acquired the property and who, at the time of acquisition, knew about or ought to have known about the contamination, is liable for the remediation. This means that under certain circumstances, the Group may be ordered to restore the property to a state that is compliant with environmental legislation. This may involve soil decontamination or remediation in respect of the presence of, or suspicion of the presence of, contaminants in the soil, catchment areas or groundwater. The cost to the Group of investigation, removal, or remediation required to comply with environmental regulations may be substantial and therefore such orders may negatively impact the Group's earnings, cash flow and financial position. Furthermore, any future changes to the laws, regulations and requirements from authorities in the environmental sector could result in increased costs for the Group with respect to sanitation or remediation regarding currently held or future acquired properties. Such changes could also result in increased costs or delays for the Group in carrying out any of its development projects.

The Group is and may also be subject to further regulation in areas such as occupational health and safety, the handling of asbestos and asbestos removal, as well as acts and regulations limiting emissions of greenhouse gases such as through energy and electricity consumption. Non-compliance with such acts and regulations in any of the jurisdictions in which the Group operates may result in the government issuing orders for enforcement measures, imposing fees or fines, and in some cases even imposing restrictions on the operations of the Group, which can be serious.

Furthermore, contamination may also be detected on properties and in buildings, in particular during renovation processes or when buildings are upgraded for environmental certification. The discovery of any contaminants or residual pollution in connection with the lease or sale of properties could trigger claims for rent reductions, damages or lease terminations. Measures to remove such contaminants or remediate any pollution can be required as part of the Group's ongoing operations and may, depending on the extent of the contamination, involve considerable costs and have a material adverse impact on the Group's results of operations.

Risks relating to the Notes

Risks related to the proposed PIK interest

The Notes currently carry a floating rate interest at the rate of 3-month STIBOR plus a margin of 3.25 per cent *per annum*. If the Request is approved by a requisite majority of the Noteholders, the current interest rate of the Notes will be replaced with a new interest rate corresponding to a fixed PIK interest of 12 per cent. *per annum*, with effect from the Interest Rate Switch Date. As such, Noteholders will receive the PIK interest in connection with a redemption. This means that the total redemption amount of the Notes will increase significantly over time, therefore increasing the Noteholders' claims under the Notes and making it more difficult for the Issuer to refinance the Notes in the future, as the elevated redemption amount can put pressure on the Issuer's financial resources, potentially affecting its ability to secure necessary funds for repayment and ongoing operations. Such an event could have a material adverse impact on the Issuer's financial position and its ability to meet its payment obligations under the Notes.

As the Notes will carry a fixed interest rate rather than a floating rate referencing an underlying index, if market interest rates rise then the income payable on the Notes might become less attractive which would adversely affect the market value of the Notes.

Up-streaming of cash and dependency of subsidiaries and associated companies

Investors in the Notes are exposed to credit risk in relation to the Issuer. An investor's possibility to obtain payment in accordance with the Terms and Conditions is therefore dependent on the Issuer's financial position. A highly significant part of the Issuer's assets and revenues are generated by the Issuer's subsidiaries and associated companies. The subsidiaries and associated companies' ability to make payments, make dividends and service debt to the Issuer may from time to time be restricted by, among other things, the availability of funds, corporate restrictions and local law. Should the Issuer not receive sufficient income from its subsidiaries or associated companies, its ability to make payments under the Terms and Conditions may be adversely affected.

Structural subordination and insolvency of Group companies

In the event of the insolvency or liquidation of (or a similar event relating to) one of the Issuer's direct or indirect subsidiaries, all creditors (including creditors under any unsecured financing arrangement) 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 are structurally subordinated to the current and future liabilities of the subsidiaries. The subsidiaries are legally separate entities and distinct from the Issuer and have no obligations to settle or fulfil any of the Issuer's payment obligations under the Notes or any other financial arrangement, other than to the extent that follows from security agreements to which such subsidiary is a party.

Risks related to early redemption and put options

Under the Terms and Conditions, the Issuer has reserved the right to redeem all outstanding Notes before the final redemption date. If the Notes are redeemed before the final maturity date, each Noteholder has the right to receive an early redemption amount which will vary depending on when

the Notes are called to be redeemed. Even if such aggregate amount exceeds the Notes nominal amount, there is a risk that the market value of the Notes will be higher than the aggregate early redemption amount which each Noteholder is entitled to and/or that it may not be possible for Noteholders to reinvest such proceeds at an effective interest rate as high as the interest rate applicable to the Notes.

According to the Terms and Conditions, the Notes are also subject to prepayment at the option of each Noteholder (put options) upon the occurrence of a Listing Failure Event or a Change of Control. Since a part of the Issuer's financing consists of the Notes there is a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Notes, which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all Noteholders and not only those that choose to exercise the option.

Risk related to the Green Note Framework

The Notes are defined as "green assets" according to the Issuer's Green Note Framework. The Green Note Framework, as well as market practice for green notes, may be amended and develop after the First Issue Date. The Issuer's failure to comply with the Green Note Framework does not constitute a default under the Terms and Conditions and would not permit Noteholders to exercise any early redemption rights, rights of acceleration or receive any other type of compensation for non-compliance with the Green Note Framework. There is however a risk that a failure to comply with the Green Note Framework could have a material adverse effect on the market value of the Notes due to investors perceiving the Notes as a less favourable investment.

No action against the Issuer and Noteholders' representation

In accordance with the Terms and Conditions, the Agent will represent all Noteholders in all matters relating to the Notes and the Noteholders are prevented from taking unilateral action against the Issuer. Consequently, individual Noteholders do not have the right to take legal action to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies against the Issuer, unless and until a requisite majority of the Noteholders agree to take such action. There is consequently, a risk that the value of the Notes will decrease meanwhile a requisite majority is not willing to take necessary legal actions against the Issuer. The unwillingness of a majority of Noteholders to act could thus damage the value of other Noteholder's investments in the Notes.

However, there is a risk that an individual Noteholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions), which could adversely affect an acceleration of the Notes or other actions against the Issuer. For example, would an individual Noteholder initiate a bankruptcy proceeding against the Issuer, such proceeding could, despite being in breach of the Terms and Conditions, be legally valid, and consequently, cause damage to the Issuer and/or the other Noteholders.

Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures, including the right to agree to amend and waive provisions under the Finance Documents, that bind all Noteholders. Consequently, there is a risk that the actions of the Agent in such matters will affect a Noteholder's rights under the Terms and Conditions in a manner that is undesirable or negative for some of the Noteholders, and consequently, the materiality of such risks are dependent on the preferences of each Noteholder.

Benchmark regulation

The process for determining STIBOR and other interest-rate benchmarks 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 came into force on 1 January 2018 and regulates the provision of benchmarks, the contribution of input data for the purpose of determining a benchmark and the operation of benchmarks within the European Union.

The effects of the regulation are difficult to assess. There is a risk that the Benchmark Regulation may affect how certain benchmarks are calculated and how they will develop which, in turn, could lead to increased volatility in relation to STIBOR and any other Alternative Base Rate and/or Successor Base Rate, 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 any other Alternative Base Rate and/or Successor Base Rate it could potentially be detrimental to the Noteholders. More specifically, should STIBOR be discontinued or cease to be provided, the Terms and Conditions provides for an alternative calculation of the interest rate for the Notes. There is a risk that such alternative calculation results (including the determination of any Alternative Base Rate and/or Successor Base Rate) in interest payments less advantageous for the Noteholders or that such interest payment do not meet market interest rate expectations.

Risks related to the extension of maturity of the Notes

Even if the Request is approved, there can be no assurance that the Issuer will be able to comply with the amended and restated Terms and Conditions and to continue to service its debt obligations under the Notes. Events beyond the Issuer's control, including changes in the economic and business conditions in which the Issuer operates or events related to, e.g., the Issuer's holdings in SBB or any other of its portfolio companies (see further risk factor titled "*Risks relating to the Issuer's holding company activities*" above) may affect the Issuer's ability to comply with the amended and restated Terms and Conditions and events may occur during the extended maturity of the Notes which affects the Issuer negatively.

The extension of maturity of the Notes entail an extended period of credit risk towards the Issuer and the Group for the Noteholders and there can be no assurance that no material adverse conditions will arise between the original maturity date and the extended maturity date or that the Issuer will be able to refinance the Notes at the extended maturity. The Issuer's ability to successfully refinance the Notes is dependent on the conditions of the capital markets and its financial condition at such time. The Issuer may not have adequate access to sufficient financing sources, or at all, at such time (see further the risk factor titled "*Refinancing risks*" above). Should the Issuer be unable to refinance its debt obligations, it would have a material adverse effect on the Issuer's ability to meet its payment obligations under the Notes, including any repurchase or redemption of the Notes.