

This prospectus was approved by the Swedish Financial Supervisory Authority on 5 May 2021. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.



Titania Holding AB (publ)

PROSPECTUS REGARDING THE ADMISSION TO TRADING OF

SEK 400,000,000

SENIOR SECURED CALLABLE FLOATING RATE BONDS

2021/2024

ISIN: SE0015530530

5 May 2021

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Titania Holding AB (publ), Swedish reg. no. 556887-4274 (“**Titania Holding**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries, unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s SEK 400,000,000 senior secured callable floating rate bonds 2021/2024 with ISIN SE0015530530 (the “**Bonds**”), issued under a framework of SEK 500,000,000, of which SEK 400,000,000 was issued on 16 March 2021 (the “**Issue Date**”), in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively), on the corporate bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Concepts and terms defined in Section “*Terms and Conditions for the Bonds*” are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus. The Issuer may at one or more occasions after the Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issues equals SEK 500,000,000. Only Bonds that have been issued as of the date of approval of the Prospectus may be admitted to trading based on the Prospectus.

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

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

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

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

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

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

TABLE OF CONTENTS

RISK FACTORS	1
THE BONDS IN BRIEF	13
DESCRIPTION OF THE ISSUER AND THE GROUP.....	19
OWNERSHIP STRUCTURE	23
THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS.....	24
SUPPLEMENTARY INFORMATION	27
FINANCIAL INFORMATION.....	28
TERMS AND CONDITIONS FOR THE BONDS	30
ADDRESSES	78

RISK FACTORS

In this section, a number of risk factors are illustrated, both risks pertaining to the Issuer and the Group's market risks, business risks, legal and regulatory risks, financial risks and risks relating to the Bonds. The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Bonds in order to make an informed investment decision. Each of the risk factors set forth below describe risks which, in the meaning of Regulation (EU) 2017/1129, are material and specific to the Issuer and the Bonds.

The relative degree of materiality of each risk factor is illustrated by an assessment of the Issuer of the probability of its occurrence and the expected magnitude of its negative impact if it would occur, for the purpose of which the probability is stated to be "low", "medium" or "high" and the magnitude of negative impact is stated to be "low", "medium" or "high". Irrespective of the probability or magnitude of negative impact stated in relation to each risk factor, all risk factors included below have been assessed by the Issuer to be material and specific to the Issuer and the Bonds in the meaning of Regulation (EU) 2017/1129.

The risk factors are organised in several categories and the most material risk factor in a category is presented first in each category. Subsequent risk factors in the same category are not purported to be ranked in order of materiality or probability of occurrence.

RISKS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

I. Risks related to the Group's business activities and industry

Risks associated with the Group's business model

Even though, as explained above, the Group operates and possesses expertise throughout the entire value chain on the property market, the Group's business largely consists of property development projects. The ability to complete and implement property development projects is dependent on a number of factors, such as the Group's ability to obtain zoning plans within reasonable time, failing which would result in delays. Delays may also come about as a result of appeal on already approved zoning plans or due to construction faults, hidden faults or defects. The Group is also dependent on acquiring properties with adequate building rights for the project in question. At year-end 2020, the Group had approximately 2,270 estimated building rights (approximately 1,570 at year-end 2019) in its building rights portfolio and approximately 50 units in production (approximately 20 at year-end 2019). If the Group proves unable to maintain or obtain necessary permits and/or decisions or to find adequate properties on favourable terms, or at all, it could have a material negative effect on the Group's future prospects as it would be unable to carry out its property development projects, thus reducing the Group's future profitability.

Furthermore, the Group operates on a competitive market. Competitors may increase in number and strength by way of mergers (as evidenced by the increased frequency of public offerings on property companies in Sweden), new strategies and/or enhanced financial possibilities. Increased competition, from existing and new market participants, notwithstanding being specialized or more general competitors, as well as deteriorated competition possibilities, may negatively affect the Group's market share, which in turn would have a negative effect on the Group's sales volumes, thus affecting its profits negatively.

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

Risks associated with the Group's projects

Another factor affecting the ability to implement property development projects profitably in financial terms is whether all parties, even if the parties solely consist of subsidiaries within the Group, are able to perform as initially planned. If, for example, a project cannot be completed by a certain agreed date, the purchaser of the property may request annulment (Sw. *hävning*) of the acquisition under the share purchase agreement entered into between the

Group and the purchaser. Annulment of the acquisition means that the Group must refund the purchase price and the property transferred must be returned to the Group. In such a situation, the purchaser is also entitled to receive a penalty. If the purchaser instead requests that the project shall be completed, the Group may, for example, have to carry out a procurement relating to contract on terms that are less favourable to the Group. There is thus a risk that the Group may incur higher costs which would result in lower profit margins which would have a negative effect on the Group's profits.

The Group normally has a right to terminate the construction contracts entered into with an external contractor up until a certain number of binding preliminary agreements have been entered into regarding the transfer of tenant-owned apartments. Nevertheless, if following the required number of preliminary agreements, most of the members of the tenant-owners association who have entered into such preliminary agreements subsequently fail to fulfil their obligations under those agreements, the Group will still be bound by the agreements with the contractors. In such circumstances, the tenant-owners association is generally required to compensate the Group for any damage caused to the Group in that respect. However, the Group's ability to obtain full compensation for any damage that may arise if the tenant-owned apartments may be limited since the purchasers are private individuals, in which case resulting in a decreased profit margin on the project in question, resulting in a negative effect on the Group's profits.

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

Risk of failing to analyse and adopt to market demand or trends

The Group's operations mainly consist of (i) project development, (ii) production of new real property and (iii) management (Sw. *förvaltning*) of existing real property in the Stockholm region. The Group also sells legally binding building rights (Sw. *byggrätter*) to e.g. tenant-owner associations. A majority of the Group's sales are derived from the Group carrying out all steps in a construction process of a new property. The Group's profits are consequently highly dependent on the demand for new production of property and primarily new housing in the Stockholm region. Accordingly, the Group is dependent on, amongst other things, the activity in the property market, fluctuations in housing prices in general and demographic factors such as the number of people moving into the region in which the Issuer operates. If the Group does not manage to successfully analyse market demand or trends, for example by developing housing in a price class that is not in demand, it could have a material adverse effect on the Group's ability to obtain a sufficient return on investments, entailing lower future profits and worsened financial position.

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

Risks relating to rental income and rental development

The Group owns a number of properties that are managed by the Group. These properties contain a significant number of premises that are rented to the Group's tenants, which mostly consists of natural persons and to a lesser degree, businesses. If the occupancy ratio or rental levels for these properties falls due to a general decrease in the housing deficit in the greater Stockholm area or for whatever other reason, it will have an adverse effect on the Group's profits. There is no guarantee that the Group's tenants will renew or extend their leases when they expire, which could lead to a reduction in rental income and higher vacancy rates in the long term.

The ownership of rental properties is also associated with certain operating expenses. Several of these goods and services can only be bought from one provider, which may also affect the price. Furthermore, operating expenses consist mainly of tariff-bound costs such as costs for electricity, refuse collection, water and heating. If any cost increases are not compensated for by adjustments in lease agreements or rental increases through renegotiation of lease agreements, this could have an adverse effect on the Group's margins and profits.

Maintenance costs are necessary in order to maintain the standard of properties in the long term and the occurrence of unforeseen and extensive renovation needs on properties may thus negatively affect the Group's operations and

profits and, in turn, the performance of the Issuer under the Bonds, as such costs constitute a main cost item in relation to administration of the Issuer's properties through property management providers.

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

Acquisition, sales and other transaction-related risks

Property transactions are carried out within the framework of the Group's activities, as an illustration, the Group has purchased and divested properties with an aggregate agreed market value of approximately SEK 1,700 million since 2012. The acquisition and sale of properties are associated with uncertainty and risks. In the case of acquisitions of properties, for example, uncertainty exists with regard to the unforeseen costs for environmental restoration and remediation, unforeseen land conditions, reconstruction and management of technical problems, decisions by authorities and the emergence of disputes relating to the acquisition or state of the property. Such uncertainties may lead to delays in projects or higher or unexpected costs for the properties or transactions. Furthermore, the Group is highly dependent on entering into purchase agreements regarding land acquisitions. Successful land acquisitions are crucial for the Group's business and consequently, the Group has to establish and maintain fruitful relationships with primarily municipalities.

In the case of divestments of properties, there is uncertainty with regard to such aspects as the price, eventual delays, etc. If delays occur in the completion of the property or the housing, the purchaser may be entitled to request cancellation of the acquisition. Different claims may thus be directed at the Group, for example regarding fees for delays or claims with regard to the condition of the properties. Furthermore, if properties are sold at a lower price than expected or if the market value of the properties decreases, this could negatively affect the Group's financial position and in turn the performance of the Issuer under the Bonds.

Further, increased costs related to misjudgements in relation to acquisitions and disposals, the materialisation of inherent risks and increased transaction and/or integration costs would negatively affect the Group's profits.

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

Risks related to retention and recruitment of qualified personnel

Attracting, motivating and retaining qualified personnel is crucial to the Group's success, future business and business plan. The Group is especially dependent on the knowledge and experience in relation to management of project development and production of new property. In order to attract, motivate and retain certain key employees within these fields, the Group may need to increase and/or pay remuneration to these individuals, with increased costs as a result which would have a negative effecting on the Group's profits. If the Group cannot attract and retain qualified personnel in the future, this could have a negative material effect on the Group's future prospects. This is especially true for the Group since it is a small organisation, which makes it particularly sensitive to the loss of, or inability to attract new, key personnel.

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

Risks related to shareholders and change of control

The majority shareholder of the Issuer is Einar Janson, who, together with board member Mats Janson, through Einar Janson Invest AB holds 80 per cent. The remaining 20 per cent. of the shares in the Issuer are controlled by the board member Nikan Ghahremani via Nikan Ghahremani Invest AB. Both Mats Janson and Nikan Ghahremani are related to the majority shareholder.

Hence, the majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, the majority shareholder will have the ability to elect the board of directors, thus influencing the direction of the Group's operations and other affairs. Furthermore, the majority shareholder may have an interest to pursue acquisitions, divestments, financings or other transactions that, in the remaining

shareholders perspective, could enhance their equity investments, although such transactions might involve undesired risks for the Bondholders. There is for example nothing that prevents a shareholder from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a material negative impact on the Group's operations and future profits.

In addition, the concentration of share ownership could, depending on the circumstances, accelerate, delay, postpone or prevent a change of control in the Group and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by or involve risks for the Bondholders. Such conflict of interest could have a material adverse effect on the Group's operations and adversely affect the investor's ability to receive payment under the Terms and Conditions.

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

II. Risks related to the Group's financial situation

Financing and credit risk

Property development requires external financing primarily during the construction phase, where capital is required for the raising of buildings on the acquired plot or the leasehold, as applicable. To a lesser extent, the Group also uses external financing during the initial development phase for land acquisition and processing work to develop a zoning plan for the finished product. External financing in the initial development phase is usually provided in the form of a land loan (Sw. *marklån*) and in the latter construction phase, in the form of a construction loan (Sw. *byggnadskreditiv*). In projects developed for sale, the debt financing is usually repaid in connection to hand over of the property. Upon handover, the Group receives payments from the buyer for investments made up until the time of handover. The buyer usually also pays part of the project's profit at the same time. After the handover, the financing responsibility for the project is passed to the buyer and upon completion of the project, the Group receives the bulk of the proceeds from the profit. In projects developed for long-term management, the Group acquires land, a construction loan is utilised when the project enters the production phase.

There is a risk that the Group does not receive financing needed to initiate a project, which could entail that projects will not be initiated at all, or that projects may not be completed before loans fall due, or that increased costs cannot be covered by the credit facilities granted. If the Group is unable to obtain financing for projects or only obtains financing on unfavourable terms, for example due to delayed projects, unforeseen or increased costs due to factors within or beyond the Group's control, or a low equity ratio, this could have a material adverse effect on the Group's financial position and business. Furthermore, the Group is exposed to credit risks in relation to other counterparties, such as tenant-owners associations. Such counterparties can end up in a financial situation in which they are unable to pay agreed fees or other debts to the Group when those fees or debts fall due.

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

Macroeconomic factors

The Group's business is to a considerable extent affected by macroeconomic factors such as the general economic climate regional economic development, access to properties,, production rate for property population growth, population structure, inflation and interest rates. If the progress of one or more of these factors were to be detrimental, it could have a material adverse effect on the Group as such, as well as the financial position of the Group's customers and thus affect the customer's ability to enter into agreements with the Group.

Market disruptions, particularly in the Greater Stockholm property market, changes in the real interest rate or economic downturns in the global market may affect the financial position of the Group's customers and thus affect their ability to enter into agreements with the Group, which would have a negative effect on the Group's profits and future prospects.

The current low level of interest rates has improved the ability of both households and purchasers of the Group's projects to obtain loan financing at nominally low interest rates. If the interest rate were to increase, households or purchasers of the Group's projects would be unable to obtain loan financing at the same nominally low interest rates. Since changes in interest rates affect the ability of households and purchasers of the Group's projects to pay for housing and properties, a material increase of interest rates could have a material adverse effect on the Group's profits.

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

Liquidity risk

The Group is in a phase of expansion, which means that the Group's liquidity requirements are increasing. In case the Group's liquidity needs cannot be met, the Group may be unable to meet its payment obligations (including the payment obligations under the Bonds) on the due date without a considerable increase in the cost of obtaining funds for payment. If the Issuer's sources of liquidity prove to be insufficient, it could have a material adverse effect on the Group's financial position and ability to capitalize on its expansion expenditure.

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

Interest rate risks

The Group's business is mainly financed by loans from credit institutions. The majority of the Group's indebtedness is attributable to the Group's project-related debt and to new property management loans (Sw. *förvaltningslån*) incurred with the Group's completed rental properties as collateral. The Group's total interest-bearing debt amounted to approximately SEK 611,865,227 as per 31 December 2020. The applicable interest rates may change, and it is possible that future interest expenses may be higher than the profits generated by the Group's investments. Calculated as of 31 December 2020, an increase in 3-months STIBOR by one (1) percentage point would increase the Group's interest rate expense for the financial year by approximately SEK 5,812,718 (from approximately SEK 23,098,548 to approximately SEK 28,911,266). At the same time, interest rates are an important factor for tenants' ability to pay rent and for the ability of the purchasers of the Group's projects to obtain financing on favourable terms. Higher rates could thus result in a material adverse effect on the Group's financial position and future prospects. Increased interest rates could also lead to a need to divest properties at a loss due to the lower general purchasing power increased interest rates would entail and could also lead to a need of downsizing of the Group's operation, which would further add to the negative impact on the Group's future prospects.

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

Risk of declining property value

The valuations of the Group's properties are based, among other things, on a number of assumptions. There is, therefore, a risk that the valuations have been based on assumptions that are entirely or partly inaccurate, which may result in an incorrect reflection of the value of the Group's property portfolio and thus the Group's financial position. At year-end 2020, the value of completed self-managed properties amounted to approximately SEK 723 million. The Group also have building right regarding future self-managed properties with an estimated value of approximately SEK 4,900 million upon completion of the self-managed properties.

Various factors may cause the Group to write down the fair value of its properties, which may negatively affect the Group's operations and financial position. Furthermore, the valuation frequency and coverage may change in the future which could result in the value becoming more difficult to estimate for an investor, a financing counterparty or any third party interested in the valuation of the Group's properties.

If the value of the properties decreases, causing the Group to write down their value, it could result in a number of consequences, such as a breach of the covenants of the loans owed by the Group from time to time, which in turn could result in such loans being accelerated prior to maturity and consequently affecting the liquidity of the Group. A material decrease of the market value of the properties would also have a negative impact on the Group's possibilities to dispose its properties without incurring losses, which may negatively affect the Group's financial position and profits and in turn the performance of the Issuer under the Bonds. Further, the value of the Group's properties is affected by a number of property-specific factors such as vacancy rates and rent levels and market-specific factors such as yield requirements and costs of capital affecting the value of the property assets. In addition, the value of the Group's properties is also affected by the ability to divest the properties.

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

The Issuer is exposed to risks relating to the coronavirus (COVID-19)

To what extent the coronavirus pandemic will affect the Issuer depends on several factors that the Issuer cannot identify or assess with precision or certainty. However, the Issuer may be impacted by demands for lower rents and increased vacancy rates, which may result in reduced rental income or complete defaults in payment. Furthermore, the property market could be impacted by a long-term downturn in the business cycle. If the property supply increases or remains the same and the demand decrease, there is a risk that property prices will fall, which could impact the value of the Issuer's property portfolio.

The Issuer's profits and future growth could also be negatively impacted if ongoing or planned projects or investments are delayed or completely suspended, or planned maintenance is neglected owing to there being no possibility of finding financing solutions on terms that are acceptable to the Group, or at all, in the event of the pandemic having a negative impact on the credit market. Given the difficulty in predicting the effects of the spread of the coronavirus and how long it will last, there is a risk that borrowing margins will be raised over the long-term as a result of financing costs for banks going up. As of 31 December 2020, the interest-bearing debt for Issuer amounted to approximately SEK 611,865,227, and in the event the Issuer's financial position is negatively impacted, the Group's creditworthiness may be impaired, or considered to have been impaired, which could lead to higher financing costs and fewer possibilities for the Group to be financed on acceptable terms. An increase/decrease of +/- 10 per cent. in the Group's financial expenses for the financial year 2020 would have impacted the period's earnings before tax by approximately +/- SEK 2 million. Additionally, an impaired financial position following changes in the property portfolio's value, could make it more difficult for the Group to finance its operations on terms that are acceptable to the Group.

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

III. Legal, regulatory and social risks

Rental regulations

During 2020, the Group's residential rental income amounted to approximately SEK 27,763,290 and, thus, a change by +/- 1 per cent. in the Group's rental income would have an effect on the Group's profit of approximately +/- SEK 277,633 and, given the Group's aim to increase its rental operations, have even larger effects in the future. The ability of the Group to increase rents under its tenancy agreements is limited to the legal principle of "utility value" (*Sw. Bruksvärdesprincipen*) which entails that rent levels should be proportionate to the quality and standard of the residential unit in question and can only be increased to a level that is in line with the rent that is charged on other comparable residential units (consequently, rents can only be subject to more significant above-inflation increases when the residential units have been upgraded). In the context of the Group's development projects that relate to the upgrade of current rental properties, and to the extent that the Group is or becomes restricted by applicable rental regulations from increasing the rent payable on such upgraded properties, this could have a material negative impact on the Group's ability to recover the costs and expenses associated with the

upgrade of those residential units. The further tightening of any applicable rental regulations in a specific market could have a negative impact on the market rental rates payable in that market. Any general decreases in the rental levels of the Group's properties as a result of decreases in market rental rates could have a negative effect on the value of the Group's properties and this, in turn, could have a material negative impact on the growth and financial prospects of the Group.

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

Data protection legislation

The Group handles personal data regarding employees and residential tenants. It is mandatory that it complies with appropriate legislation, including the General Data Protection Regulation (“**GDPR**”). GDPR requires the Company to handle personal data in a secure manner and there is a risk that the Company will handle personal data in a manner contrary to data protection legislation, which can lead to administrative sanctions which, given the large maximum sanction which could be decided by the Swedish Data Protection Authority (Sw. *Datainspektionen*), could lead to the severe economic consequences for the Group. Failure or partial failure to comply with data protection rules and regulations could result in substantial fines of up to the higher of EUR 20 million and four per cent. of the Group's global annual turnover. A violation of data protection regulations may further render the Group subject to disputes and negative publicity, which could lead to the Group having to pay damages as well as it could entail high legal costs and a lead to a loss of residential tenants, having a negative effect on the Group's rental income and future profits.

In addition, if the Group following the admission to trading of the Bonds is unable to sufficiently protect sensitive and undisclosed information and if there is a consequential leakage of information, it may result in non-compliance with the European Market Abuse Regulation (“**MAR**”). Such non-compliance with MAR may result in substantial monetary sanctions for the Company as well result in a negative brand perception for the Company, which may harm the Group's ability to raise funding on the debt- or equity capital markets.

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

Dependence on laws, permits and decisions

The Group's business is regulated and affected not only by a large number of laws and regulations, but also by a range of processes and decisions relating to these regulations, both at the political level and at the level of administrative officials. Among other things, the Swedish Planning and Construction Act (Sw. *plan- och bygglag (2010:900)*), building standards, safety regulations, rules on permissible construction materials, antiquarian building classifications and various forms of cultural listings, which all have a tremendous effect on the Issuer's operations and costs and its ability to develop the properties in a desirable manner. Changes of laws and regulations may in the future lead to the Group being unable to use or convert the Group's properties in the intended manner or that it can only be done more expensively or with delays, both of which would entail lower margins and profits.

Furthermore, various permits and decisions must be granted and/or resolved upon in order to use and/or develop the are required, including such items as zoning plans and various types of property registrations, which are granted and issued by bodies such as municipalities and authorities and that are decided on at both political and administrator level, to enable the Group's properties to be used and developed in the intended manner. There is therefore a risk that the Group may not be granted permits for new construction, renovation or change of use of properties acquired or that it may not obtain the decisions by authorities required to run and develop the business in a desirable manner. In addition, decisions may be appealed and therefore substantially delayed as well as standard decision-making procedures and the political direction may change in a way that is unfavourable for the Group. The Group is dependent on good relations with the municipal authorities in order to obtain land allocations, etc. For example, the Group has in the past failed to live up to a municipal authority's expectations with regard to

sustainability requirements and/or the city's vision, why there is a risk that the Group will not obtain opportunities for new land allocations.

If any of the risks described above were to materialise, it could have a material adverse effect on the Group's profits. The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

Holding Company risk

The Issuer is a holding company and the Group's operations are mainly carried out through its subsidiaries. The Issuer's ability to make required payments of interest on its debts and funding is affected by the ability of its subsidiaries to transfer available funds to it, and hence the Issuer is dependent on its subsidiaries to fulfil its obligations under the Bonds. The transfer of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiary, including the relevant subsidiaries' financing arrangements. Furthermore, the Group Companies are legally separate entities and distinct from the Issuer, and have no obligation to fulfil the Issuer's obligations vis-à-vis its creditors. If the subsidiaries do not provide liquidity, or due to other circumstances, conditions, laws or regulations are prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Bonds.

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

Taxation risks

A change in the current tax legislation could result in the Group facing an increased tax burden, which could affect its result and financial position. On 1 January 2019, a new tax legislation with regard to, inter alia, interest deduction limitations and corporate taxation entered into force. The new legislation implies, inter alia, a general interest deduction limitation rule in the corporate sector meaning that net interest expenses is deductible only up to 30 per cent. of the taxpayer's EBITDA for tax purposes, subject to certain deviations.

If the Group's net interest expenses represent a substantial portion in relation to its tax EBIT or tax EBITDA, the Group's tax burden could increase significantly which would negatively affect the Group's financial position as well as its profits and in turn the performance of the Issuer under the Bonds.

There is also a risk that the Group's financial reports, as a result of knowledge gaps, are non-optimized from a tax perspective which in addition to the direct increase in tax costs also affect future financing possibilities and bring with it a negative brand perception and/or legal penalties.

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

Environmental risk

Under certain conditions, the Group may be required to clean up land and carry out subsequent treatment of pollution or suspected pollution in land, water areas or groundwater in order to render the property in the state required under the Swedish Environmental Code (*Sw. miljöbalken (1998:808)*), which may be a costly endeavour. Furthermore, changes to environmental laws, rules and requirements could mean that the Group may incur higher costs for clean-up or subsequent treatment of properties acquired now or in the future. Furthermore, such changes could lead to higher costs or delays and may mean that the Group is unable to develop properties in a manner that is desirable for the Group. All such requirements could have a material adverse effect on the Group's profits.

In addition, unforeseen geological discoveries or unforeseen discoveries of endangered animal species in or adjacent to the place where a property development project is to be implemented could lead to that the project being delayed, becoming more expensive or that it cannot be implemented at all, which could have a material adverse effect on the Group's profits.

The Group is also subject to work environment regulations. Since the construction of buildings are coupled with inherent risks of personal injuries there is a risk that the Group's employees or employees of the Group's external subcontractors, that work in the Group's production projects, will incur bodily injuries which may lead to the Group being found to be un-compliant with applicable environment regulations which in extension may result in fines for the Company.

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

RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS

I. Risks related to the nature of the Bonds

Ability to service debt

The Issuer's ability to service its debt under the Bonds depends on, among other things, the Group's future financial and operating performance, which is affected by prevailing economic conditions and other factors such as the regulatory and financial conditions, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions by, for example, reduce or delay its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital.

The risk that the Group cannot service its debt obligations under the Bonds also implies a credit risk for investors in the Bonds. An increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds, as it may cause the Issuer's credit rating to decrease, and consequently the Issuer's ability to repay the Bonds at maturity, as set out below under "Refinancing risk".

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

II. Risks related to structural subordination

Refinancing risk

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations, intra-group loan arrangements and access to additional debt financing. In addition restrictions in relation to the Group's debt financing arrangements as well as adverse developments in the credit markets and other future adverse developments, such as the further deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow funds as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at all and consequently, there can be no assurance that the Group will be able to refinance the Bonds when they mature.

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

Interest rate risks and benchmarks

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

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

Should STIBOR be discontinued, the Terms and Conditions provides for an alternative calculation of the interest rate for the Bonds. There is a risk that such alternative calculation results in interest payments less advantageous for the Bondholders or that such interest payment do not meet market interest rate expectations.

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

Risks related to security, structural subordination and prioritised creditors

The Issuer’s obligations and liabilities towards the Bondholders under the Terms and Conditions are secured by pledges over Group’s shares in certain Group Companies. The shares that are provided as security for the benefit of Bondholders may provide for only limited repayment, in part because these shares may not be liquid and their value to other parties may be less than their value to the Group. Furthermore, the real property assets of the Group are to a material extent provided as security for senior credit facilities and the creditors under such credit facilities will enjoy first right and priority in payment from the proceeds of any enforcement sale of such real property assets. Meanwhile, the value of the pledged shares are chiefly derivative of the excess collateral value of an enforcement sale of such real property assets and the amount other financial liabilities of the relevant company. As a result, the Bondholders may not recover full or any value in the case of an enforcement sale of such pledged shares. If the proceeds from an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the Bondholders will only have an unsecured claim against the remaining assets (if any).

In the event of insolvency, liquidation or a similar event relating to one of the Issuer’s subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer, as a shareholder, would be entitled to any payments or distributions which may ultimately be applied towards prepaying the Bonds. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries.

Moreover, the security is be subject to laws protecting debtors and creditors generally, including restrictions on fraudulent conveyance or voidable preference and hardening periods applicable under relevant bankruptcy laws. These restrictions may give an insolvency receiver or other creditors a right to challenge or void the security.

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

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

Risks related to admission to trading and liquidity risk

The Issuer has undertaken to list the Bonds issued in the initial bond issue on the corporate bond list of Nasdaq Stockholm within 6 months after the first issue date for the Bonds (if such admission to trading is not possible to obtain or maintain, admitted to trading on another regulated market), and intends to effect such listing within 30 days from the first issue date of the Bonds. After such listing, the Issuer shall ensure that all Bonds issued thereafter are also listed on the corporate bond list of Nasdaq Stockholm (or any other regulated market). However, there is a risk that the Bonds will not be admitted to trading. Further, even if securities, including the Bonds, are admitted

to trading on the relevant market, there is not always active trading in the securities, so there is an intermediate risk that the market for trading in the Bonds will be illiquid even if the Bonds are listed. This may result in that the Bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if they are admitted for trading on the corporate bond list of Nasdaq Stockholm (or any other regulated market).

It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

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

III. Risks related to the Bondholders' rights and representation

Risks related to acceleration of the Bonds and put options

Upon the occurrence of an Event of Default (as specified in the Terms and Conditions), the Bonds may be accelerated at the terms and price set out in the Terms and Conditions. Furthermore, upon the occurrence of a Change of Control, a De-listing or Listing Failure (as defined in the Terms and Conditions), the Bonds will be subject to prepayment at the option of each Bondholder (put option) at the terms and price set out in the Terms and Conditions. There can be no assurance that the Issuer will have sufficient funds at the time of such prepayment or acceleration to make the required redemption of, or payment in respect of, the Bonds. Apart from that an investor could lose part of, or its entire investment, this could in turn adversely affect the Issuer, e.g. by causing illiquidity, insolvency or an Event of Default under the Terms and Conditions, and consequently adversely affect all holders of Bonds, and not only those that choose to exercise the option.

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

Financing

Subject to the provisions set out in the Terms and Conditions, the Issuer may seek further financing in which case further pledges, as part of such new loans, may be provided. In addition, the Issuer may retain, provide or renew security over certain of its current or future assets to secure, *inter alia*, bank loans, either via the Issuer itself or any other Group company, with security interests normally constituting a preferential claim on the borrower. No present or future shareholder or subsidiary of the Issuer will guarantee the Issuer's obligations under the Bonds.

Furthermore, the Terms and Conditions allow the Group to incur certain additional debt. If the Issuer's subsidiaries incur debt, the right to payment under the Bonds is structurally subordinated to the right of payment relating to debt incurred by subsidiaries of the Issuer, which could have a negative impact on the Bondholders' recovery under the Bonds.

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

Dependence on subsidiaries

A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. Accordingly, the Issuer is dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable it to make payments under the Bonds. The Issuer's subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including

the Bonds, or to make funds available for such payments. The ability of the Issuer's subsidiaries to make such payments to the Issuer is subject to, among other things, the availability of funds.

Should the value of the business conducted in the subsidiaries or the associated companies decrease, and/or should the Issuer not receive sufficient income from its subsidiaries and associated companies, the investor's ability to receive payment under the terms and conditions may be adversely affected.

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

Structural subordination and insolvency of subsidiaries

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. Defaults by, or the insolvency of, certain subsidiaries or other associates of the Issuer may result in the obligation of the Issuer to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Issuer and its assets would not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise.

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

Voluntary early redemption

The Issuer has, pursuant to the Terms and Conditions, reserved a right to redeem the Bonds in full prior to its final maturity. During a period when the Issuer is entitled to voluntarily redeem the Bonds, the market value of the Bonds will most likely not be significantly higher than the redemption price set out in the Terms and Conditions. Such effects could also arise prior to the actual redemption period. If the Issuer exercises its right to early redemption of the Bonds when the market value of the Bonds is higher than the relevant redemption price, it could affect the investor's possibilities to re-invest the repaid amount on the same terms as the terms of the redeemed Bonds. It is further possible that the Issuer will not have sufficient funds at the time of the mandatory prepayment to carry out the required redemption of Bonds.

The Issuer considers that the probability of the above risks occurring in relation to the Bonds *low*. If the risks would materialise, the Issuer considers the potential negative impact as *low*.

THE BONDS IN BRIEF

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

General

Issuer	Titania Holding AB (publ), Swedish reg. no. 556887-4274.
Resolutions, authorisations and approvals	The Issuer’s board of directors resolved to issue the Bonds on 9 February 2021.
The Bonds offered.....	SEK 400,000,000 in an aggregate principal amount of senior secured callable floating rate bonds due 16 March 2024.
Nature of the Bonds	The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i>), each of the type set forth in Chapter 1, Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i>).
Number of Bonds	As of the date of this Prospectus, 320 Bonds have been issued. A maximum of 400 Bonds may be issued under the Terms and Condition. Only Bonds that have been issued at the date of approval of the Prospectus may be admitted to trading based on the Prospectus.
ISIN.....	SE0015530530.
Issue Date.....	16 March 2021.
Price	All Bonds issued on the Issue Date have been issued at an issue price of 98.50 per cent. of the Nominal Amount.
Interest Rate	Interest on the Bonds is paid at a rate equal to the sum of (a) three (3) months STIBOR, plus (b) 8.00 per cent. <i>per annum</i> . Interest will accrue from, but excluding, the Issue Date.
Use of benchmark	Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR. As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) does not appear in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the regulation (EU) 2016/1011 (the Benchmark Regulation).
Interest Payment Dates.....	Quarterly in arrears on 16 March, 16 June, 16 September and 16 December each year (with the first Interest Payment Date being on 16 June 2021 and the last Interest Payment Date being the Final Redemption Date, 16 March 2024). Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Final Redemption Date	16 March 2024.
Nominal Amount.....	The initial nominal amount of each Bond is SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds was SEK 1,250,000.

Denomination.....	The Bonds are denominated in SEK.
Status of the Bonds	The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among them and at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.
Use of Proceeds.....	The Net Proceeds of the Initial Bond Issue and any Subsequent Bond Issue shall be applied towards general corporate purposes, including refinancing the Existing Debt and property development projects.

Call Option

Call Option.....	<p>The Issuer may redeem all of the Bonds in full on any Business Day falling on or after the First Issue Date (being 16 March 2021) at the applicable Call Option Amount together with accrued but unpaid Interest, in accordance with Clause 12.3 (<i>Early voluntary total redemption (call option)</i>) of the Terms and Conditions, the Call Option Price being:</p> <ul style="list-style-type: none"> (a) an amount equivalent to the sum of (i) 104 per cent. of the Nominal Amount and (ii) the remaining interest payments to, but not including, the First Call Date, if the Call Option is exercised on or after the First Issue Date to, but not including, the First Call Date (being the date falling thirty-three (33) months after the First Issue Date); (b) unless paragraph (c) below applies, 100.80 per cent. of the Nominal Amount, if the Call Option is exercised after the First Call Date; and (c) provided that such early redemption is financed in full or in part by way of the Issuer issuing Market Loan(s), 100.00 per cent. of the Nominal Amount if the Call Option is exercised after the First Call Date.
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Put Option

Put Option	<p>Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the relevant event, in accordance with Clause 12.4 (<i>Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)</i>) of the Terms and Conditions.</p> <p>Upon the occurrence of a Non-Qualifying Divestment, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased in an aggregate amount equal to the Residual Net Proceeds (whereby the Issuer shall have the obligation to repurchase such Bonds up to an amount equal to the Residual Net Proceeds) at a price per Bond equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest, in accordance with</p>
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	Clause 12.5 (<i>Mandatory repurchase due to a Non-Qualifying Divestment (put option)</i>) of the Terms and Conditions.
Change of Control.....	A Change of Control means the occurrence of an event or series of events whereby one or more Persons (other than a Main Shareholder) acting together, acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.
De-listing.....	A De-listing means a situation where, once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds)).
Listing Failure.....	A Listing Failure means a situation where (a) the Initial Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date, or (b) any Subsequent Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the Issue Date in respect of such Subsequent Bonds. For the avoidance of doubt, only Bonds that have been issued at the date of approval of the Prospectus may be admitted to trading based on the Prospectus.

Undertakings

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

- restrictions on making distributions;
- undertaking to have the Bonds admitted to trading within six (6) months after the Issue Date;
- restrictions in relation to incurring Financial Indebtedness and providing security or guarantees;
- restrictions in relation issuance of Market Loans;
- restrictions on provide, prolong or renew any security over any of its assets (present or future) to secure any Market Loan;
- restrictions on investments;
- restrictions on divestments;
- undertaking to at all times meet the Maintenance Test;
- restrictions on disposals of assets;
- restrictions on mergers and demergers;
- restrictions on making any substantial changes to the general nature of the business carried out by the Group;
- undertaking to keep the Properties in a good state of repair and maintenance;
- undertaking to maintaining adequate insurances; and
- restrictions on dealings with related parties.

Each of these covenants is subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for more information.

Security

Transaction security The Bonds are secured by first ranking security interests over the shares of certain Group Companies. Please refer to the definition of “*Transaction Security Documents*” in Clause 1.1 (Definitions) of the Terms and Conditions for further information on the transaction security.

Miscellaneous

Transfer restrictions The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which such Bondholder may be subject (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). The Bonds have not been, and will not be, registered under the US 1933 Securities Act.

Credit rating No credit rating has been assigned to the Bonds.

Admission to trading Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in connection with the Swedish Financial Supervisory Authority’s approval of this Prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 7 May 2021. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 100,000. Only Bonds that have been issued as of the date of approval of the Prospectus may be admitted to trading based on the Prospectus.

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

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

Governing law The Bonds are governed by Swedish law.

Time-bar The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void 3 years from the relevant due date for payment.

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

Risk factors Investing in the Bonds involves substantial risks and prospective investors should refer to Section “*Risk Factors*” for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

DESCRIPTION OF THE ISSUER AND THE GROUP

Overview of the Issuer

Legal and commercial name.....	Titania Holding AB (publ)
Corporate reg. no.	556887-4274
LEI-code.....	54930092UHP0QCPUQW37
Date and place of registration....	13 March 2012, Sweden, with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i>)
Date of incorporation	12 March 2012
Legal form.....	Swedish public limited liability company
Jurisdiction and laws	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i>) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen (1995:1554)</i>)
Registered office	Stockholm
Head office and visiting address	Jakobsbergsgatan 22, SE-111 44 Stockholm, Sweden
Phone number.....	+46 (0)8 - 668 44 44
Website.....	www.titania.se (the information provided at the Issuer's website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)

History and development

Year	Event
2002	<ul style="list-style-type: none"> The Group's operations commences as Einar Janson (the Company's founder and CEO) starts a bathroom renovation business in the form of a sole proprietorship as a side business to his main occupation.
2005	<ul style="list-style-type: none"> The operations are incorporated in Titania AB (then under the name of Titania Bygg AB).
2006	<ul style="list-style-type: none"> The Group's focus is directed towards larger scale contracting projects within, <i>inter alia</i>, piping, plumbing and bathroom renovation.
2011 2014 2012	<ul style="list-style-type: none"> The gross revenue of Titania AB is approximately MSEK 500 during the period.
	<ul style="list-style-type: none"> Titania AB is awarded its first land allocation by a Swedish municipality. The Company is incorporated and registered with the Swedish Companies Registration Office. The shares in Titania AB are transferred to the Company, which becomes the parent company of the Group.
2016	<ul style="list-style-type: none"> The Group's first residential development project comprising 109 units in Täby is completed.
2017	<ul style="list-style-type: none"> The Group's project "Modelvillan" receives the "Stockholm building of the year" award.

- 2019
 - The Company is awarded “Mästergasellen” by Dagens Industri.
- 2021
 - The Company is transformed from a private limited liability company into a public limited liability company (Sw. *publikt aktiebolag*).
 - Knut Pousette, the CEO of Fastpartner AB, is elected member of the board of directors of the Company.
 - The Company issues the Bonds.

Business and operations

General

The Group develops new ecologically, socially and economically sustainable properties, including rental apartments and tenant owned apartments and premises, primarily within Stockholm county (Sw. *Stockholms län*). Titania’s operations extend throughout the whole value chain within the real property industry and the Group possesses expertise in all steps in a property development project. Titania’s operations are mainly focused to the Stockholm region and consist of (i) project development (ii) production and (iii) property self-management. However, the Group's main focus lies with carrying out property development projects and the construction of housing units in the form of rental apartments and tenant owned apartments. In cases where the Company constructs tenant owned apartments, the Company establishes tenant-owners associations, and then sells the tenant owned apartments through real property brokers.

The majority of the Group’s revenue derives from when the Group is contracted as a turnkey contractor and carry out all the steps in the construction process, from early project development to functional buildings. The Group’s costs are primarily linked to the raw materials and supplies necessary for the property production.

Project development

Project development covers the entire spectrum from the preparation of local plans, managing building permit application processes and designing of real property projects. Titania’s approach is based on the Company having an overall overview of, and control over, its projects from start to finish, which ensures a cost-effective process and a high-quality end product. The Group only performs property development projects via public procurement, which means that the Group is not covered by any mandatory framework agreements.

In case of property development projects in which the Group acquire raw land, the process begins by a municipality issuing a planning notification (Sw. *planbesked*), i.e. confirming that the Group can carry out the project on the relevant site. Thereafter, the local planning process commences, where a number of surveys are carried out, including geological surveys and surveys of the ground condition. The local planning process can thus be regarded as a due diligence process.

In case of property development project in which the Group, acquires existing real properties, the Group brings in external expertise in necessary areas to conduct different kinds of due diligence of the relevant real property. The Group’s extensive experience of performing contract work means that the Group itself possesses great expertise, which entails that a large part of the survey can be carried out within the Group’s own organisation.

Production

Production refers to the actual construction of housing units. Titania possesses both construction-technical knowledge and knowledge of project management, procurement, etc., which means that the Company possesses the competence and the key functions that are central to their operations. The construction itself, on the other hand, takes place through the contracting of subcontractors.

Self-management

Since 2020, the Group has decided to expand its business model to include developing property for self-management in order to strengthen the balance sheet, generate a continuous cash flow and create long-term value

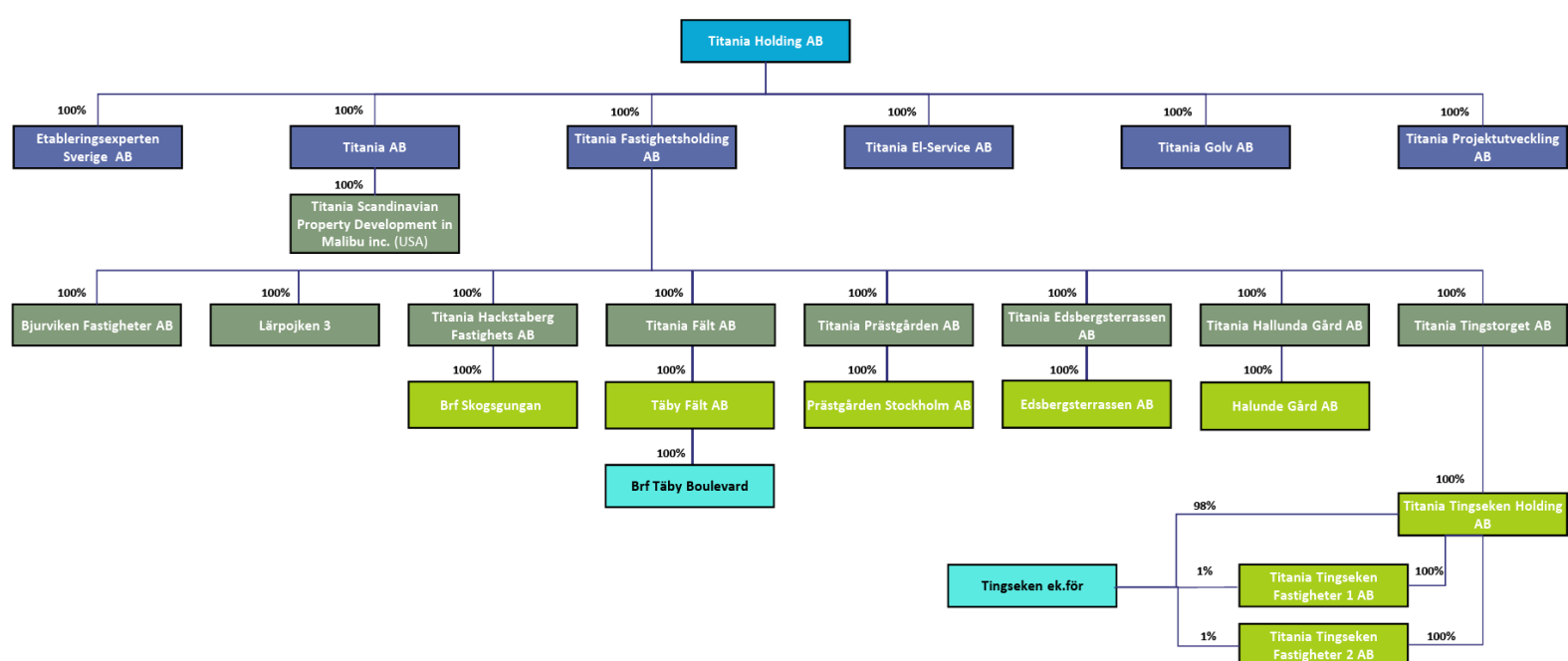
growth. Property self-management refers to the management of the Group's own portfolio of rental apartments. Management includes everything from property management, technical management, financial management, handling of errors reports, etc. The company utilizes digital solutions and modern management methods in order to conduct the management in an efficient manner.

Material agreements

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

Overview of the Group

The legal structure of the Group is set out in the simplified group structure presented below.



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

Recent events particular to the Issuer

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

Material adverse changes, significant changes and trend information

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

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which financial information has been published to the date of this Prospectus and there have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Group has published financial information, *i.e.* the period ending on 31 December 2020.

There has been no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for the current financial year. However, the spread of the coronavirus is a great concern to the world, not only due to its impact on people's lives and habits but also in terms of the impact on society as well as the future economic development. The future economic impact of the virus is difficult to estimate due to the high degree of uncertainty surrounding the current situation and it cannot be ruled out that it may have a material effect on the Group.

Governmental, legal or arbitration proceedings

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

Credit rating

No credit rating has been assigned to the Issuer.

OWNERSHIP STRUCTURE

Ownership structure

There are two shareholders in the Company as set out below.

Shareholders	Number of shares	Share capital (%)
Einar Janson Invest AB	40,000	80.00
Nikan Ghahremani Invest AB	10,000	20.00

The largest indirect shareholder of the Issuer is the Company's founder and board member Einar Janson who holds 80.00 per cent. of the shares in the Issuer indirectly through Einar Janson Invest AB (of which Einar Janson holds 97.50 per cent. of the shares and member of the executive management Mats Janson holds 2.50 per cent.). The next largest indirect shareholder is board member Nikan Ghahremani who holds 20.00 per cent. of the shares in the Issuer indirectly through Nikan Ghahremani Invest AB (of which Nikan holds all shares).

The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). In addition, the Issuer will act in compliance with the rules of Nasdaq Stockholm following the admission to trading of the Bonds.

Shareholders' agreements

There are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO. The CEO and the CFO are responsible for the Issuer's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The board of directors and the executive management may be contacted through the Issuer at its head office at Jakobsbergsgatan 22, SE-111 44 Stockholm, Sweden.

Board of directors

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

Members of the board of directors

Knut Pousette

Knut has been chairman of the board of directors since 2021.

Other relevant assignments: CEO of Aktiebolaget Fastator (publ), CEO and member of the board of directors of Broadgate & Stendörren Fastigheter Aktiebolag and Broadgate & Stendörren Retail Holding Aktiebolag, chairman of the board of directors and member of the board of directors of Stendörren Intressenter Aktiebolag and Broadgate Bostadsporten AB, member of the board of directors of Skokloster Service AB, Fastator Södertälje 1 AB, LKF Fastigheter AB, Envoyéns Förvaltnings AB, NSH Holding AB, SBK Svenska Bostadskompaniet AB, SBK Svenska Bostadskompaniet AB Kvastå AM AB, and SVF Vellinge AB.

Shareholding: -

Einar Janson

Einar has been a member of the board of directors since 2012.

Other relevant assignments: -

Shareholding: Einar holds 97.50 per cent. of the shares in Einar Janson Invest AB which in turn holds 40,000 shares in the Issuer.

Nikan Ghahremani

Nikan has been a member of the board of directors since 2012.

Other relevant assignments: -

Shareholding: Nikan holds 100.00 per cent. of the shares in Nikan Ghahremani Invest AB which in turn holds 10,000 shares in the Issuer.

Mats Janson

Mats has been a member of the board of directors since 2012.

Other relevant assignments: -

Shareholding: Mats holds 2.50 per cent. of the shares in Einar Janson Invest AB which in turn holds 40,000 shares in the Issuer.

Gunilla Öhman

Gunilla has been a member of the board of directors since 2021.

Other relevant assignments: Member of the board of directors of Atvexa AB, Carrara Communication AB and Fasadgruppen Group AB (publ) as well as IR director of NCAB Group AB (publ).

Shareholding: -

Executive management

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

Members of the executive management**Einar Janson**

Einar has been CEO since 2012.

Shareholding (own and closely related persons): Please refer to the section “Board of Directors” above.

Nikan Ghahremani

Nikan has been Deputy CEP since 2012.

Shareholding (own and closely related persons): Please refer to the section “Board of Directors” above.

Mats Janson

Mats has been Head of Quality Control & Environmental Impact since 2012.

Shareholding (own and closely related persons): Please refer to the section “Board of Directors” above.

Anders Söderlund

Anders has been CFO since 2019.

Shareholding (own and closely related persons): -

Mats Winkler

Mats has been Property Manager since 2020.

Shareholding (own and closely related persons): -

Conflicts of interests within administrative, management and control bodies

None of the members of the board of directors or the executive management of the Issuer has a private interest that may be in conflict with the interests of the Issuer except as described below. However and as described above, certain members of the board of directors or the executive management of the Issuer have financial interests in the Issuer as a consequence of their holdings of shares in the Issuer. The members of the board of directors may serve as directors or officers of other companies or have significant shareholdings in other companies that may result in a conflict of interest. In the event that such conflict of interest arises at a board meeting, a board member which has such conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. As far as the Issuer is aware, there are no conflicts of interest as of the date of this Prospectus.

Notwithstanding the above, it cannot be ruled out that other conflicts of interest may arise in the future between companies, in which members of the board of directors or the executive management of the Issuer have duties, and the Issuer.

Auditor

The Issuer’s current auditor, KPMG AB, with Fredrik Sjölander as the auditor in charge, was the auditor for the consolidated audited annual report for the financial year ended 31 December 2020. Fredrik Sjölander is a member of FAR (the professional institute for authorised public accountants in Sweden). KPMG AB was elected as the Issuer’s auditor at the annual general meeting 2021. The business address of KPMG AB is Vasagatan 15, SE-101 27 Stockholm, Sweden.

The Issuer' previous auditor Öhrlings PricewaterhouseCoopers AB, with Niklas Jonsson as the auditor in charge, was the auditor for the consolidated audited annual reports for the financial year ended 31 December 2019. Niklas Jonsson is a member of FAR (the professional institute for authorised public accountants in Sweden). The business address of Öhrlings PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

SUPPLEMENTARY INFORMATION

Information about the Prospectus

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

Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 16 March 2021 was resolved upon by the board of directors of the Issuer on 7 February 2021.

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

Information from third parties

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

Interest of natural and legal persons involved in the bond issue

Arctic Securities AS and Danske Bank A/S, Danmark, Sverige Filial and their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of Arctic Securities AS and Danske Bank A/S, Danmark, Sverige Filial and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Documents available for inspection

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

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

FINANCIAL INFORMATION

Historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2019 and 31 December 2020 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the financial period 1 January – 31 December 2019 or as of 31 December 2019 derives from the Group's consolidated audited annual report for the financial year ended 31 December 2019. All financial information in this Prospectus relating to the financial period 1 January – 31 December 2020, as of 31 December 2020 or as of year-end 2020 derives from the Group's consolidated audited annual report for the financial year ended 31 December 2020.

Accounting standards

The financial information for the financial year ended 31 December 2019 have been prepared in accordance with Swedish generally accepted accounting principles (Sw. *god redovisningssed*), the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and the Swedish Financial Reporting Board's recommendation BFNAR 2012:1 (K3). The financial information for the financial year ended 31 December 2020 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the interpretations provided by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU and the Swedish Annual Accounts Act.

Auditing of the historical financial information

The Group's consolidated audited annual reports for the financial year ended 31 December 2019 have been audited by Öhrlings PricewaterhouseCoopers AB, with Niklas Jonsson as the auditor in charge. The Group's consolidated audited annual reports for the financial year ended 31 December 2020 have been audited by KPMG AB, with Fredrik Sjölander as the auditor in charge. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

Incorporation by reference

The following information in the Group's consolidated audited annual reports for the financial years 2019 and 2020 is incorporated in this Prospectus by reference and is available at the Issuer's website, www.titania.se. For particular financial figures, please refer to the pages set out below.

Reference	Pages
The Group's consolidated annual report 2019	
Consolidated income statement	3
Consolidated balance sheet	4
Consolidated cash flow statement	6
Accounting principles	11
Notes	11-24
Auditor's report	25-26
The Group's consolidated annual report 2020	
Consolidated income statement	44

Consolidated balance sheet	45
Consolidated changes in equity	46
Consolidated cash flow statement	47
Accounting principles	48
Notes	48-69
Auditor's report	78-81

TERMS AND CONDITIONS FOR THE BONDS

TERMS AND CONDITIONS



Titania Holding AB (publ)

Maximum SEK 500,000,000

**Senior Secured Callable Floating Rate Bonds
2021/2024**

ISIN: SE0015530530

First Issue Date: 16 March 2021

SELLING RESTRICTIONS

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

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

PRIVACY STATEMENT

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

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

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

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

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

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

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

TABLE OF CONTENTS

Clause		Page
1.	DEFINITIONS AND CONSTRUCTION.....	1
2.	STATUS OF THE BONDS	14
3.	THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS	14
4.	USE OF PROCEEDS.....	14
5.	CONDITIONS FOR DISBURSEMENT	15
6.	TRANSACTION SECURITY	16
7.	THE BONDS AND TRANSFERABILITY.....	19
8.	BONDS IN BOOK-ENTRY FORM.....	19
9.	RIGHT TO ACT ON BEHALF OF A BONDHOLDER.....	20
10.	PAYMENTS IN RESPECT OF THE BONDS.....	20
11.	INTEREST.....	21
12.	REDEMPTION AND REPURCHASE OF THE BONDS	22
13.	INFORMATION UNDERTAKINGS.....	24
14.	FINANCIAL COVENANTS	27
15.	SPECIAL UNDERTAKINGS	28
16.	TERMINATION OF THE BONDS.....	33
17.	DECISIONS BY BONDHOLDERS.....	37
18.	AMENDMENTS AND WAIVERS.....	42
19.	THE AGENT	42
20.	THE ISSUING AGENT.....	47
21.	THE CSD	47
22.	NO DIRECT ACTIONS BY BONDHOLDERS	47
23.	TIME-BAR	48
24.	NOTICES AND PRESS RELEASES.....	48
25.	FORCE MAJEURE	49
26.	ADMISSION TO TRADING	50
27.	GOVERNING LAW AND JURISDICTION	50
Schedule		Page
	SCHEDULE 1 CONDITIONS PRECEDENT FOR DISBURSEMENT	51
	SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE	53

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 Bondholder has opened a Securities Account in respect of its Bonds.

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

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

“**Advance Purchase Agreement**” means (i) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than 120 calendar days after the date of supply or (ii) any other trade credit incurred in the ordinary course of business.

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

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

“**Agent**” means the Bondholders’ agent under these Terms and Conditions from time to time; initially Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden.

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

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with 17.2 (*Bondholders’ Meeting*).

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

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

“**Call Option Price**” means:

- (a) if the Call Option is exercised on or after the First Issue Date to, but not including, the First Call Date, an amount equivalent to the sum of (i) 104 per cent. of the Nominal Amount and (ii) the remaining interest payments to, but not including, the First Call Date;
- (b) unless paragraph (c) below applies, if the Call Option is exercised after the First Call Date, 100.80 per cent. of the Nominal Amount; and
- (c) if the Call Option is exercised after the First Call Date, 100.00 per cent. of the Nominal Amount, provided that such early redemption is financed in full or in part by way of the Issuer issuing Market Loan(s),

in each case together with accrued but unpaid Interest.

For the purpose of calculating the remaining interest payments pursuant to paragraph (a) above, it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group in accordance with the applicable Accounting Principles as set forth in the latest consolidated Financial Statements.

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

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

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

“**Construction Loan**” means a loan provided to a Group Company in order to finance the construction or renovation of buildings.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB, reg. no. 556112-8074.

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

“**De-listing**” means a situation where, once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

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

“**Einar Janson Invest AB**” means the Swedish limited liability company Einar Janson Invest AB, reg. no. 556845-3574, Adlerbethsgatan 17, SE-112 55 Stockholm, Sweden.

“**Equity Listing Event**” means an offering of shares in the Issuer, another Group Company or a holding company of the Issuer (as long as the cash proceeds are received by the Group) whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a multilateral trading facility or a Regulated Market.

“**Equity Ratio**” means, at any time, Total Equity expressed as a percentage of Total Assets, calculated in accordance with the Accounting Principles as applicable from time to time.

“**Escrow Account**” means a bank account held by the Issuer with a reputable Nordic bank, pledged to the Agent and the Bondholders represented by the Agent, to which Net Proceeds shall be transferred pursuant to Clauses 5.1.3 and/or 5.4.3, as applicable, and from which no withdrawals may be made by any Group Company except as contemplated by Clause 5.2.

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

“**Existing Debt**” means SEK 192,300,000 floating rate property loan with final maturity date on 15 April 2021, provided to the Issuer by Apikal Fastighetspartner AB (publ), reg. no. 556921-1708.

“**Final Placing**” (Sw. *slutplacering*) means senior financing provided in relation to an investment property (Sw. *förvaltningsfastighet*).

“**Final Redemption Date**” means 16 March 2024.

“**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*).

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

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is or would have been treated as a finance lease in accordance with the Accounting Principles as applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

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

“**First Call Date**” means the date falling thirty-three (33) months after the First Issue Date.

“**First Issue Date**” means 16 March 2021 or such other date as is agreed between the Issuing Agent and the Issuer.

“**Force Majeure Event**” has the meaning set forth in Clause 25.1.

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

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

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

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

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

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

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

“**Interest Payment Date**” means 16 March, 16 June, 16 September and 16 December each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 16 June 2021 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

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

“**Interest Rate**” means 3-month STIBOR plus 8 per cent. *per annum*.

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

“**Issuer**” means Titania Holding AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556887-4274.

“**Issuer Share Pledge Agreement**” has the meaning set forth in Clause 6.1.3.

“**Issuing Agent**” means Danske Bank A/S, Danmark, Sverige Filial, reg. no. 516401-9811, Norrmalmstorg 1, P.O. Box 7253, SE-103 92 Stockholm, Sweden, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Land Loan**” (Sw. *marklån*) means a loan provided to a Group Company in order to finance the purchase of undeveloped real property.

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

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

“**Loan to Value**” means, respect of a real property, the ratio of interest bearing debt allocated to such real property to Value of that real property.

“**Lärpojken 3**” means the real property Botkyrka Lärpojken 3 located in Botkyrka kommun, Sweden.

“**Lärpojken 3 AB**” means the Swedish limited liability company Lärpojken 3 AB, reg. no. 559226-3072, Jakobsbergsgatan 22, SE-111 44 Stockholm, Sweden.

“**Main Shareholders**” means Einar Janson (personal identity no. 740109-0415) or his spouse or any of their direct heirs, by way of direct or indirect ownership of shares, and their respective Affiliates.

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

“**Malibu Property**” means the Group’s property located at 3605 Noranda Lane, Malibu, California, USA.

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

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

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

“**Material Group Company**” means:

- (a) the Issuer; and
- (b) any other Group Company with assets representing more than five (5) per cent. of the Total Assets of the Group, calculated on a consolidated basis according to the latest consolidated Financial Statements (excluding goodwill and intra-group loans).

“**Material PropCo**” means a PropCo with real assets which, calculated in accordance with the Accounting Principles, on an unconsolidated basis represents ten (10) per cent. or more of Total Assets of the Group.

“**Material PropCo Holding Company**” means a Group Company which is not a PropCo and which owns shares, directly or indirectly through other Group Companies, in a Material PropCo.

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

“**Net Disposal Proceeds**” means the consideration receivable by any Group Company from a disposal of the Malibu Property or Lärpojken 3 *after deducting* any reasonable costs, fees and expenses and any tax liabilities incurred in connection with such disposal.

“**Net Disposal Proceeds Account**” means a bank account of the Issuer held in Sweden with a reputable Nordic bank, into which the Net Disposal Proceeds will be transferred in accordance with Clause 15.8.2, which will be pledged and perfected in favour of the Agent and the Bondholders and from which no withdrawals may be made by any member of the Group save as contemplated by Clause 15.8.3 .

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue after deduction has been made for the transaction costs payable by the Issuer to the Issuing Agent and the joint bookrunners in respect of the Initial Bonds (or any other bookrunners, arrangers or issuing agent in respect of any Subsequent Bonds) for the services provided in relation to the placement and issuance of the Bonds.

“**Nikan Ghahremani Invest AB**” means the Swedish limited liability company Nikan Ghahremani Invest AB, reg. no. 556850-9664, Adlerbethsgatan 17, SE-112 55 Stockholm, Sweden.

“**Nominal Amount**” means in respect of each Bond, the Initial Nominal Amount less the aggregate amount by which that Bond has been redeemed in part pursuant to Clause 12.6 (*Equity Claw Back*).

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

- (a) incurred under the Finance Documents, including any Subsequent Bonds provided that the Incurrence Test (calculated pro forma including the Subsequent Bond Issue) is met;
- (b) up until and including the First Issue Date, the Existing Debt;
- (c) incurred under any Financial Indebtedness (save for the Existing Debt) existing as of the First Issue Date or any new Financial Indebtedness which refinances such Financial Indebtedness after the First Issue Date, provided that (i) the new Financial Indebtedness is not provided on terms substantially adverse compared to the terms of the existing Financial Indebtedness being refinanced and (ii) the Group’s aggregate Financial Indebtedness does not increase as a result of the refinancing;
- (d) in the form of any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of trade of a Group Company;
- (e) in the form of liabilities under any guarantee issued by the Issuer or a PropCo HoldCo for any of its Subsidiaries’ obligations under any Senior Property Loan;
- (f) arising under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under the Finance Documents (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes);
- (g) taken up from a Group Company;
- (h) incurred under any Shareholder Loans;
- (i) incurred under any Market Loan if:
 - (i) such Market Loan is incurred to refinance the Bonds (including, for the avoidance of doubt, any Subsequent Bonds) in full; or

- (ii) following a Qualifying IPO, such Market Loan ranks *pari passu* with or is subordinated to the obligations of the Issuer under the Bonds and has a final redemption date or instalment dates which occur after the Final Redemption Date (for the avoidance of doubt, any issue of subsequent bonds (tap issues) under any of the Issuer's outstanding Market Loans shall be permitted);
- (j) incurred in the ordinary course of business of the Group under an Advance Purchase Agreement;
- (k) under any pension and tax liabilities incurred in the ordinary course of business;
- (l) arising under any Senior Property Loan;
- (m) incurred in connection with the redemption of the Bonds in order to refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, inter alia, the redemption of the Bonds; and
- (n) any other Financial Indebtedness not otherwise permitted by paragraphs (a) to (m) above, in an aggregate amount not exceeding SEK 2,000,000 (or its equivalent in any other currency or currencies).

“Permitted Security” means any Security:

- (a) provided in accordance with the Finance Documents;
- (b) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including cash pool arrangements;
- (c) provided in relation to any agreement under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided such lease constitutes Permitted Financial Indebtedness;
- (d) arising by operation of law or in the ordinary course of business of the Group (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (e) created for the purposes of securing obligations to the CSD in relation to the Bond Issue;
- (f) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds are to be transferred or agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full (a **“Refinancing”**), provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full;
- (g) created for the benefit of the financing providers in relation to a Refinancing, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full;
- (h) renewed in relation to Financial Indebtedness existing on the First Issue Date;

- (i) created under any Market Loan which constitutes Permitted Financial Indebtedness;
- (j) provided for any Senior Property Loan in the form of:
 - (i) Security over the relevant PropCo HoldCo's direct or indirect assets; or
 - (ii) Security over the shares or participations in the relevant PropCo HoldCo, in each case provided that the relevant PropCo HoldCo does not own any material assets other than those financed by the relevant Senior Property Loan; and
- (a) securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of security given by any member of the Group other than any permitted under paragraphs (a) and (j) above) does not exceed SEK 2,000,000 (or its equivalent in any other currency or currencies).

“**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.

“**Pledgor**” means each of:

- (a) Einar Janson Invest AB;
- (b) Nikan Ghahremani Invest AB;
- (c) the Issuer;
- (d) Titania Fastighetsholding AB;
- (e) Titania Tingstorget AB; and
- (f) Titania Tingseken Holding AB.

“**Property Projects**” means the Group's current or contemplated real property development projects regarding:

- (a) Prästviken in Botkyrka, Sweden;
- (b) Skogsgungan in Österåker, Sweden;
- (c) Hallunda Gårdspark in Hallunda, Sweden;
- (d) Tingstorget in Botkyrka, Sweden;
- (e) Täby Boulevard in Täby, Sweden;
- (f) Kristineberg in Vallentuna, Sweden;
- (g) Hallängen in Ösmo; and
- (h) Hälsans hus in Lidingö, Sweden.

“**PropCo**” means a Group Company which is a registered owner (Sw. *lagfaren ägare*) of real property.

“**PropCo HoldCo**” means a Group Company which is not a PropCo and which directly owns shares in a PropCo.

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

“**Qualifying IPO**” means an Equity Listing Event, the gross proceeds of which is at least SEK 300,000,000.

“**Quotation Day**” means:

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

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

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 16.11 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

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

“**Residual Net Proceeds**” means the Net Proceeds of the Initial Bond Issue less the SEK 250,000,000 to be transferred to the Issuer pursuant to paragraph (i) of Clause 5.1.3 and, if applicable, any Net Proceeds of a Subsequent Bond Issue to be transferred to the Escrow Account pursuant to Clause 5.4.3.

“**Restricted Payment**” has the meaning set out in Clause 15.1.

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

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

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

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

“**Senior Property Loan**” means Land Loan, Construction Loan or Final Placing provided by a reputable Nordic bank.

“**Shareholder Loan**” means any loan from a shareholder of the Issuer to the Issuer:

- (a) which, pursuant to its terms, an intercreditor agreement and/or another subordination agreement (on terms and conditions satisfactory to the Agent), is subordinated to the obligations of the Issuer under the Terms and Conditions;
- (b) according to its terms have a final maturity 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, save for payments of interest which are permitted Clause 15.1 (*Distributions*).

“**STIBOR**” means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Swedish Financial Benchmark Facility (or the replacing administrator or calculation agent) for the offering of deposits in Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Thomson Reuters screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Thomson Reuters screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c) above, 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,

provided that if STIBOR is less than zero, it shall be deemed to be zero.

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

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

“**Subsidiary**” means, in relation to any Person, any 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;
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or
- (d) exercises control as determined in accordance with the Accounting Principles.

“**Subsidiary Share Pledge Agreements**” has the meaning set forth in Clause 6.1.3.

“**Tingseken**” means the property Botkyrka Byamannen 2, located in Botkyrka kommun, Sweden.

“**Titania AB**” means the Swedish limited liability company Titania AB, reg. no. 556687-5083, Adlerbethsgatan 17, SE-112 55 Stockholm, Sweden.

“**Titania Fastighetsholding AB**” means the Swedish limited liability company Titania Fastighetsholding AB, reg. no. 556847-0875, Adlerbethsgatan 17, SE-112 55 Stockholm, Sweden.

“**Titania Tingstorget AB**” means the Swedish limited liability company Titania Tingstorget AB, reg. no. 559026-9899 Adlerbethsgatan 17, SE-112 55 Stockholm, Sweden.

“**Titania Tingseken Holding AB**” means the Swedish limited liability company Titania Tingseken Holding AB, reg. no. 559211-9894, Ernst Ahlgrens väg 1-3, 112 55 Stockholm, Sweden.

“**Total Assets**” means the consolidated aggregate book value of the Group’s total assets according to the latest consolidated Financial Statements of the Group and in accordance with the Accounting Principles.

“**Total Equity**” means the sum of the total equity of the Group calculated on a consolidated basis, in each case according to the latest consolidated Financial Statements of the Group and in accordance with the Accounting Principles, provided however, that all Shareholder Loans shall be deemed to be equity notwithstanding any accounting treatment to the contrary.

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

“**Transaction Security Documents**” means any document required to be delivered to the Agent under Clause 5.1 (*Conditions Precedent for the Initial Bond Issue*), Clause 5.3 (*Conditions Subsequent*), Clause 6.1 (*Transaction Security*) or Clause 15.17 (*Additional Transaction Security*).

“**Valuation**” means a full external valuation of a property owned the Group prepared and issued by an independent and reputable appraiser appointed by the Issuer in accordance with the

valuation methods generally applied by Swedish property evaluators specifying the value of such property.

“**Value**” means the appraised fair market value of a real property according to the latest consolidated Financial Report

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 17.3 (*Written Procedure*).

1.2 Construction

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

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

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

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

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

1.2.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

1.2.6 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of the Terms and Conditions and may be updated without the consent of the Bondholders and the Agent (save for the privacy statement insofar it relates to the Agent).

1.2.7 Any Hybrid Instrument which is fully treated as equity in the balance sheet of the Issuer in accordance with the Accounting Principles shall, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness or a Market Loan.

2. STATUS OF THE BONDS

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

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

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.
- 3.3 The aggregate amount of the bond loan will be an amount of up to SEK 500,000,000 which will be represented by Bonds, each of an initial nominal amount of SEK 1,250,000 or full multiples thereof (the “**Initial Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 400,000,000 (the “**Initial Bond Issue**”).
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of 98.50 per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0015530530.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 500,000,000, always provided that (i) no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue and (ii) the Incurrence Test (calculated *pro forma* including the Subsequent Bond Issue) is met. Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The issue price of Subsequent Bonds may be set at the Nominal Amount or at a premium compared to the Nominal Amount, but not a discount.

4. USE OF PROCEEDS

The Net Proceeds of the Initial Bond Issue and any Subsequent Bond Issue shall be applied towards general corporate purposes, including refinancing the Existing Debt and property development projects.

5. CONDITIONS FOR DISBURSEMENT

5.1 Conditions Precedent for the Initial Bond Issue

- 5.1.1 The Issuer shall provide to the Agent, as soon as reasonably possible but in any event no later than 11.00 a.m. two (2) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), all of the documents and other evidence listed in Schedule 1 (*Conditions precedent for disbursement – Initial Bond Issue*) of Schedule 1 (*Conditions precedent for disbursement*) in form and substance satisfactory to the Agent (acting reasonably).
- 5.1.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)). The First Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Day prior to the First Issue Date (or later, if the Issuing Agent so agrees) or (ii) if the Issuing Agent and the Issuer agree to postpone the First Issue Date.
- 5.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clause 5.1.2, the Issuing Agent shall settle the issuance of the Initial Bonds and on the First Issue Date transfer (i) SEK 250,000,000 of the Net Proceeds of the Initial Bond Issue to the Issuer and (ii) if the Agent has not confirmed to the Issuing Agent that it is satisfied, acting reasonably, that it has received the evidence set out in Clause 5.2.1 at such time, the relevant Residual Net Proceeds to the Escrow Account.

5.2 Conditions Precedent for disbursement from the Escrow Account

- 5.2.1 The Agent's approval of the disbursement of any Residual Net Proceeds from the Escrow Account is subject to the Agent being satisfied, acting reasonably, that it has received evidence that the Malibu Property and Lärpojken 3 have been divested to one or several entities which are not Group Companies or Affiliates of Group Companies, the gross proceeds (before deducting costs, fees, expenses and taxes) of such divestments being at least SEK 158,250,000 (such divestments together referred to as a "**Qualifying Divestment**").
- 5.2.2 When the Agent is satisfied that the conditions in Clause 5.2.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)), the Agent shall (i) promptly confirm such fulfilment to the Issuer and (ii) without delay release the pledge over the Escrow Account and instruct the relevant account bank to transfer funds from the Escrow Account to the bank account of the Issuer.
- 5.2.3 If the gross proceeds (before deducting costs, fees, expenses and taxes) from the divestments of the Malibu Property and Lärpojken 3 are less than SEK 158,250,000 (such divestments together referred to as a "**Non-Qualifying Divestment**"), the Bondholders may request the repurchase of all, or only some, of its Bonds in accordance with Clause 12.5 (*Mandatory repurchase due to a Non-Qualifying Divestment(put option)*).
- 5.2.4 When the Agent following the end of the notice period set out in Clause 12.5.1 is satisfied, acting reasonably, that it has received binding applications from Bondholders of Bonds that are to be repurchased pursuant to Clause 12.5, the Agent shall (i) promptly confirm such receipt to the Issuer, (ii) without delay instruct the relevant account bank to transfer funds in an amount

equal to the Repurchase Amount from the Escrow Account to the bank account of the Issuer affiliated with the CSD within two (2) Business Days after such receipt (however not earlier than the final date of the notice period set out in Clause 12.5.1) and (iii) without delay release the pledge over the Escrow Account and instruct the relevant account bank to transfer any funds, not transferred in accordance with paragraph (ii) above, from the Escrow Account to the Issuer within two (2) Business Days after such receipt (however not earlier than the final date of the notice period set out in Clause 12.5.1).

5.3 **Conditions Subsequent**

The Issuer shall, within one (1) Business Day of the disbursement of the Net Proceeds of the Initial Bond Issue, provide to the Agent a duly executed copy of the Issuer Share Pledge Agreement together with evidence that the Transaction Security has been perfected in accordance with the terms of the Issuer Share Pledge Agreement.

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

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

5.4.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.4.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Day prior to the relevant Issue Date (or later, if the Issuing Agent so agrees) or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.

5.4.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.4.2, the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds of such Subsequent Bond Issue to the Issuer on the Issue Date in respect of such Subsequent Bonds provided, however, that the Issuing Agent shall instead transfer the Net Proceeds of such Subsequent Bond Issue to the Escrow Account if the Agent has not confirmed to the Issuing Agent that it is satisfied, acting reasonably, that it has received the evidence set out in Clause 5.2.1 at such time.

6. **TRANSACTION SECURITY**

6.1 **Transaction Security**

6.1.1 As continuing security for the due and punctual fulfilment of the present and future obligations and liabilities of the Issuer and/or the Group to the Secured Parties under the Finance Documents, together with all costs, charges and expenses incurred by any Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities, the Issuer grants (and shall procure that any other Group Company (as applicable) grants) as first ranking security to

the Secured Parties (as represented by the Agent) the Transaction Security on the terms set out in the Transaction Security Documents.

6.1.2 The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents.

6.1.3 The Issuer shall ensure that first ranking Security is granted in favour of the Secured Parties in respect of:

(a) *security in respect of all shares in the Issuer (the “Issuer Share Pledge Agreement”); and*

(b) *security in respect of all the Group’s shares in each Material PropCo Holding Company (the “Subsidiary Share Pledge Agreements”),*

in each case at the times contemplated by Clause 5 (*Conditions for Disbursement*), this Clause 6 and Clause 15.17 (*Additional Transaction Security*).

6.1.4 If the Group’s shares in a Material PropCo Holding Company which shall be pledged pursuant to paragraph (b) of Clause 6.1.3 above (the “**Relevant Shares**”) already have been pledged as security for an existing Senior Property Loan, the Group shall have the option to exclude the Relevant Shares from being pledged under the Finance Documents provided that (i) Transaction Security are provided over the Group’s shares in a Material PropCo Holding Company that directly holds all the Relevant Shares and (ii) the Group, within 30 days of the release of the pledge over the Relevant Shares by the provider of the relevant Senior Property Loan, procures that the Relevant Shares are pledged under the Finance Document. For avoidance of doubt, if no Material PropCo Holding Company (which is not pledged under a Senior Property Loan) directly holds all the Relevant Shares, the Group must incorporate such a Material PropCo Holding Company that directly holds all Relevant Shares.

6.1.5 Notwithstanding paragraph (b) of Clause 6.1.3 above, the Group’s shares in Titania AB (the “**Titania AB Shares**”) shall not be pledged under the Finance Documents until the existing pledge over the Titania AB Shares has been released by Danske Bank A/S, Danmark, Sverige Filial, following which the Group shall procure that the Titania AB Shares are pledged under the Finance Documents within 30 days of the release of the such pledge.

6.1.6 Except if otherwise decided by the Bondholders according to the procedures set out in Clause 17 (*Decisions by Bondholders*), the Agent is, without first having to obtain the Bondholders’ consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent’s sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or for the purpose of settling the various Bondholders’ relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Transaction Security Documents.

6.1.7 All Transaction Security shall be subject to, and limited as required by, corporate benefit and financial assistance regulations and other applicable corporate law limitations.

6.2 **Enforcement of Transaction Security**

6.2.1 If the Bonds are declared due and payable according to Clause 16 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the

Bondholders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Transaction Security Documents).

- 6.2.2 If a Bondholders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Bondholders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in the Finance Documents, the Agent shall not enforce the Transaction Security. If the Bondholders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clause 17 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- 6.2.3 Funds that the Agent receives (directly or indirectly) on behalf of Secured Parties in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Secured Parties. The Agent shall promptly arrange for payments to be made to the Bondholders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 16.11 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with this Clause 6.2.3, instruct the CSD to arrange for payment to the Bondholders.

For the purpose of exercising the rights of the Bondholders and the Agent under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Bondholders in accordance with Clause 6.2.3 above. To the extent permissible by law, the powers set out in this Clause 0 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney, which the Agent deems necessary for the purpose of carrying out its duties under Clause 6.2.3 above (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 6.2.3 above to the Bondholders through the CSD.

6.3 **Release of the Transaction Security**

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

7. THE BONDS AND TRANSFERABILITY

- 7.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 7.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 7.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 7.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 7.5 The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.
- 7.6 For the avoidance of doubt and notwithstanding the above, a Bondholder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Bondholder hereunder in each case until such allegations have been resolved.

8. BONDS IN BOOK-ENTRY FORM

- 8.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.
- 8.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 8.3 The Issuer (and the Agent when permitted under the CSD’s applicable regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 8.4 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.

- 8.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 8.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 8.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 8.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

9. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

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

10. PAYMENTS IN RESPECT OF THE BONDS

- 10.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 10.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able

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

- 10.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 11.4 during such postponement.
- 10.4 If payment or repayment is made in accordance with this Clause 10, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

11. INTEREST

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

12. REDEMPTION AND REPURCHASE OF THE BONDS

12.1 Redemption at maturity

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

12.2 Purchase of Bonds by Group Companies

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

12.3 Early voluntary total redemption (call option)

12.3.1 The Issuer may redeem all, but not some only, of the Bonds in full at an amount equal to the applicable Call Option Price.

12.3.2 For the purpose of calculating the amount of the remaining interest payments pursuant to paragraph (a) of the definition of Call Option Price, it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such redemption.

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

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

12.4.1 Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 13.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

- 12.4.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 13.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 13.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.4.1.
- 12.4.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 12.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 12.4 by virtue of the conflict.
- 12.4.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.4, if a third party in connection with the occurrence of a Change of Control, De-listing or Listing Failure, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 12.4 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 12.4, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 12.4.5 Any Bonds repurchased by the Issuer pursuant to this Clause 12.4 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.
- 12.5 **Mandatory repurchase due to a Non-Qualifying Divestment (put option)**
- 12.5.1 Upon the occurrence of a Non-Qualifying Divestment, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased in an aggregate amount equal to the Residual Net Proceeds (whereby the Issuer shall have the obligation to repurchase such Bonds up to an amount equal to the Residual Net Proceeds) at a price per Bond equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of fifteen (15) Business Days following a notice from the Issuer of the Non-Qualifying Divestment pursuant to paragraph (a)(i) of Clause 13.4 (*Information: miscellaneous*). The fifteen (15) calendar days' period may not start earlier than upon the occurrence of the Non-Qualifying Divestment.
- 12.5.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 13.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the applicable repurchase amount (the "**Repurchase Amount**") shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 13.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.5.1.

- 12.5.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 12.5, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 12.5 by virtue of the conflict.
- 12.5.4 If the mandatory repurchase offer is over-subscribed, the repurchase shall be allocated in an order of priority so that (i) *firstly*, Bondholders applying for repurchase of the minimum denomination of the Bonds of SEK 1,250,000 will be eligible to receive priority allocation of one (1) Bond and (ii) *secondly*, Bonds are repurchased from each Bondholder in proportion to the total number of Bonds applied for repurchase of by each Bondholder and, to the extent such allocation may not be done, by drawing lots.
- 12.5.5 Any Bonds repurchased by the Issuer pursuant to this Clause 12.5 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.

12.6 **Equity Claw Back**

- 12.6.1 The Issuer may at one occasion, in connection with an Equity Listing Event, repay up to 25.00 per cent. of the Initial Nominal Amount, in which case all outstanding Bonds shall be partially repaid by way of reducing the Initial Nominal Amount of each Bond *pro rata*. The repayment must occur on an Interest Payment Date within 180 days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event).
- 12.6.2 The repayment per Bond shall equal the repaid percentage of the Initial Nominal Amount (rounded down to the nearest SEK 1) plus 3 per cent.

13. **INFORMATION UNDERTAKINGS**

13.1 **Financial Statements**

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

- (a) as soon as they are available, but in any event within four (4) months after the end of each financial year:
- (i) the audited consolidated financial statements of the Group for that financial year; and
 - (ii) the annual audited unconsolidated financial statements of the Issuer for that financial year; and

- (b) as soon as they are available, but in any event within two (2) months after the end of each quarter of each of its financial years:
 - (i) the unaudited consolidated financial statements or year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Group for that financial quarter; and
 - (ii) the unaudited unconsolidated financial statements of the Issuer or year-end report (as applicable) for that financial quarter.

13.2 Requirements as to Financial Statements

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

13.3 Compliance Certificate

- 13.3.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:
 - (a) when consolidated Financial Statements are made available to the Agent in accordance with paragraphs (a)(i) or (b)(i) of Clause 13.1 (Financial Statements);
 - (b) in connection with the testing of an Incurrence Test; and
 - (c) at the Agent's reasonable request, within twenty (20) calendar days from such request.
- 13.3.2 In each Compliance Certificate, the Issuer shall:
 - (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it;
 - (b) if provided in connection with:
 - (i) Financial Statements being made available, certify that the Maintenance Test is met as per the Reference Date to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test;
 - (ii) the annual audited consolidated Financial Statements being made available, a list of each Material PropCo Holding Company; and
 - (iii) the testing of the Incurrence Test, that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test.

13.4 **Information: miscellaneous**

The Issuer shall:

- (a) *promptly notify*:
 - (i) the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing Event or a Listing Failure; and
 - (ii) the Agent upon becoming aware of the occurrence of a Qualifying Divestment, a Non-Qualifying Divestment or any event or circumstance which constitutes an Event of Default,and shall provide the Agent with such further information as it may reasonably request in writing following receipt of any such notice;
- (b) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) available on its website; and
- (c) upon request by the Agent, provide the Agent with any information relating to a transaction made pursuant to Clause 15.7 (Disposal of assets) or Clause 15.9 (Mergers and demergers) which the Agent deems necessary (acting reasonably).

13.5 **Restrictions**

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 13 (*Information undertakings*) if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 13 (*Information undertakings*).

14. FINANCIAL COVENANTS

14.1 Maintenance Test

The Maintenance Test shall be tested quarterly on each Reference Date from and including 31 March 2021, for as long as any Bond is outstanding, on the basis of the consolidated Financial Statements for the period ending on the relevant Reference Date and shall be reported in the Compliance Certificate delivered in connection with such Financial Statements.

The Maintenance Test is met if the Equity Ratio is equal to or higher than twenty-five (25) per cent.

14.2 Incurrence Test

14.2.1 The Incurrence Test shall be applied in connection the incurrence of Financial Indebtedness or the making of a Restricted Payment which requires that the Incurrence Test is met, until and including the Final Redemption Date.

14.2.2 The Incurrence Test shall be tested on the date on which the relevant Financial Indebtedness is incurred or Restricted Payment is made, as applicable (the “**Incurrence Test Date**”).

14.2.3 The Incurrence Test is met if:

- (a) the Equity Ratio exceeds thirty (30) per cent.; and
- (b) no Event of Default is continuing or would occur upon the incurrence.

14.3 Calculation Principles

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

- (a) the transaction which requires that the Incurrence Test is made shall be included in the calculations on a pro forma basis; and
- (b) the figures for Equity Ratio as of the last day of the period covered by the most recent Financial Report shall be used, but adjusted so that (as applicable):
 - (i) entities, assets or operations acquired, disposed of or discontinued by the Group after the Reference Period and up until and including the Incurrence Test Date shall be included or excluded (as applicable), *pro forma*;
 - (ii) any Financial Indebtedness which will be directly or indirectly refinanced with the proceeds of a Market Loan (as applicable) shall be deducted from the net interest bearing debt;
 - (iii) any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*;
 - (iv) all Financial Indebtedness incurred under any Market Loan or Senior Property Loan shall (to the extent not already included) be included *pro forma*; and
 - (v) any equity raised or distributions made after the last day of the period covered by the most recent Financial Report shall be included or excluded (as applicable), *pro forma*.

15. SPECIAL UNDERTAKINGS

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

15.1 Distributions

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

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

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

- (i) any Group Company (other than the Issuer) if such Restricted Payment is made to a Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis or in a larger proportion to the Group;
- (ii) any Group Company (including the Issuer) to the shareholders of the Issuer if such Restricted Payment occurs following the occurrence of a Qualifying IPO and provided that:
 - (A) the Incurrence Test (calculated *pro forma* including the relevant Restricted Payment) is met; and
 - (B) at the time of such Restricted Payment, the aggregate amount of all Restricted Payments of the Group in a financial year (including the Restricted Payment in question, but excluding any Restricted Payment made in accordance with paragraph (i) above and paragraphs (iii) and (iv) below, does not exceed 50.00 per cent. of the Group’s consolidated net profit (Sw. *årets resultat*),

in each case calculated according to the annual audited Financial Statements for the previous financial year (and without accumulation of profits from previous financial years);

- (iii) the Issuer of interest under Hybrid Instruments following the occurrence of a Qualifying IPO, provided that the Incurrence Test (calculated *pro forma* including the relevant Restricted Payment) is met; or
- (iv) the Issuer, if such Restricted Payment takes place following the occurrence of a Qualifying IPO and is a payment of principal or interest under Hybrid

Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by (i) the issuance of new Hybrid Instruments or (ii) any equity instrument.

15.2 Admission to trading

Without prejudice to Clause 12.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*), the Issuer shall ensure that:

- (a) the Bonds issued under the Initial Bond Issue are admitted to trading on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within six (6) months after the First Issue Date and with an intention to complete the admission to trading within 30 days of the First Issue Date);
- (b) the Bonds, once admitted to trading on the relevant Regulated Market, continue being listed thereon (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds); and
- (c) any Subsequent Bonds are admitted to trading on the relevant Regulated Market promptly and not later than sixty (60) calendar days after the issuance of such Subsequent Bonds and with an intention to complete such admission to trading within thirty (30) calendar days after the issuance of such Subsequent Bonds

15.3 Nature of business

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

15.4 Financial Indebtedness

15.4.1 The Issuer shall not, and shall procure that no other Group Company will, incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Issuer and its Subsidiaries have a right to incur, maintain and prolong Financial Indebtedness which constitute Permitted Financial Indebtedness.

15.4.2 Notwithstanding Clause 15.4.1 above, unless a Qualifying IPO has occurred, no new Financial Indebtedness may be incurred by the Group after the First Issue Date in relation to:

- (a) Tingseken, unless such new Financial Indebtedness extends or refinances Financial Indebtedness in relation to Tingseken existing as of the First Issue Date and the nominal amount of such Financial Indebtedness does not increase as a result of the extension or refinancing; and
- (b) Lärpojken 3, unless such new Financial Indebtedness constitutes a Senior Property Loan and the nominal amount outstanding of all such Financial Indebtedness does not at any time exceed the nominal amount of Financial Indebtedness outstanding in relation to Lärpojken 3 on the First Issue Date.

15.5 **Negative Pledge**

15.5.1 Subject to Clause 15.5.2 below, the Issuer shall not, and shall procure that no Group Company will, create or allow to subsist, retain, provide, prolong or renew any security over any of its assets (present or future) to secure any Financial Indebtedness, provided however that the Group Companies have a right to create or allow to subsist, retain, provide, prolong and renew any Permitted Security.

15.5.2 Unless a Qualifying IPO has occurred, no Security, save for any pledge over real property mortgage provided for any Financial Indebtedness which is permitted according to Clause 15.4.2, may be provided over (i) Tingseken ek.för, reg. no. 769632-0758, (ii) Tingseken, (iii) Lärpojken 3 AB or (iv) Lärpojken 3.

15.6 **New real property investments**

The Issuer shall not, and shall procure that no Group Company will, invest in any real property project outside of Sweden, save for further investments in order to complete the development and divestment of the Malibu Property.

15.7 **Disposals of assets**

15.7.1 Subject to this Clause 15.7 and the terms of the Transaction Security Documents, the Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of shares or other interests in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

15.7.2 Notwithstanding Clause 15.7.1 above, the Group may not directly or indirectly by a share sale divest, in part or in full, Tingseken.

15.8 **Divestment of the Malibu Property or Lärpojken 3**

15.8.1 Upon the divestment of the Malibu Property or Lärpojken 3, the Issuer shall procure that the Net Disposal Proceeds from such divestment are applied towards:

- (a) investments in Properties located in Sweden; or
- (b) acquisitions of new real properties from a person not being an Affiliate, provided that:
 - (i) such real properties are located in Sweden;
 - (ii) if the acquisition of such new real property occurs before the occurrence of a Qualifying IPO, the Loan to Value in relation to the relevant real property is equal or lower than 0.50:1.00; and
 - (iii) the new real properties are directly or indirectly owned by companies which shares are pledged to the Agent and the Bondholders represented by the Agent, such pledge being perfected within 60 days from the closing of the acquisition.

15.8.2 If the Net Disposal Proceeds have not been invested in accordance with Clause 15.8.1 above within a period of 12 months of the completion of the divestment of the Malibu Property or

Lärpojken 3, as applicable, (the “**Reinvestment Period**”), the Issuer shall transfer an amount equivalent to the Net Disposal Proceeds reduced with any amount invested in accordance with Clause 15.8.1 above to the Net Disposal Proceeds Account and within 30 days from the end of the Reinvestment Period procure that the Net Disposal Proceeds Account and all funds standing on such account are pledged to the Bondholders represented by the Agent pending application in accordance with Clause 15.8.3 below.

- 15.8.3 The Agent shall upon the Issuer's request release funds from the Net Disposal Proceeds Account to the Issuer, provided that the Issuer presents reasonable evidence to the Agent that the funds will be used for the purpose set forth in Clause 15.8.1 above.

15.9 **Mergers and demergers**

- 15.9.1 The Issuer shall not enter into any amalgamation, demerger, merger or reconstruction, save for any merger where the Issuer is the surviving entity.

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

15.10 **Maintenance of Properties**

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

15.11 **Property valuations**

- 15.11.1 The Issuer shall procure that a Valuation regarding the fair value of Properties representing at least 90 per cent. of the Value (prior to such Valuation) is prepared each financial year (on a rolling 12 months basis) and, if requested by the Agent, such Valuation is delivered in full to the Agent.

- 15.11.2 Without prejudice to Clause 15.11.1 above, the Issuer shall procure that a Valuation regarding the fair value of in respect of each property is prepared at least every second financial year (on a rolling 24 months basis).

- 15.11.3 The Issuer shall further procure that the results of such Valuation(s), or (if available) any subsequent comparable Valuation(s) replacing such Valuation(s), are reflected in good faith and in accordance with the Group's valuation policy in the following Financial Report(s).

15.12 **Insurance**

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

15.13 Maintenance Test

The Issuer shall procure that the Maintenance Test is met on each Reference Date as long as any Bond is outstanding.

15.14 Dealings with related parties

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

15.15 Compliance with laws

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

15.16 Authorisations

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

15.17 Additional Transaction Security

Within 60 days of delivery of the Compliance Certificate in respect of the annual audited consolidated financial statements of the Issuer, the Issuer shall procure that the shares in any new Material PropCo Holding Company are pledged to the Agent and the Bondholders (represented by the Agent) on terms substantially the same as the Subsidiary Share Pledge Agreements.

15.18 Agency Agreement

15.18.1 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 reasonably 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.

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

15.19 CSD related undertakings

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

15.20 Conditions Subsequent

The Issuer shall procure that Clause 5.3 (*Conditions Subsequent*) is complied with.

15.21 Application of the Residual Net Proceeds

The Issuer shall, and shall procure that each Group Company will, apply the Residual Net Proceeds in full towards investments in the Property Projects or real property development projects of a similar nature, provided that the Residual Net Proceeds have not been applied towards repurchase of Bonds in accordance with Clause 12.5.

16. TERMINATION OF THE BONDS

Each of the events or circumstances set out in this Clause 16 is an Event of Default (save for Clause 16.10 (*Termination*) and Clause 16.11 (*Distribution of proceeds*)).

16.1 Non-payment

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

16.2 Maintenance Test

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

16.3 Other obligations

16.3.1 The Issuer does not comply with any provision of the Finance Documents (other than as set out under Clause 16.1 (*Non-payment*) or Clause 16.2 (*Maintenance Test*)).

16.3.2 No Event of Default under Clause 16.3.1 above will occur if the failure to comply is capable of being remedied and is remedied within fifteen (15) Business Days of the earlier of:

- (a) the Agent giving notice to the Issuer; and
- (b) the Issuer becoming aware of the failure to comply.

16.4 Cross-payment default and cross-acceleration

16.4.1 Any Financial Indebtedness of a Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described).

16.4.2 Any security interest securing Financial Indebtedness over any asset of any Group Company is enforced.

16.4.3 No Event of Default will occur under this Clause 16.4 if:

- (a) the Financial Indebtedness is owed by a Group Company to another Group Company; or
- (b) the aggregate amount of Financial Indebtedness falling within Clauses 16.4.1 and 16.4.2 above is equal to or less than SEK 5,000,000 (or its equivalent in any other currency or currencies).

16.5 **Insolvency**

16.5.1 Any Material Group Company:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) is declared to be unable to pay its debts under applicable law;
- (c) suspends making payments on its debts generally; or
- (d) by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under the Terms and Conditions) with a view to rescheduling its Financial Indebtedness.

16.5.2 A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

16.6 **Insolvency proceedings**

16.6.1 Any corporate action, legal proceedings or other procedures are taken in relation to:

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

16.6.2 Paragraph 16.6.1 above shall not apply to:

- (a) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised; or
- (b) in relation to the members of the Group other than the Issuer, solvent liquidations.

16.7 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding SEK 5,000,000 and is not discharged within thirty (30) calendar days.

16.8 **Impossibility or illegality**

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

16.9 **Cessation of business**

The Issuer or any other Material Group Company ceases to carry on its business, except if due to a permitted disposal permitted under Clause 15.7 (*Disposals of assets*) or a merger or demerger permitted under Clause 15.9 (*Mergers and demergers*), and provided, in relation to the cessation of business of a Group Company other than the Issuer, that such cessation is likely to have a Material Adverse Effect.

16.10 **Termination**

- 16.10.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 16.10.1 or 16.10.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 16.10.2 The Agent may not terminate the Bonds in accordance with Clause 16.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 16.10.1.
- 16.10.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 16.1 (*Non-payment*)) up until the time stipulated in Clause 16.10.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 16.10.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 17 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case,

at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 16.10.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 17 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 16.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 16, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 16.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 16.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 16 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 17 (*Decisions by Bondholders*).
- 16.10.9 If the Bonds are declared due and payable in accordance with Clause 16.10.1, the Issuer shall redeem all Bonds with an amount per Bond together with a premium on the due and payable amount as set forth in the Call Option Price for the relevant period, and shall up until the First Call Date be at the price set out in paragraph (a) of the definition of Call Option Price (plus accrued and unpaid interest).
- 16.11 **Distribution of proceeds**
- 16.11.1 If the Bonds have been declared due and payable in accordance with this Clause 16, all payments by the Issuer relating to the Bonds and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *firstly*, in or towards payment *pro rata* of:
 - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
 - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights as may have been incurred by the Agent;
 - (iii) any non-reimbursed costs incurred by the Agent for external experts; and

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

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

- 16.11.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.11.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.11.1.
- 16.11.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16.11 as soon as reasonably practicable.
- 16.11.4 If the Issuer or the Agent shall make any payment under this Clause 16.11, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 16.10.1 shall apply.

17. DECISIONS BY BONDHOLDERS

17.1 Request for a decision

- 17.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 17.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

- 17.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 17.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 17.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 17.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 17.3.1. After a request from the Bondholders pursuant to Clause 19.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

17.2 **Bondholders' Meeting**

- 17.2.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 17.2.2 The notice pursuant to Clause 17.2.1 shall include:
- (a) the time for the meeting;
 - (b) the place for the meeting;
 - (c) an agenda for the meeting (including each request for a decision by the Bondholders);
 - (d) a form of power of attorney; and
 - (e) should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

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

- 17.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 17.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.
- 17.2.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in Person.

17.3 **Written Procedure**

- 17.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.
- 17.3.2 A communication pursuant to Clause 17.3.1 shall include:
- (a) each request for a decision by the Bondholders;
 - (b) a description of the reasons for each request;
 - (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights;
 - (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;
 - (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 17.3.1); and
 - (f) if the voting shall be made electronically, instructions for such voting.
- 17.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 17.4.2 and 17.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.4.2 or 17.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

17.4 Majority, quorum and other provisions

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

- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 17.3.2, in respect of a Written Procedure,

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

17.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds ($66\frac{2}{3}$) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 15 (*Special undertakings*);
- (b) except as expressly regulated elsewhere in the relevant Finance Document, release any Transaction Security, in whole or in part;
- (c) waive a failure to meet the Maintenance Test or the Incurrence Test or an amendment to the definitions relating to the Maintenance Test or the Incurrence Test;
- (d) a mandatory exchange of the Bonds for other securities;
- (e) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
- (f) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
- (g) amend the provisions in this Clause 17.4.2 or in Clause 17.4.3.

17.4.3 Any matter not covered by Clause 17.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 18.1) or a termination of the Bonds.

17.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 17.4.3.

- 17.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20) per cent. or, in respect of a matter covered by Clause 17.4.2, at least fifty (50) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 17.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17.2.1) or initiate a second Written Procedure (in accordance with Clause 17.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 17.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 17.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.4.8 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 17.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 17.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 17.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer

and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

18. AMENDMENTS AND WAIVERS

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

- (a) is not detrimental to the interest of the Bondholders;
- (b) is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
- (d) is necessary for the purpose of having the Bonds admitted to trading on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders; or
- (e) has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.

18.2 The Agent shall promptly notify the Bondholders 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 these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

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

19. THE AGENT

19.1 Appointment of the Agent

19.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.

19.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the

Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.

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

19.2 **Duties of the Agent**

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

Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 16.11 (*Distribution of proceeds*).

- 19.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 19.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:
- (a) whether any Event of Default has occurred;
 - (b) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
 - (c) whether any other event specified in any Finance Document has occurred.

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

- 19.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 13.3.2 and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.9.
- 19.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 19.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 19.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 19.2.13 The Agent shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or if it refrains from acting for any reason described in Clause 19.2.12.

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

19.2.15 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default, which event shall be governed by Clause 16.10.3).

19.3 **Liability for the Agent**

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

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

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

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

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

19.4 **Replacement of the Agent**

19.4.1 Subject to Clause 19.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

- 19.4.2 Subject to Clause 19.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 19.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 19.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
 - (b) the Agent was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 19.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 19.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
 - (b) the period pursuant to paragraph (b) of Clause 19.4.4 having lapsed.
- 19.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 19.4.8 In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

20. THE ISSUING AGENT

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

21. THE CSD

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

22. NO DIRECT ACTIONS BY BONDHOLDERS

- 22.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the obligations or liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with 19.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 19.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.13 before a Bondholder may take any action referred to in Clause 22.1.

- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 12.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

23. TIME-BAR

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

24. NOTICES AND PRESS RELEASES

24.1 Notices

- 24.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Agent to the Issuer from time to time;
 - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Agent by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Agent, to such e-mail address as notified by the Issuer to the Agent from time to time; and
 - (c) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

- 24.1.2 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (or, if between the Agent and the Issuer, by e-mail) and will only be effective:
- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1;
 - (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1; or
 - (c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 24.1.1.
- 24.1.3 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

24.2 Press releases

- 24.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 12.3 (*Early voluntary total redemption (call option)*), paragraph (a)(i) of Clause 13.4 (*Information: miscellaneous*) or Clauses 16.10.3, 16.11.4, 17.4.13, 17.2.1, 17.3.1, 18.2, 19.2.13 or 19.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 24.2.2 In addition to Clause 24.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

25. FORCE MAJEURE

- 25.1 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.
- 25.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 25.3 The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

26. ADMISSION TO TRADING

- 26.1 The Issuer intends to have the Initial Bonds and any Subsequent Bonds admitted to trading on the corporate bond list of Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market) within thirty (30) calendar days from the relevant Issue Date. Furthermore, if the Initial Bonds or any Subsequent Bonds have not been admitted to trading on Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market) within sixty (60) calendar days after the relevant Issue Date, each Bondholder has a right of repurchase (put option) of all or some of its Bonds subject to and in accordance with Clause 12.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*).
- 26.2 The Issuer has in accordance with Clause 15.2 (*Admission to trading of Bonds*) undertaken to have the Initial Bonds admitted to trading within six (6) months after the First Issue Date and have any Subsequent Bonds admitted to trading within sixty (60) calendar days after the issuance of such Subsequent Bonds, in each case on the corporate bond list of Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market).

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 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 27.3, be determined by Swedish courts and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 27.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
-

SCHEDULE 1

CONDITIONS PRECEDENT FOR DISBURSEMENT

Part 1

Conditions Precedent for disbursement – the Initial Bond Issue

1. The Issuer and the Pledgors

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

2. Finance Documents

- (a) Duly executed copies of the Terms and Conditions.
- (b) Duly executed Subsidiary Share Pledge Agreements.
- (c) Evidence that the Transaction Security has been perfected in accordance with the terms of the Subsidiary Share Pledge Agreements.
- (d) A copy of the Agency Agreement.
- (e) Duly executed Escrow Account Agreement.
- (f) Evidence the security over the Escrow Account has been perfected in accordance with the Escrow Account Pledge Agreement.

Part 2**Conditions Precedent for a Subsequent Bond Issue****1. The Issuer**

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

2. Miscellaneous

- (a) A Compliance Certificate from the Issuer confirming that no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue.
- (b) Such other documents and evidence as is agreed between the Agent and the Issuer.

SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

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

From: Titania Holding AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

Titania Holding AB (publ)
Maximum SEK 500,000,000 Senior Secured Callable Floating Rate Bonds 2021/2024
with ISIN: SE0015530530
(the “Bonds”)

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

(2) **[Maintenance Test]**

We confirm that the Maintenance Test is met and that in respect of the Reference Date [date] (and has not been breached since the last day of the relevant quarter to which the most recent Compliance Certificate refer), Total Equity was SEK [●], Total Assets was SEK [●] and therefore the Equity Ratio was [●] per cent. (and should be equal to or higher than 25.00 per cent.).

Computations as to compliance with the Maintenance Test are attached hereto.]¹²

(3) **[Incurrence Test]**

This is an Incurrence Test in respect of [describe relevant Financial Indebtedness incurred or Restricted Payment made] (the “**Incurrence**”). We confirm that the Incurrence Test is met and that in respect of the Incurrence Test Date, being [date

- (a) *Equity Ratio*: Total Equity was SEK [◆], Total Assets were SEK [◆] and therefore the Equity Ratio was [◆] (and should be higher than thirty (30) per cent.); and
- (b) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or would occur upon the Incurrence,

in each case including the Incurrence on a pro forma basis and otherwise calculated in accordance with Clause 14.3 (*Calculation principles*).

¹ To include calculations of the Maintenance Test including any *pro forma* adjustments pursuant to Clause 14.2.

² This section to be used if the Compliance Certificate is delivered in connection with the delivery of a Financial Report.

Computations as to compliance with the Incurrence Test are attached hereto.^{3]4}

(4) [List of all current Material PropCo Holding Companies

As of [*date of the relevant annual audited consolidated financial statements*], [there are no new Material PropCo Holding Companies in the Group] / [the following Material PropCo Holding Companies has been added to the Group:

Company name	Reg. no.	Underlying Material PropCo
[<i>Name</i>]	[<i>Reg. no.</i>]	[<i>Underlying Material PropCo</i>]
[<i>Name</i>]	[<i>Reg. no.</i>]	[<i>Underlying Material PropCo</i>]

]5

(6) [We confirm that, as far as we are aware, no Event of Default is continuing.]6

Titania Holding AB (publ)

Name:

Authorised signatory

Name:

Authorised signatory

³ To include calculations of the Incurrence Test and any adjustments pursuant to Clause 14.2 (*Incurrence Test*).

⁴ This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.

⁵ Should be included in each Compliance Certificate delivered together with annual audited financial statements.

⁶ Should be included in each Compliance Certificate. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

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

Stockholm, _____ 2021

The Issuer

Titania Holding AB (publ)

Name:

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

Stockholm, _____ 2021

The Agent

Nordic Trustee & Agency AB (publ)

Name:

ADDRESSES

Issuer

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Sweden

Tel: +46 (0)8 - 668 44 44

Web page: www.titania.se

Issuing agent and Joint Bookrunner

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Web page: www.danskebank.se

Auditor

KPMG AB and Fredrik Sjölander

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Stockholm, Sweden

Web page: www.kpmg.se

Joint Bookrunner

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Web page: www.arctic.com

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Web page: www.gda.se

Agent

Nordic Trustee & Agency AB (publ)

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

Web page: www.nordictrustee.com

Central securities depository

Euroclear Sweden AB

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

Web page: www.euroclear.com