

*This prospectus was approved by the Swedish Financial Supervisory Authority on 28 June 2024. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.*

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# EMILSHUS

## Fastighetsbolaget Emilshus AB (publ)

**PROSPECTUS REGARDING THE ADMISSION TO TRADING OF**

**SEK 400,000,000**

**SENIOR UNSECURED CALLABLE FLOATING RATE GREEN  
BONDS**

**2024/2027**

**ISIN: SE0022242483**

**28 June 2024**

# IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Fastighetsbolaget Emilshus AB (publ), Swedish reg. no. 559164-8752 (“**Emilshus**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries (each a “**Group Company**”), 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 unsecured callable floating rate green bonds 2024/2027 with ISIN SE0022242483 (the “**Bonds**”), issued under a framework of SEK 800,000,000, of which SEK 400,000,000 was issued on 26 June 2024 (the “**First Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively), on the sustainable bond list 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 First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issues equals SEK 800,000,000. 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](http://www.fi.se)) and the Issuer’s website ([www.emilshus.com](http://www.emilshus.com)).

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# RISK FACTORS

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*In this section, a number of risk factors are illustrated, both risks pertaining to Fastighetsbolaget Emilshus AB (the “Company” or the “Issuer” and together with its direct and indirect subsidiaries, the “Group”) and the Group’s industry, market, business activities, financial situation, legal and regulatory environment, as well 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.*

*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 Issuer’s assessment includes both an assessment of the probability of each respective risk factor occurring and the expected magnitude of its negative impact if it would occur.*

*The risk factors are organised in several categories and the most material risk factors 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.*

## RISK FACTORS SPECIFIC TO THE ISSUER AND THE GROUP

### **Risks relating to the Group’s industry, market, business activities and financial situation**

#### **The Issuer is subject to risks related to change in value of the Group’s property portfolio**

The Issuer’s property portfolio is recognised in the statement of financial position at fair value, and the changes in value are recognised in the profit and loss statement. As of 31 March 2024, the Group’s property value amounted to MSEK 7,518 with unrealised value changes in properties for the period 1 January–30 June 2024 amounting to MSEK 3. The value of the properties is affected not only by supply and demand in the relevant markets but also by a number of other factors, in part forward looking property specific factors which are subject to uncertainty. These include, inter alia, assumptions regarding occupancy rates, rental rates, operating costs, the properties’ conditions, and market specific factors such as macroeconomic development, general economic trends, regional economic development, occupation rates, supply and production rates of new properties, changes in infrastructure, inflation and interest rate levels in Sweden. The uncertainty varies depending on type of property, geographic location and the property cycle. There is hence a risk that underlying assumptions in past or future valuations of investment properties may prove to be incorrect, which in turn may result in the Group’s valuations not reflecting a future sale price.

The value of the Issuer’s investment properties may decrease and the value of the properties are affected by several factors, some of which are beyond the Issuer’s control. These include national and regional economic developments, changes in interest rates and inflation, changes in infrastructure, new construction, and technological and geographical developments that reduces the attractiveness and demand of such spaces offered by the Issuer. The value may also be affected by market participants’ interest in investing in properties, capital resources and alternative returns from other classes of assets. These factors affect the return on property investments and thus the value of the Issuer’s investment properties.

A significant impairment could lead to breach of covenants in certain of the Issuer’s loan agreements, which could result in certain financings having to be repaid prior to maturity and thereby adversely affect the Group’s liquidity. This could in turn have a material adverse effect on the Issuer’s ability to make payments under the Bonds.

A substantial impairment may also have adverse effect on the Group’s ability to refinance loans as they mature and

its ability to raise new debt to finance the Issuer's growth. If key assumptions used in the valuation of the Issuer's property portfolio change or prove to be incorrect, this could have an adverse effect on the Group's results and financial position. A deteriorated financial position would have an adverse effect on the Issuer's business as well as its prerequisite to create growth and achieve its financial objectives.

### **The Issuer is subject to the risk that adequate financing is not available on acceptable terms or at all**

Liquidity and financing risks implies that essential financing cannot be obtained at all, or that it only can be obtained on unfavourable terms to the Issuer or resulting in increased costs. The Issuer's operations are mainly financed through loans from four Swedish banks, two listed bond loans, and equity from shareholders. As of 31 March 2024, the Group's liabilities to credit institutions amounted to MSEK 3,491 and the bond loans to MSEK 577 (excluding bonds held by the Issuer), of which 3 per cent. of the Issuer's interest-bearing liabilities matures in 2024, 70 per cent. matures in 2025, and 27 per cent. matures in 2026 or later. There can be no assurance that the Group will be able to incur additional debt or refinance its existing debt when it matures, including the Group's outstanding senior unsecured floating rate green bonds 2022/2025 in an amount of MSEK 400 (within a framework amount of MSEK 1,000) due 14 April 2025 as well as the Issuer's outstanding senior unsecured floating rate green bonds 2022/2025 in an amount of MSEK 250 (within a framework amount of MSEK 1,000) due 13 September 2025. Further, the Issuer has written promise of credits and is continuously seeking to raise new loans and renegotiate existing loans. In certain cases, the facilities contain specific obligations such as the Group having to maintain a certain interest coverage ratio, equity ratio, or loan-to-value ratio (covenants). The creditors may be entitled to request repayment of the financing provided prior to its maturity date or request changes in the terms and conditions if the Group does not meet these specific covenants. If such a repayment request is made, it could have an adverse impact on the Issuer's financial position and liquidity situation which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

The Group's ability to refinance its outstanding debt obligations successfully at maturity or, if necessary, obtain additional financing, depends on the debt market conditions and the Issuer's financial positions at the relevant point in time. There is a risk that the Issuer may not be able to obtain necessary financing, or may only be able to obtain necessary financing on unfavourable terms or at increased costs in the future.

It could have an adverse effect on the Group's ability to finance its future potential capital investment if the Issuer: i) fails to refinance its outstanding debt obligations, ii) can solely obtain refinancing at significantly higher costs, and/or iii) fails to obtain necessary financing for the Issuer's future growth on reasonable terms or at all. This may in turn prevent the realisation of its plans concerning continued property acquisitions and result in the Group having to forgo opportunities that may arise in the future. This could have a negative effect on the Issuer's future prospects and future revenue and cash flow, which in turn could have an adverse effect on the Issuer's ability to make payments under the Bonds.

### **The Issuer's rental levels and occupancy rates may decrease and property cost levels increase which could be affected by a variety of factors**

Rental levels and thus the Issuer's rental income is affected by, among other things, the demand and supply of properties intended for light industry, external trade, convenience goods trade and industrial service/professional trade in the long term. In addition, the Group's rental income is affected by the properties' occupancy rates, the development of the rental rates and the customers' solvency. Both occupancy and rental rates are largely driven by the general and regional economic trend and is affected by several macro and regional economic factors such as employment trends, changes in infrastructure, increases of population and other demographical trends, inflation, interest levels and access to financing. Occupancy and rental rates are further affected by other factors beyond the Group's control, such as the changed security policy situation and the sanctions imposed against Russia and Belarus following the invasion of Ukraine and its direct and indirect long-term effects on the world economy and the Swedish economy. The Issuer's financial situation and result will be adversely affected, if occupancy and rental rates decrease or if customers are unable to pay their rent.

The risk of vacancies and loss of rental income having a significant effect on a property company increases the

more concentrated the customer base is. As of 31 March 2024, the Group had an economic occupancy rate of 95 per cent., the average remaining rental period was 5.2 years, and as of 31 March 2024, the ten largest tenants accounted for approximately 28 per cent. of the Group's contracted annual rent. There is a risk that one or more of the Group's larger tenants does not renew or extend a lease once it has expired. If that were to happen, there is a risk that the Group is unable to attract new suitable tenants to rent out the property to. Should the Group be unable to attract new tenants or obtain equivalent rental income from new tenants, this could result in lower occupancy rates and reduced rental income, which could negatively affect the Group's cash flow and which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Further, there is a risk that macro-economic factors could have an adverse effect on demand and/or rental rates on property used for light industry, external trade, convenience goods trade and industrial service/professional trade or on the tenant's solvency.

During the financial year 2023, the Group's property costs, including operating, media, maintenance and property tax costs, amounted to MSEK 123 on an annual basis. In accordance with current lease agreement, tenants generally pay specific media and property tax surcharges and in certain cases, the tenant is responsible for maintenance. The Group's control over the property cost rate is largely limited. For example, the electricity price is determined by supply and demand in an open, deregulated and partly international market and other operating costs are partly driven by local monopolies, creating some uncertainty in future costs. Costs may arise from unforeseen and extensive renovation needs and such costs cannot necessarily be compensated through rent increases. Costs may also incur as a result of provisions in lease agreements or regulatory requirements and if the Issuer fails to carry out maintenance and repairs in accordance with such provisions, the Group may incur liability for damages or fines. To adjust buildings and premises in accordance with new regulations is generally associated with costs. The operation of the property may further be affected by construction defects, other hidden defects or deficiencies (e.g., asbestos or mould), damages (e.g., due to fire or natural causes) and contamination that the Group may need to remedy due to contractual or regulatory requirements. An increased vacancy rate may also result in certain property costs (e.g., media costs), which instead of burden the customer, will place a burden on the Issuer's income statement.

If i) the vacancy rate in the Group's property portfolio were to increase, ii) the rental levels for light industry, external trade, convenience goods trade and industrial service/professional trade were to develop negatively, iii) tenants are unable to make payments in accordance with the lease agreements, or iv) the Group's property cost level increases, this could negatively impact the Group's costs and cash flow and thus have a material adverse effect on the Group's business, financial position and results. This could in turn have an adverse effect on the Issuer's ability to make payments under the Bonds.

### **The Issuer is exposed to interest risks**

The Issuer is exposed to interest risks and interest costs are the Issuer's single largest cost item. Interest risks occurs from fluctuations in the market interest rate, which affect the Group's result, cash flow and financial position. A key factor of interest risks is the Issuer's credit margin and fixed interest terms in accordance with its loan and derivative agreements, whereby longer credit margins and fixed interest terms imply greater predictability of cash flows but in general also higher interest levels. As of 31 March 2024, the Issuer's interest-bearing liabilities amounted to MSEK 4,068. As of 31 March 2024, the average fixed interest terms amounted to 2.9 years, and the average interest on the Issuer's interest-bearing debts was 4.7 per cent. as of the same date.

In 2022 and 2023, market interest rates have increased as a result of significantly higher policy rates, which has led to increased interest expenses for the Issuer. During the financial years 2023 and 2022, the Group's financial expenses totalled MSEK 209.2 and MSEK 144.5, respectively. Continued high or further increases in market interest rates could result in raised costs and lower margins for the Issuer, and have a negative impact on the market value of the Issuer's properties, which may have a negative impact on the Issuer's total costs, margins and cash flow and thus have adverse effect on the Issuer's ability to make payments under the Bonds.

### **The Issuer is subject to risks related to acquisitions and operates in a competitive market**

Property transactions are a key part of the Group's business and during the period 1 January-31 March 2024, the

Issuer acquired properties for a total consideration of MSEK 892.

Property transactions are associated with certain uncertainties and risks. When acquiring properties, there can for example be uncertainties regarding the handling of tenants, costs in relation to environmental remediation or employees, rebuilding or handling of technical problems, decisions from authorities and the occurrence of disputes in relation to the acquisition or the property's condition. There is also a risk that the Issuer conduct incorrect assessments in connection with the due diligence review made by the acquirer or does not acknowledge all the relevant risks associated with a particular acquisition. Furthermore, a vendor of a property may experience financial difficulties and therefore not have the willingness nor ability to pay compensation such as warranty claims in relation to deficiencies in the acquired property. Property agents or other parties acting on the vendors' behalf may also act beyond the scope of its mandate or provide incorrect information, and therefore there may be a risk that the Issuer will not be successful with claims against such parties or the vendor. Property acquisitions are also associated with subjective assessments of future circumstances, including the valuation of the existing tenant's long-term solvency and property-technical assumptions, which may turn out to be inaccurate. Inaccurate assumptions may result in write-down requirements, increased costs and the Group not being able to obtain expected return on its completed investments, which would have an adverse effect on the Group's future revenues and cash flow and the Issuer's ability to make payments under the Bonds.

A key aspect of the Issuer's operations and a significant factor in the Group's ability to achieve its financial targets is the ability to both identify and complete acquisitions within the framework of the Issuer's strategy. The property market is competitive, where the competitiveness of the participants depends on, inter alia, the ability to execute property acquisitions on favourable terms, to retain existing tenants and to anticipate future changes and trends in the property industry. The competition would increase if additional property companies were to enter the Issuer's markets, which could possibly affect the Issuer's ability to acquire new properties. Further, the Issuer's competitiveness could be adversely affected if such competitors have greater resources, greater financial capacity to withstand downturns in the property market, are better at retaining competent personnel or respond more quickly to changes in the tenant needs. In addition, as the Issuer expands outside its primary geographic market, there is a risk that the Issuer's competitors, to a larger extent, can take advantage of their local market knowledge to compete with the Issuer. If the Issuer is unable to compete successfully and fails to carry out acquisitions on the required scale, it could have an adverse effect on Issuer's business and its future revenues, results and ability to achieve its financial objectives.

### **The Issuer is subject to risks relating to the ability to recruit and retain qualified employees and senior executives**

As of 31 March 2024, the Issuer had 20 employees. The Group and its operations depend on a small number of key employees, including senior executives and employees with special skills. These key employees have great experience of the property market and of property transactions, and has built up good relationships with important participants. These key employees are therefore essential for a successful development of the Group's business in the future. It is further important for the development of the Issuer's business that the Issuer continuously recruit new skilled employees. The Group would be adversely affected if a large number of the Group's employees would leave at the same time, or if the Group would fail to recruit new key employees as well as other employees. Since the recruitment of skilled employees is subject to competition, there is also a risk that the Issuer will be forced to raise the salaries to its qualified key employees in order to retain them. This could in turn affect the Group's costs, margins and cash flow and thus have a material adverse effect on the Issuer's ability to make payments under the Bonds. If the Issuer cannot retain key employees and/or recruit sufficient qualified personnel, there is a risk that the Group cannot make use of business opportunities. This could in turn have a negative effect on the Group's future operations, revenues and cash flow, which could have an adverse effect on the Issuer's ability to make payments under the Bonds.

## Legal and regulatory risks

### The Issuer is exposed to environmental risks and related regulatory risks

According to Swedish legislation, the main rule is that the current or former business operator (Sw. *verksamhetsutövaren*) is responsible for the remediation of a contaminated property. There could be, or may have previously been, tenants on the properties owned directly or indirectly by the Group who conduct operations that require permits in accordance with the Swedish Environmental Code (Sw. *miljöbalken (1998:808)*), i.e. business operators within the meaning of the Environmental Code. If the business operator cannot perform or pay for the remediation of a contaminated property, the party who has acquired the property can be held responsible for the remediation if the party knew of, or at the time ought to have discovered, the contaminations. As the Group owns 139 properties as of 31 March 2024, there is a risk that claims under certain circumstances may be directed against the Group for remediation or after-treatment due to the occurrence of, or suspicion of, contamination in the ground, water areas or groundwater, in order to ensure that the property is in such condition as required by the Environmental Code.

Furthermore, previous business operators may have carried out after-treatment of a property in an acceptable manner as required for the usage of the property at that point in time. As a result of changed usage of a property to a residential property, the requirements for the Group may be higher, which imply that the Group may have costs for after-treatment and remediation in order to be able to use a property as intended.

If changes to legislation and administrative provisions were to occur, this may lead to increased costs for remediation or after-treatment for current properties and properties acquired in the future. All the above mentioned risks could, if they occur, have an adverse effect on the Group's costs, margins and cash flow and in turn have an adverse effect on the Issuer's ability to make payments under the Bonds.

### The Issuer is exposed to risks related to disputes and other legal proceedings

There is a risk that the Issuer in future may become involved in disputes with tenants, vendors or buyers of properties, suppliers and other parties. Disputes, claims, investigations and legal proceedings may result in the Issuer being obliged to pay damages, reduce or refund rents or cease with certain proceedings. Group companies may become involved in disputes within the ordinary course of business and risks being subject to lawsuits involving, for example, lease agreements, the acquisition or sale of property or property-owning companies, as well as employment-related disputes. In addition, the Issuer, or its board of directors, officers, employees or associated companies, may be subject to investigations or criminal proceedings. Such disputes, claims, investigations and legal proceedings may be time-consuming, disruptive to the daily operations, result in claims of substantial amounts and involve litigation costs. In addition, it can often be difficult to predict the outcome of complex disputes, claims, investigations and legal proceedings. Consequently, disputes, claims, investigations and legal proceedings may have an adverse effect on the Issuer's business and result.

### The Issuer's tax situation may deteriorate as a result of changes in applicable tax legislation

The Group's operations is carried out in accordance with its interpretation of applicable laws, regulations and precedents within the tax field and in accordance with guidance from tax consultants. However, it cannot be ruled out that the Group's interpretation of applicable tax regulations and precedents is incorrect, nor that the tax regulations and precedents within the area changes with retroactive effect. The Group may also be subject to tax reviews and tax audits, which could result in additional taxes, interest or fees for the Group. For example, there is a risk that a tax review or audit finds that the Group's income tax or value added tax has been incorrect. This could result in the Group being obliged to pay additional tax and that tax surcharges are imposed, which would increase the Group's costs and decrease the Group's cash flow, which could have an adverse effect on the Issuer's ability to make payments under the Bonds.

The Group can also be affected by legislative changes within the tax field. In March 2017, the Swedish Government Official Report "Certain matters involving properties and stamp duty" (Sw. *Vissa frågor inom fastighets- och stämpelskatteområdet, SOU 2017:27*) presented its proposal for new rules for the sale of shares in property-owning

companies. The starting point for the investigator was to try to equate tax on the direct divestments of properties with divestments through “packaging”, whereby the properties are sold indirectly through the transfer of shares in a property-owning company, which currently generally does not trigger any capital gains tax. The proposals by the investigator included the introduction of “dissolution” (Sw. *avskattning*) for property divestments through packaging, which essentially entails that upon the cessation of the controlling influence over a company, it should be regarded as fiscally divested and then reacquired at a price corresponding to market value. This means that the difference between the tax assessment value and the market value of properties shall be taxed upon the external sale of property companies.

The investigator also proposed a reduction in stamp duty from 4.25 per cent. to 2.0 per cent. and that the property company on dissolution also shall recognise standard revenue equivalent to 7.09 per cent. of the highest of the market value and the tax assessment value for the year preceding the year when the properties are deemed divested. The intention is that the standard revenue should correspond to the stamp duty that would have been paid if the property was sold directly.

As of the date of this document, there is an uncertainty whether the government intends to proceed with the investigator’s proposal. If the government were to proceed with the proposal in its current or modified form, it is likely that this would lead to a greater tax burden for the Group in future property sales, since the Issuer’s property divestments mainly are made by property-owning companies who divest its properties. Such legislation would also imply higher purchase prices for the Issuer when the Group acquire real property since the higher tax cost partially would result in higher purchase price.

Furthermore, on 31 March 2022 the Swedish Mapping, Cadastral and Land Registration Authority (Sw. *Lantmäteriet*) submitted the report “Stamp duty on acquisitions of real property by means of property formation measures” (Sw. *Stämpelskatt vid förvärv av fast egendom med hjälp av fastighetsbildningsåtgärder*) to the Government, in which it proposes a general stamp duty obligation when acquiring real property through certain property formation measures. If a general stamp duty obligation on acquisitions of real property through certain property formation measures is imposed, it could result in increased stamp duty costs for the Group when acquiring real property through property formation measures.

If any of the above mentioned risks would occur, it could result in raised tax costs and lower margins for the Group’s business and a decreased cash flow, which in turn may have an adverse effect on the Issuer’s ability to make payments under the Bonds.

### **The Issuer may be required to pay administrative fines or be subject to other sanctions due to inaccurate or unlawful processing of personal data**

The Group processes and stores personal data of various kinds in both electronic and physical form, including data about residential tenants and representatives of commercial tenants. The Group also processes personal data relating to employees and consultants. When the Group processes such data, it is of great importance that the processing takes place in accordance with, inter alia, Swedish law and EU regulations, such as the General Data Protection Regulation (“**GDPR**”). For example, there are strict requirements for informing people about what personal data the Group processes and that this processing takes place in a manner that is consistent with the purpose for which the personal data was collected. If the Group processes this personal data inadequately, there is a risk that the Group will have to pay penalty fees for violations of, for example GDPR as caused by such events. In addition, there is a risk that the Group will fail in handling of confidential or sensitive information or that such information will be disclosed or made available to others as a result of, for example, data breaches or so-called extortion viruses or extortion programs (ransomware). If the Group fails in its processing of personal data, is subject for breach of law, does not comply with provisions in completed agreements or if confidential or sensitive information is disclosed or made available to others, it could negatively affect the Group’s costs, reputation and future revenue as well as cash flow and thus have an adverse effect on the Issuer’s ability to make payments under the Bonds.

## RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS

### Risks related to the nature of the Bonds

#### Credit and refinancing risks

An investment in the Bonds carries a credit risk in relation to the Issuer. The ability of the holders of Bonds (the “**Bondholders**”) to receive payment under the terms and conditions of the Bonds (the “**Terms and Conditions**”) is dependent upon the Issuer’s ability to meet its payment obligations, which in turn is dependent upon the performance of the Group’s operations and financial position. Furthermore, since the Group’s cash generating operations are carried out in the Group companies, the Issuer’s ability to meet its payment obligations under the Bonds is dependent on the value generated in the businesses of such Group companies, and in turn such Group companies’ ability to transfer available distributable funds to it. Any transfers to the Issuer from the Group companies, e.g., in form of dividends or other distributions, revenues, intra-group loans may be restricted or prohibited by law and/or contractual arrangements, including each such Group company’s financing arrangements.

An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. If the Group’s operating income is not sufficient to service its current or future indebtedness, the Group would be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring its debt or seeking additional equity and/or debt financing. There is a risk that the Group will not be able to effect any of these remedies on satisfactory terms or at all. Another aspect of credit risk is that a decline in the financial position of the Group may reduce the prospects of the Group to receive financing at the time of maturity of the Bonds.

The Group finances its business, by way of equity, bond and bank financing. As of 31 March 2024, the Group’s equity amounted to MSEK 3,261 whereas the total balance sheet liabilities amounted to MSEK 4,531. Consequently, the Group may be required to refinance its outstanding debt, including the Bonds, from time to time. The Group’s ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations and access to additional debt and equity financing. 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 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.

#### 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. Interest payable under the Terms and Conditions is calculated by reference to STIBOR. The process for determining STIBOR and other interest-rate benchmarks is currently subject to certain regulatory action, some of which that have already been implemented by way of legislation, whereas other remain to be effected. The most extensive initiative in this respect is the adoption of the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014) (the “**BMR**”). The BMR addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union and certain previously used benchmarks have, or will, through the BMR, been discontinued. 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. Pursuant to the Terms and Conditions, STIBOR as reference rate may be replaced following certain specified events, e.g., if STIBOR ceases to be calculated or administrated (each as defined as a “**Base Rate Event**” in the Terms and Conditions). Increased or altered

regulatory requirements and risks associated with any replacement of STIBOR following a Base rate Event involve inherent risks since the effects of such replacement cannot be fully assessed at this point of time. Any upcoming replacement of STIBOR and/or other developments in relation to STIBOR could result in volatility in STIBOR and the calculation of the interest rate payable under the Terms and Conditions. This could in turn adversely affect an investment in the Bonds due to such alternative calculation may result in interest payments less advantageous for a holder of Bonds or that such interest payment does not meet market expectation in respect of interest payments.

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

The Issuer intends to use the net proceeds of the issue of the Bonds in accordance with the Issuer's green finance framework (the "**Green Bond Framework**"). However, there is currently no unequivocal definition of, legal or otherwise, or market consensus as to what constitutes a "green" or an equivalently-labelled project. Accordingly, there is a risk that any projects, asset or uses defined in the Green Bond Framework will not meet current or future investor expectations regarding such "green" or other equivalently-labelled performance objectives. In addition, future developments resulting from regulatory initiatives regarding the definition of "green" and the standards for green capital markets instruments, such as Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**") and the Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EU Green Bond Standard**"), may render the eligible projects for the Bonds as described in the Green Bond Framework obsolete or otherwise not in line with regulatory standards. This could result in a failure to meet current or future investor expectations or requirements with respect to investment criteria or guidelines, whether under applicable law or regulation or under such investor's own by-laws, governing rules or investment portfolio mandate. Furthermore, the fact the EU Green Bond Standard requires that the use of proceeds are aligned with the Taxonomy Regulation could result in also the unregulated green bond market moving towards alignment with the Taxonomy Regulation. Consequently, and since the net proceeds from the Bonds will not explicitly (but could be) used in alignment with the Taxonomy Regulation, it cannot be excluded that the Bonds will not meet current or future investor expectations or requirements with respect to "green" or an equivalently-labelled projects. Due to the rapidly changing market conditions for green securities, including any risks of greenwashing, there is a risk that current or future investor expectations will not be met which could negatively affect the secondary trading of the Bonds.

A failure by the Issuer to apply the net proceeds of the Bonds in accordance with the Green Bond Framework does not give the investor a right to require that the Issuer shall repurchase or redeem any of their Bonds. Should the Issuer fail to apply the net proceeds in accordance with the Green Bond Framework, there is a risk that investors consequently would be in breach of any investment criteria, mandates or guidelines with which an investor is required to comply with and could result in remedies under the relevant investment criteria, mandates or guidelines, which could result in investors facing, inter alia, claims or reputational damages. Furthermore, there can be no assurance that the Green Bond Framework, upon expiry, may be renewed as worded as of the issuance of the Bonds.

The Issuer has appointed the Center for International Climate and Environmental Research, Shades of Green, ("**CICERO**") for an independent, research-based evaluation of the Green Bond Framework. The evaluation resulted in a second opinion dated in September 2021 (the "**Second Opinion**"). CICERO is neither responsible for how the Green Bond Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is CICERO responsible for the outcome of investments in projects described as eligible projects in the Green Bond Framework. There is a risk that the suitability or reliability of any opinions issued by CICERO or any other third party, relied on in connection with any issue of Bonds or for post-issuance review of any kind, may be questioned by the Issuer, a potential investor, the bondholders or any third party. Furthermore, there can be no assurance that the Second Opinion, upon expiry, will be renewed as worded as of the issuance of the Bonds.

Furthermore, the providers of such opinions and certifications mentioned above are currently not subject to any specific regulatory or other regime or oversight, and there is a risk, upon such requirements becoming mandatory by implementation of the EU Green Bond Standard or otherwise, that such providers will be deemed as not being reliable or objective in the future.

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

### **Financing, priority rights and unsecured obligations**

Subject to the provisions set out in the Terms and Conditions, the Issuer and its subsidiaries may maintain and incur additional financing and retain, provide or renew security over its current or future assets to secure such financing. Any such secured financing will rank senior to the Bonds and the security interests provided therefore will normally constitute a preferential claim on the borrower. Furthermore, 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.

The Bonds constitute unsecured debt obligations of the Issuer and no present or future shareholder or subsidiary of the Issuer will guarantee the Issuer's obligations under the Bonds. If the Issuer becomes subject to any foreclosure, dissolution, winding-up, liquidation, bankruptcy or other insolvency proceedings, the Bondholders normally receive payment after any prioritised creditors, including those which are mandatorily preferred by law, have been paid in full. Furthermore, following prioritised creditors receiving payment in full, the Bondholders will have an unsecured claim against the Issuer for the amounts due under or in respect of the Bonds, which means that the Bondholders normally would receive payment pro rata with other unsecured creditors.

All of the above could have a negative impact on the Bondholders' recovery under the Bonds and there is a risk that a Bondholder loses the entire or parts of its investment in the event of the Issuer's liquidation, bankruptcy or company reorganisation.

### **Structural subordination and insolvency**

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.

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

### **Risks related to admission to trading and liquidity**

The Issuer has undertaken to ensure that the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm within a certain time period as stipulated in the Terms and Conditions (or if such admission to trading is not possible to obtain or maintain, admitted to trading on another 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. Hence, and considering that the nominal amount of each bond is relatively high (SEK 1,250,000), there is an intermediate risk that the market for trading in the Bonds will be illiquid even if the Bonds are admitted to trading. In addition, as the Bonds are traded over-the-counter (OTC) there is a risk for smaller volume of trades in the Bonds. The above risks 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.

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 BONDS IN BRIEF

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

### General

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Issuer.....	Fastighetsbolaget Emilshus AB (publ), Swedish reg. no. 559164-8752.
Resolutions, authorisations and approvals.....	The Issuer’s board of directors resolved to issue the Bonds on 31 May 2024.
The Bonds offered.....	SEK 400,000,000 in an aggregate principal amount of senior unsecured callable floating rate green bonds due 26 June 2027.
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 640 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.....	SE0022242483.
Issue Date.....	26 June 2024.
Price.....	The SEK 400,000,000 Bonds issued on 26 June 2024 were issued at an issue price of 100.00 per cent. of the Nominal Amount.
Interest Rate.....	Interest on the Bonds is paid at a rate equal to the sum of (i) the Base Rate, initially three (3) months STIBOR, plus (ii) 3.10 per cent. per annum, as adjusted by any application of Clause 20 (Replacement of Base Rate) in the Terms and Conditions. Interest will accrue from, but excluding, the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
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 26 March, 26 June, 26 September and 26 December each year (with the first Interest Payment Date being on 26 September 2024 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

Final Redemption Date.....	26 June 2027.
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 unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among them and at least pari passu with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.
Use of Proceeds.....	An amount equivalent to the Net Proceeds of the Initial Bond Issue shall be applied in accordance with the principles set out in the Issuer's Green Bond Framework, including but not limited to repurchasing and/or redeeming all or some of the Existing Bonds. An amount equivalent to the Net Proceeds of any Subsequent Bond Issue shall be applied in accordance with the principles set out in the Issuer's Green Bond Framework (as it is worded on the relevant Issue Date of such Subsequent Bonds) including but not limited to repurchasing and/or redeeming any Existing Bonds.

## Call Option

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Call Option.....	<p>Provided that the Existing Bonds have been redeemed in full, the Issuer may redeem all of the Bonds in full on any Business Day falling on or after the First Call Date but before the Final Redemption Date at the applicable Call Option Amount together with accrued but unpaid Interest, in accordance with Clause 11.3 (<i>Early voluntary total redemption (call option)</i>) of the Terms and Conditions, the Call Option Amount being:</p> <ul style="list-style-type: none"> <li>(a) an amount equivalent to the sum of (i) one hundred point ninety-three (100.93) per cent. of the Nominal Amount and (ii) the remaining interest payments up until (but not including) the First Call Date, if the Bonds are redeemed on or after the First Issue Date up to (but not including) the First Call Date;</li> <li>(b) one hundred point ninety-three (100.93) per cent. of the Nominal Amount, if the Bonds are redeemed on or after the First Call Date up to (but not including) the date falling twenty-seven (27) months after the First Issue Date;</li> <li>(c) one hundred point sixty-two (100.62) per cent. of the Nominal Amount, if the Bonds are redeemed on or after the date falling twenty-seven (27) months after the First Issue Date up to (but not including) the date falling thirty (30) months after the First Issue Date;</li> <li>(d) one hundred point thirty-one (100.31) per cent. of the Nominal Amount, if the Bonds are redeemed on or after the</li> </ul>
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- date falling thirty (30) months after the First Issue Date up to (but not including) the Final Redemption Date; or
- (e) one hundred (100.00) per cent. of the Nominal Amount, if the call option is exercised on or after the date falling thirty (30) months after the First Issue Date up to (but not including) the Final Redemption Date, provided that the relevant redemption is financed in part or in full by way of issue(s) of Market Loan(s).

## Put Option

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Put Option.....	Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of 30 calendar days following a notice from the Issuer of the relevant event, in accordance with Clause 11.4 (Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)) 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 “ <b>control</b> ” means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.
De-listing.....	A De-listing means a situation where (i) all of the Issuer’s shares cease to be listed and admitted to trading on a Regulated Market on which they are admitted to trading (save for the event of such shares being admitted to trading on another Regulated Market) or trading of all of the Issuer’s shares on the aforementioned stock exchange is suspended for a period of fifteen (15) consecutive Business Days or (ii) once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).
Listing Failure.....	A Listing Failure means a situation where: <ul style="list-style-type: none"> <li>(i) the Initial Bonds have not been admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date; or</li> </ul>

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

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

## Undertakings

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Certain undertakings..... 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 Initial Bonds admitted to trading within six (6) months after the First Issue Date;
- restrictions in relation to incurring Shareholder Loans and Market Loans;
- 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 Group’s properties in a good state of repair;
- undertaking to procure property valuations; 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.

## Miscellaneous

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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 sustainable 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 1 July 2024. 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..... Intertrust (Sweden) AB, reg. no. 556625-5476, 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, Sveavägen 9, 10th floor, SE-111 57 Stockholm, Sweden, during normal business hours as well as at the Agent's website, [www.cscglobal.com](http://www.cscglobal.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 three (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

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## Overview of the Issuer

Legal and commercial name.....	Fastighetsbolaget Emilshus AB (publ)
Corporate reg. no. ....	559164-8752
LEI-code.....	5493004EO7GR5U8PRK21
Date and place of registration....	5 July 2018, Sweden, with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i> )
Date of incorporation .....	5 July 2018
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 .....	Vetlanda kommun
Head office and visiting address	Fabriksgatan 1A, SE-574 38 Vetlanda, Sweden
Telephone .....	010-303 93 00
Website.....	www.emilshus.com (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

- 2018**
- Emilshus was formed by entrepreneurs associated with Småland with the aim of establishing a major property company with strong local roots in Småland through the acquisition of local commercial properties.
  - Emilshus carries out a cash issue of shares and raises approx. MSEK 31.
- 2019**
- Emilshus carries out two cash issues of shares and raises a total of approx. MSEK 96.
  - Emilshus acquires 18 properties with a total area of approx. 76,000 sqm for a total of MSEK 448. AB Sagax and NP3 Fastigheter AB becomes shareholders in the Company.
  - Emilshus issues MSEK 300 unsecured corporate bonds 2019/2022 with a total framework amount of MSEK 500.
- 2020**
- Emilshus acquires a large number of properties in, inter alia, Jönköping and Växjö, with a total lettable area of approx. 165,465 sqm with a total underlying property value of approx. MSEK 1,184.
- 2021**
- Emilshus issues MSEK 150 subsequent unsecured corporate bonds 2019/2022 within the existing framework amount of MSEK 500.
  - Emilshus acquires a large number of properties with a total lettable area of approx. 221,000 sqm with a total underlying property value of approx. MSEK 1,965.
  - Emilshus introduces a new class of shares, preference shares, and issues 561,798 preference shares and 187,266 subscription warrants, which entitles for the subscription of

ordinary shares of series B in the Company, to the existing shareholders AB Sagax (publ) and NP3 Fastigheter AB (publ) and raises MSEK 150.

- Emilshus carries out a split of the Company's shares, entailing the split of each share in the Company into ten shares of the same share class, in order to attain an appropriate number of shares in the Company.
- Emilshus issues 8,333,333 preference shares to the public in Sweden and to Swedish and international institutional investors and raises MSEK 230 before transaction costs and lists its preference shares on Nasdaq First North Growth Market.
- Emilshus issues MSEK 50 subsequent unsecured corporate bonds 2019/2022 within the existing framework amount of MSEK 500.

## 2022

- Emilshus acquires four industry/warehouse properties with a total lettable area of approx. 9,300 sqm in Halmstad as well as an industry/warehouse property with a total lettable area of approx. 3,200 sqm in Jönköping for a total of MSEK 170. Through the acquisition in Halmstad, the Company carries out its first property acquisition outside of Småland.
- Björn Garat is elected member of the board of directors in the Company.
- Emilshus issues 5,172,414 preference share to a number of Swedish and international institutional investors through an accelerated bookbuilding procedure and raises MSEK 150.
- Emilshus acquires 13 properties in Småland and Östergötland, primarily within light industry and warehouse, for a total of MSEK 947 and with a total annual rental value of MSEK 76.
- Emilshus issues MSEK 400 unsecured green corporate bonds 2022/2025 with a total framework amount of MSEK 1,000.
- Emilshus issues 27,000,000 series B shares to the public in Sweden and to Swedish and international institutional investors and raises MSEK 756 before transaction costs and lists its series B shares and preference shares (the preference shares previously being traded on Nasdaq First North Growth Market) on Nasdaq Stockholm.
- Emilshus acquires six properties in Småland, primarily within light industry and warehouse, for a total of MSEK 615 and with a total annual rental value of MSEK 46.
- Emilshus issues the Bonds and carries out a tender offer regarding its MSEK 500 unsecured bonds 2019/2022 with a total framework amount of MSEK 500, in which the Company purchased and redeemed bonds 2019/2022 and subsequently fully redeemed the remaining bonds 2019/2022.
- Emilshus acquires two properties in Kalmar and Västervik for a total of MSEK 41.5 and with a total annual rental value of MSEK 3.3.
- Emilshus issues MSEK 250 unsecured green corporate bonds 2022/2025 with a total framework amount of MSEK 1,000 and makes a repurchase offer to holders of corporate bonds 2019/2022.
- Emilshus signs a new lease agreement with Garo and Skogsstyrelsen totaling 11,200 sqm.

## 2023

- Emilshus enters into an agreement with Carnegie Investment Bank AB as liquidity provider for the Company's ordinary series B shares.
- Emilshus updates its financial targets and risk limits.
- Emilshus acquires five investment properties during the year for a total purchase price of MSEK 199.
- Emilshus completes a directed share issue of MSEK 200.

2024

- Emilshus acquires properties with light industry in Östergötland and Småland for MSEK 179.
- Emilshus acquires properties with light industry in Jönköping and Linköping for MSEK 713.
- Emilshus carries out a directed share issue of MSEK 384.
- Emilshus issues the Bonds in an amount of MSEK 400 and concludes a tender offer in respect of its outstanding bonds with ISIN SE0017769060.
- Emilshus acquires two properties in Linköping for MSEK 74.

## **Business and operations**

Emilshus is a property company, with roots in Småland and Småland entrepreneurship, that acquires, manages and develops commercial properties. As of 31 March 2024, Emilshus' property portfolio consisted of 139 properties with a fair value of MSEK 7,518. Emilshus' property portfolio is currently located in the administrative areas of Jönköping, Kalmar, Vetlanda, Värnamo, Växjö, Halmstad and Linköping within the main property categories light industry, big box retail and grocery stores and industrial service/professional trade.

### ***Core business and general strategy***

Emilshus' core business is to acquire, develop and manage commercial properties with Småland as primary market with a focus on high yields in combination with long-term rental agreements and tenants with an assessed good payment capacity.

Emilshus' aims to generate strong cash flows through (i) acquiring, developing and managing high yielding commercial properties with Småland as primary market, (ii) focusing on light industry, professional trade/industry services, big box retail and grocery stores, (iii) establishing long term and close relationships with the Company's tenants through a local presence and a local commitment where the Company conducts business and (iv) ensuring stable financing of the Company's business.

### ***Acquisition strategy***

Emilshus acquires both larger property portfolios and individual properties and often targets local property owners for acquisitions. Together with the Company's strong local presence and wide network, the Company's flexibility regarding acquisition size enables the acquisition of properties with good risk-adjusted returns. The local presence and network in the region also enables the Company to identify and carry out so called sale and lease back transactions as well as property acquisitions directly from sellers. Priority is given to properties with predictable and long-term strong existing cash flows that are generated through existing leases with long remaining lease periods. Emilshus also focuses on properties that house tenants with good creditworthiness and long-term operations. Prioritization of predictable cash flows enables the Company to grow and acquire new properties with its own generated funds. At the same time, the stability and predictability of cash flows contribute to good resilience in potentially worse future economic conditions. A central part of Emilshus' acquisition strategy is also to focus on properties located in the geographical vicinity of the Group's existing property portfolio in order to achieve scalability in its property management.

### ***Tenants and lease agreements***

Emilshus uses so-called triple net agreements for a large part of the tenancies, which means that the Company remains the owner and landlord, but that the tenant undertakes to bear the costs normally borne by the property owner such as costs for insurance, property tax and maintenance. The triple net agreements also contain provisions which mean that the tenant is responsible for the property being damaged or destroyed. This agreement model thus entails lower overheads and a more stable cash flow for the Group and also entails that the tenants are not entitled to a reduction in the rent or other sanctions for obstacles or damage to the use of the property. The majority of the Company's lease agreements are also CPI-linked. In accordance with the Company's strategy, Emilshus' tenants include a number of large and creditworthy companies and government agencies with good ability to pay.

## Material agreements

Other than the terms and conditions for the Bonds and as set out below, the Company is not party to any material agreements outside the ordinary course of business.

### *Loan agreements*

The Group has entered into material loan agreements with four major Nordic banks in an aggregate amount of MSEK 3,491 as of 31 March 2024. The loan agreements contain customary terms, warranties and undertakings as well as provisions entailing that certain changes in ownership may result in the lender having the right to terminate the loans prematurely (so-called change of control provisions). In some cases, the loan agreements also contain financial undertakings regarding, among other things, interest coverage ratio, equity ratio, the size of equity and the loan-to-value ratio regarding certain of the Group's properties. Collateral has normally been provided in the form of pledges over properties, shares in the subsidiaries covered by each property group, internal promissory notes and bank accounts as well as guarantee commitments from group companies for subsidiaries' liabilities. As of 31 December 2024, approximately 97 per cent. of the Group's debt owed to credit institutions mature in 1–3 years.

### *Interest rate agreements*

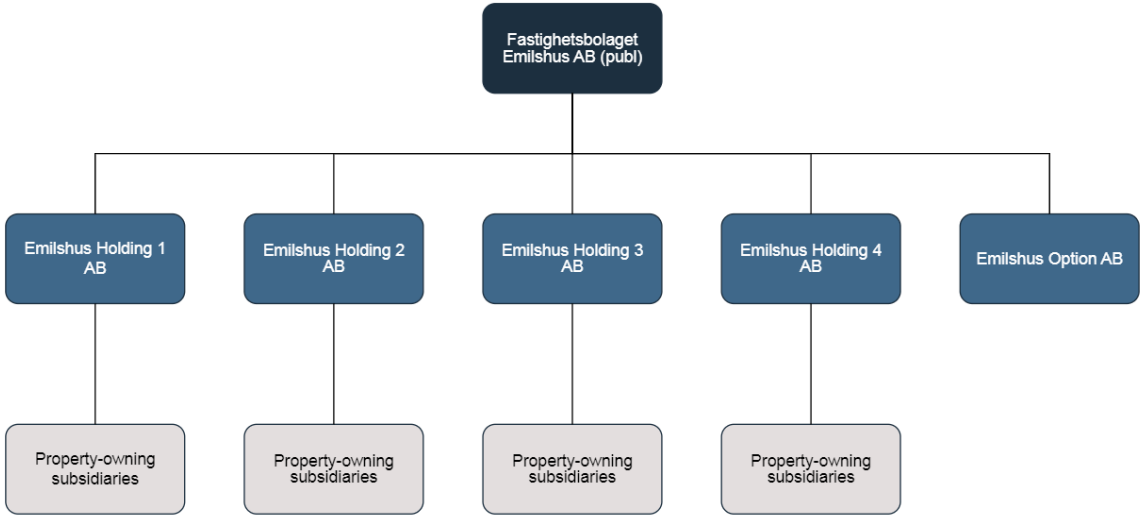
The Company has, in order to ensure an appropriate interest rate level in the Group, entered into interest rate derivative contracts with Danske Bank, Swedbank, Nordea and SEB. The total underlying nominal amount for all interest rate swaps amounts to MSEK 3,500. The Company has also entered into an interest rate cap agreement with Danske Bank of MSEK 300.

### *Bonds 2022/2025*

On 14 April 2022, Emilshus issued senior unsecured callable green bonds 2022/2025 in an amount of MSEK 400 within a total framework amount of MSEK 1,000 with a floating interest rate of 3 months STIBOR plus 5.25 per cent. *per annum* due on 14 April 2025, and on 13 September 2022, Emilshus issued senior unsecured callable green bonds 2022/2025 in an amount of MSEK 250 within a total framework amount of MSEK 1,000 with a floating interest rate of 3 months STIBOR plus 7.25 per cent. *per annum* due on 13 September 2025. The terms and conditions for the bonds 2022/2025 contain certain undertakings for the Company, including financial covenants linked to the interest coverage ratio, equity ratio and the loan-to-value ratio regarding the Group's properties. The terms and conditions for the bonds 2022/2025 also contain certain restrictions for the Company and other Group companies to incur certain new financial indebtedness and extend certain existing financial indebtedness.

## Overview of the Group

The Company is the ultimate parent company of the Group. 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. The group chart below sets out the general legal structure of the Group.



## Recent events particular to the Issuer

Other than the MSEK 384 series B share issue and subsequent admittance to trading on Nasdaq Stockholm, the issuance of the Bonds and the MSEK 892 property acquisition (as outlined in the Section “*Description of the Issuer and the Group–History and Development–2024*”), 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.

Other than the MSEK 384 series B share issue and subsequent admittance to trading on Nasdaq Stockholm, the issuance of the Bonds and the MSEK 892 property acquisition (as outlined in the Section “*Description of the Issuer and the Group–History and Development–2024*”), there have been no significant changes in the financial position or performance of the Group since the end of the last financial period for which financial information has been published, *i.e.* the interim period 1 January – 31 March 2024.

## Governmental, legal or arbitration proceedings

Emilshus has not been party to any regulatory proceedings, legal proceedings or arbitration proceeding (including proceedings which have not yet been settled or which, to the Company’s knowledge, are in danger of being initiated) which may or has recently had a material effect on the Group’s financial position or profitability during the previous twelve months.

## Credit rating

No credit rating has been assigned to the Issuer.

# OWNERSHIP STRUCTURE

## Ownership structure

According to the articles of association, the Company's share capital shall be not less than SEK 100,000,000 and not more than SEK 400,000,000 divided into not less than 50,000,000 shares and not more than 200,000,000 shares. The Company's shares are denominated in SEK. As of the date of this Prospectus, the Company had an issued share capital of SEK 262,507,134 divided into 131,253,567 shares (11,527,890 shares of series A, 99,097,052 shares of series B and 20,628,625 preference shares. Each share of series A carries ten votes and each share of series B as well as each preference share carries one vote at general meetings in the Issuer. The Company's series B shares and preference shares are traded on Nasdaq Stockholm, with trading symbols EMIL B and EMIL PEF and with the ISIN codes SE0016785786 and SE0016785794, respectively. The table below sets out the ten largest shareholders of the Company on 31 May 2024.

Shareholders	Share capital (%)	Votes (%)
AB Sagax	25.36	26.21
Aptare Holding AB	18.94	27.48
Lannebo Fonder	5.82	3.25
Länsförsäkringar Fonder	5.09	2.84
ODIN Fonder	2.94	1.64
Tredje AP-fonden	2.34	1.31
Fjärde AP-fonden	2.24	1.26
Thureda Gruppen AB	1.84	2.57
NP3 Fastigheter AB	1.82	10.23
Johan Ericsson	1.79	2.44
Other shareholders	31.82	20.77

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)*). Since the Issuer's outstanding green bonds 2024/2027 are listed on the corporate bond list of Nasdaq Stockholm the Issuer also acts in compliance with the Nasdaq Stockholm Rulebook for Issuers of Fixed Income Instruments and since the Issuer's series B shares and preference shares are admitted to trading on Nasdaq Stockholm, the Issuer also acts in compliance with the Main Market Rulebook for Issuers of Shares and the Swedish Corporate Governance Code.

## Shareholders' agreements

The Company is not aware of any shareholders' agreement or any other agreements which could result in a change of control of the Issuer.

# THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

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## General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in internal rules and instructions within the Company. The CEO and the members of the Company's executive management 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 Fabriksgatan 1A, SE-574 38 Vetlanda, Sweden.

## Board of directors

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

### Members of the board of directors

#### Johan Ericsson

*Johan has been chairman of the board of directors since 2018.*

**Other relevant assignments:** Chairman of the board of directors of Konstmässan Market AB, Nyfosa AB, Prinsessan Estelles Kulturstiftelse and Torekovs Kulturstiftelse. Member of the board of directors of Brinova Fastigheter AB (publ), Borudan Ett AB, Båstadtennis & Hotell AB and Torekov By AB.

#### Rutger Källén

*Rutger has been a member of the board of directors since 2023.*

**Other relevant assignments:** Head of Real Estate Finance, Handelsbanken Debt Capital Market, Nordic Head of Real Estate at Credit Agricole and CFO at Kungsleden Fastighets AB.

#### Jakob Fyrberg

*Jakob has been a member of the board of directors since 2019.*

**Other relevant assignments:** Owner, member of the board of directors and CEO of Rerum Fastigheter AB. Co-owner and chairman of the board of directors of Aptare Holding AB. Chairman of the board of directors of Aptare Förvaltning AB, Bostaden Västra Götaland Intressenter Fastigheter AB and Aptare Entreprenad AB.

#### Elisabeth Thureson

*Elisabeth has been a member of the board of directors since 2019.*

**Other relevant assignments:** Co-owner and chairman of the board of directors of Thureda Gruppen AB, Östra Härads Fastighets AB, Käpphästen AB, Vetlanda Valvet AB, et al invest AB and Papegojtulpanen AB. Member of the board of directors of Friluftsförbundet lokalavdelning i Vetlanda and Tillväxtstiftelsen. Deputy member of the board of directors of AB Boken Vetlanda.

#### Ulrika Valassi

*Ulrika has been a member of the board of directors since 2024.*

**Other relevant assignments:** Member of the board of directors of Ålandsbanken Abp, Sparbanken Sjuhärad, Swedencare, Pamica Group, Insatt Group. Chairman of the board of directors of NMP Invest AB. Member of the board of directors and CEO of au management AB. Advisor for Wellstreet, Niam Credits..

#### Björn Garat

*Björn has been a member of the board of directors since 2022.*

**Other relevant assignments:** CFO and deputy CEO of AB Sagax (as well as positions at subsidiaries of AB Sagax), member of the board of directors of Volati AB, Vassvik Förvaltning Aktiebolag and Paco Holding AB as well as deputy member of the board of directors of Manolo Holding AB.

## Executive management

The section below presents the members of the executive management, including the year each person became a member of the executive management.

### Members of the executive management

**Jakob Fyrberg**

*Jakob has been CEO since 2019.*

**Other relevant assignments:** Please see the section “–Members of the board of directors” above.

**Emil Jansbo**

*Emil has been CFO since 2023.*

**Other relevant assignments:** -

**Pierre Folkesson**

*Pierre has been Head of Projects since 2021.*

**Other relevant assignments:** Owner, member of the board of directors and CEO of Nästagård Fastigheter AB. Owner and member of the board of directors of Pierre Folkesson Invest AB., Backseda Fastighets AB, Aptare Förvaltning AB, Aptare Holding AB, Aptare Entreprenad AB, Bostaden Västra Götaland Intressenter Fastigheter AB, Byggbo Hus AB and Byggbo i Vetlanda AB. Co-owner and deputy member of the board of directors of Granbackens Fastighets AB and Fastighets AB Kiosken i Vimmerby.

**Martin Lindström**

*Martin has been Head of Transactions since 2019.*

**Other relevant assignments:** Owner and member of the board of directors of Martin Lindström Förvaltning AB. Co-owner and CEO of Loggen Invest AB.

**Helen Arvidsson**

*Helen has been Chief Accountant since 2021.*

**Other relevant assignments:** -

**Jakob Paljak**

*Jakob has been COO since 2022.*

**Other relevant assignments:** -

## 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, 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. 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 is KPMG AB, with Mattias Johansson as the auditor in charge. Prior to Mattias Johansson, Mikael Ikonoen was the auditor in charge with Ernst & Young Aktiebolag during the period 2 July 2021 to 8 May 2023. Mattias Johansson and Mikael Ikonen are members 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 2023. Ernst & Young Aktiebolag's office address is Vasagatan 16, SE-111 20 Stockholm, Sweden.

# SUPPLEMENTARY INFORMATION

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## 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.

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 26 June 2024 was resolved upon by the board of directors of the Issuer on 31 May 2024.

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

Danske Bank A/S, Danmark, Sverige Filial and Skandinaviska Enskilda Banken AB (publ) 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 Danske Bank A/S, Danmark, Sverige Filial and Skandinaviska Enskilda Banken AB (publ) and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

## Information about the Issuer's Green Bond Framework

In order to enable the issuance of, *inter alia*, green bonds, the Issuer's has published a Green Bond Framework dated September 2021 which applies to the Bonds and is available on the Issuer's website. The Green Bond Framework has been developed in alignment with International Capital Markets Association's Green Bond Principles of 2021 (the "GBP") and thus follows the core components of the GBP, being (i) use of proceeds, (ii) process for project/asset evaluation and selection, (iii) management of proceeds, and (iv) reporting and transparency. The Issuer has appointed Shades of Green, (formerly part of CICERO, now a part of S&P Global) for an independent, research-based evaluation of the Green Bond Framework. The evaluation resulted in a second opinion dated September 2021 (the "Second Opinion") pursuant to which CICERO rated the Green Bond Framework as Light Green. The Second Opinion is available on the Issuer's website.

Pursuant to the Green Bond Framework, an amount equivalent to the net proceeds from the Bonds shall be used to finance or re-finance, in part or in full, eligible assets providing distinct environmental benefits ("Green Eligible Assets"), which includes the categories Green and Energy Efficient Buildings and Energy Efficiency. Green and

Energy Efficient Buildings consists of (i) Category 1 which entails buildings constructed after 1 January 2021 that either have or with the objective to receive Miljöbyggnad Silver, Green Building or another certification of equivalent or better energy consumption, an energy performance certificate (“EPC”) of class A or B, or an energy consumption at least 30% below the applicable national building regulation, (ii) Category 2 which entails existing buildings, including acquired buildings, that fulfil at least one of the three requirements for Category 1 buildings stated above, Miljöbyggnad iDrift Silver, Green Building or another certification combined with an energy consumption below the targets set out in the Green Bond Framework, and (iii) Category 3 Major renovations meaning existing buildings subject to major renovations leading to 30% lower energy consumption within the coming two to four years. Energy Efficiency targets initiatives aimed at reducing the properties’ energy consumption, such as installation of onsite solar panels, geothermal energy installations and infrastructure for electric vehicles.

The net proceeds of the Bonds will not be used to finance either fossil fuel energy generation, nuclear energy generation, weapons and defence industries nor potentially environmentally negative resource extraction, gambling or tobacco.

The selection of Green Eligible Assets is managed by a dedicated group, the Green Bond Committee (the “GBC”). Members of the GBC consist of the Finance Department and the Sustainability Team. The Issuer will assure that the sustainability expertise always relies within the GBC. All decisions are made in consensus, and this applies to the selection process of Green Eligible Assets as well. The list of Green Eligible Assets is monitored on a regular basis during the term of the Bonds to ensure that the proceeds are sufficiently allocated to Green Eligible Assets. This is also a responsibility of the GBC.

To be fully transparent towards investors and other stakeholders, the Issuer commits to regular reporting until no Green Bonds (as defined in the Green Bond Framework) are outstanding. The report will be published on the Company’s website on an annual basis.

## **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.emilshus.com](http://www.emilshus.com).

- 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 2022, including the applicable audit report.
- The Group’s consolidated audited annual report for the financial year ended 31 December 2023, including the applicable audit report.

# FINANCIAL INFORMATION

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## Historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2022 and 31 December 2023 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 2022 or as of 31 December 2022 derives from the Group's consolidated audited annual report for the financial year ended 31 December 2022. All financial information in this Prospectus relating to the financial period 1 January–31 December 2023, as of 31 December 2023 or as of year-end 2023 derives from the Group's consolidated audited annual report for the financial year ended 31 December 2023.

## Accounting standards

The financial information for the financial years ended 31 December 2022 and 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations that have been issued by IFRS Interpretations Committee (“IFRS IC”) as they have been adopted by the EU. Furthermore, the Group applies the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and RFR 1 “Supplementary accounting rules for groups” issued by the Swedish Financial Reporting Board.

## Auditing of the historical financial information

The Group's consolidated audited annual report for the financial year ended 31 December 2022 have been audited by Ernst & Young Aktiebolag, with Mikael Ikonen as the auditor in charge and the Group's consolidated audited annual report for the financial year ended 31 December 2023 have been audited by KPMG AB, with Mattias Johansson 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 2022 and 2023 are incorporated in this Prospectus by reference and is available at the Issuer's website, [www.emilshus.com](http://www.emilshus.com). For particular financial figures, please refer to the pages set out below.

Reference	Pages
<b>The Group's consolidated annual report 2022</b>	
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Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in the Bonds or is covered elsewhere in the Prospectus.

# **TERMS AND CONDITIONS FOR THE BONDS**

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## **TERMS AND CONDITIONS**

# **EMILSHUS**

**Fastighetsbolaget Emilshus AB**

**Maximum SEK 800,000,000**

**Senior Unsecured Callable Floating Rate Green Bonds  
2024/2027**

ISIN: SE0022242483

First Issue Date: 26 June 2024

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

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

## **PRIVACY STATEMENT**

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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 has 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.emilshus.com](http://www.emilshus.com), [www.cscglobal.com](http://www.cscglobal.com) and [www.danskebank.se](http://www.danskebank.se)

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# TERMS AND CONDITIONS

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## 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.

“**Adjusted Profit From Property Management**” means the Group’s Profit From Property Management plus Total Financial Items.

“**Advance Purchase Agreement**” means:

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than one hundred twenty (120) calendar days after the date of supply; or
- (b) 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 prior to the First Issue Date between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an Agent.

“**Agent**” means the Bondholders’ agent under these Terms and Conditions from time to time; initially Intertrust (Sweden) AB, reg. no. 556625-5476, Sveavägen 9, 10th floor, SE-111 57 Stockholm, Sweden.

“**Base Rate**” means STIBOR or any reference rate replacing STIBOR in accordance with Clause 20 (*Replacement of Base Rate*”).

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

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

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

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

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

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

“**Call Option Amount**” means:

- (a) an amount equivalent to the sum of (i) one hundred point ninety-three (100.93) per cent. of the Nominal Amount and (ii) the remaining interest payments up until (but not including) the First Call Date, if the Bonds are redeemed on or after the First Issue Date up to (but not including) the First Call Date;
- (b) one hundred point ninety-three (100.93) per cent. of the Nominal Amount, if the Bonds are redeemed on or after the First Call Date up to (but not including) the date falling twenty-seven (27) months after the First Issue Date;
- (c) one hundred point sixty-two (100.62) per cent. of the Nominal Amount, if the Bonds are redeemed on or after the date falling twenty-seven (27) months after the First Issue Date up to (but not including) the date falling thirty (30) months after the First Issue Date;  
one hundred point thirty-one (100.31) per cent. of the Nominal Amount, if the Bonds are redeemed on or after the date falling thirty (30) months after the First Issue Date up to (but not including) the Final Redemption Date; and/or
- (e) notwithstanding paragraph 0 above, one hundred (100.00) per cent. of the Nominal Amount, if the call option is exercised on or after the date falling thirty (30) months after the First Issue Date up to (but not including) the Final Redemption Date, provided that the relevant redemption is financed in part or in full by way of issue(s) of Market Loan(s).

“**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.

“**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.

“**Debt Register**” means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in which a Bondholder is registered.

“**De-listing**” means a situation where:

- (a) all of the Issuer’s shares cease to be listed and admitted to trading on a Regulated Market on which they are admitted to trading (save for the event of such shares being admitted to trading on another Regulated Market) or trading of all of the Issuer’s shares on the aforementioned stock exchange is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) a situation where, once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

“**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.

“**Existing Bonds**” means the Issuer’s (i) maximum SEK 1,000,000,000 senior unsecured floating rate green bonds 2022/2025 with ISIN SE0017769060 and (ii) maximum SEK 1,000,000,000 senior unsecured floating rate green bonds 2022/2025 with ISIN SE0018535932.

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

“**Final Redemption Date**” means 26 June 2027.

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

“**Finance Lease**” means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability.

“**Financial Covenants**” has the meaning set forth in Clause 13 (*Financial Covenants*).

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

- (a) monies borrowed or raised (including under any bank financing, Market Loan or Shareholder Loan);
- (b) the amount of any liability in respect of any Finance Leases;
- (c) receivables sold or discounted (not including receivables sold 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, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above,

provided that any Hybrid Instrument shall for as long as (and to the extent that) they are treated as equity according to the Accounting Principles not constitute Financial Indebtedness.

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

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

“**First Call Date**” means the date falling twenty-four (24) months after the First Issue Date.

“**First Issue Date**” means 26 June 2024.

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

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

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

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

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

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

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

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

“**Interest Coverage Ratio**” means the ratio of Adjusted Profit From Property Management to Total Financial Items.

“**Interest Payment Date**” means 26 March, 26 June, 26 September and 26 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 26 September 2024 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 the Base Rate plus three point ten (3.10) per cent. *per annum* as adjusted by any application of Clause 20 (*Replacement of Base Rate*).

“**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 Fastighetsbolaget Emilshus AB, a public limited liability company incorporated in Sweden with reg. no. 559164-8752.

“**Issuing Agent**” means Danske Bank A/S, Danmark, Sverige filial, reg. no. 516401-9811, or another party replacing it as Issuing Agent, in accordance with these Terms and Conditions.

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

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

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

“**Main Shareholders**” means each of AB Sagax, reg. no. 556520-0028 and Aptare Holding AB, reg. no. 556669-3205, by way of direct or indirect ownership of shares, and their respective Affiliates.

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

“**Material Group Company**” means:

- (a) the Issuer; and
- (b) any other Group Company with assets representing more than five (5.00) 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).

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

“**Net Interest Bearing Debt**” means the consolidated interest bearing Financial Indebtedness of the Group less Cash and Cash Equivalents in accordance with the Accounting Principles (for the avoidance of doubt, excluding any Bonds owned by the Issuer, guarantees, bank guarantees, Hybrid Instruments, Subordinated Loans, claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing Financial Indebtedness borrowed from any Group Company and including, in the case of Finance Leases only, their capitalised value).

“**Net Loan to Value**” means the ratio of Net Interest Bearing Debt to Value.

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue after deduction has been made for the transaction costs payable by the Issuer to the Issuing Agent and the bookrunner(s) in respect of the Initial Bonds (or any other bookrunners, arrangers or issuing agent in respect of any Subsequent Bonds) (if they have requested that their respective fees and costs shall be deducted) for the services provided in relation to the placement and issuance of the Bonds.

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

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

“**Preference Shares**” means the Issuer’s preference shares with ISIN SE0016785794 or any other preference shares issued by the Issuer.

“**Profit From Property Management**” means the Group’s consolidated management profit (Sw. *förvaltningsresultat*) according to the latest consolidated Financial Statements.

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

“**Quotation Day**” means:

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

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

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 15.12 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

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

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

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

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

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

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

“**Shareholder Loan**” means any Financial Indebtedness provided to the Issuer or another Group Company by a direct or indirect shareholder of the Issuer or any Affiliate to such shareholder (i) with a term not exceeding twelve (12) months and (ii) that is subordinated to the obligations of the Issuer under the Finance Documents in the event of insolvency, bankruptcy, liquidation or company reorganisation of the Issuer.

“**STIBOR**” means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page)) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period; and

if any such rate is below zero, STIBOR will be deemed to be zero.

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

- (a) 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 Finance Documents;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date.

“**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 (50.00) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50.00) 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.

“**Test Date**” has the meaning set forth in Clause 13.1.3.

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

“**Total Financial Items**” means the Group’s consolidated total financial items (*Sw. finansnetto*) according to the latest consolidated Financial Statements, excluding any Transaction Costs and any interest capitalised on Subordinated Loans and/or on Hybrid Instruments.

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

“**Value**” means the aggregate appraised market value of the Properties according to the most recent Valuation as reflected in its Financial Statements in accordance with paragraph (b) of Clause 14.9 (*Property valuation*).

“**Valuation**” means a full external valuation of the Properties prepared and issued by an independent and reputable appraiser appointed by the Issuer in accordance with the valuation methods generally applied by property evaluators in the relevant market specifying the value of such Properties.

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

## 1.2 **Construction**

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

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

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

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

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

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

1.2.6 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of these 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).

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

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

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

3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.

3.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.

- 3.3 The aggregate amount of the bond loan will be an amount of up to SEK 800,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 400,000,000 (the “**Initial Bond Issue**”).
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SESE0022242483.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 800,000,000, always provided that no Event of Default is continuing or would result from such issue and that the Financial Covenants (calculated *pro forma* including the Subsequent Bond Issue) are 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 price of any Subsequent Bonds may be set at the Nominal Amount, at a discount to or at a higher price than the Nominal Amount.

#### **4. USE OF PROCEEDS**

An amount equivalent to the Net Proceeds of the Initial Bond Issue shall be applied in accordance with the principles set out in the Issuer’s Green Bond Framework (as it is worded on the First Issue Date of the Initial Bonds), including but not limited to repurchasing and/or redeeming all or some of the Existing Bonds. An amount equivalent to the Net Proceeds of any Subsequent Bond Issue shall be applied in accordance with the principles set out in the Issuer’s Green Bond Framework (as it is worded on the relevant Issue Date of such Subsequent Bonds) including but not limited to repurchasing and/or redeeming any Existing Bonds.

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

##### **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. three (3) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), all of the documents and other evidence listed in Part 1 (*Conditions precedent for the settlement of the Initial Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).
- 5.1.2 The Agent shall promptly, 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 to by the Issuing Agent), confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)).
- 5.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 5.1.2, the Issuing Agent shall settle the issuance of the Initial Bonds and transfer the Net Proceeds of

the Initial Bond Issue to the Issuer on the First Issue Date.

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

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

5.2.2 The Agent shall promptly, 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 Issuing Agent), confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.2.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)).

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

## **5.3 No responsibility for documentation**

The Agent may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation or evidence. The conditions precedent are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.

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

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

6.2 The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulation to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.

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

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

7.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.

7.2 Those who according to assignment, security, the provisions of the Swedish Children and

Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register.
- 7.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 7.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 7.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

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

- 8.1 If any Person other than a Bondholder (including the owner of a Bond, if such person is not the Bondholder) wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.
- 8.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 8.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.
- 8.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

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

- 9.1 Any payment or repayment under the Finance Documents (other than the Agency Agreement) shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 9.2 Provided that a Bondholder has registered an income account (*Sw. avkastningskonto*) for the relevant Securities Account on the applicable Record Date, the CSD shall procure that principal, interest and other payments under the Bonds are deposited to such income account on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effectuated by the CSD to such Bondholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Bondholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer 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 was aware of that the payment was being made to a Person not entitled to receive such amount.
- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

## **10. INTEREST**

- 10.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 10.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

- 10.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is two hundred (200.00) basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

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

### **11.1 Redemption at maturity**

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

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

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

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

- 11.3.1 Provided that the Existing Bonds have been redeemed in full, the Issuer may redeem all, but not some only, of the Bonds in full on any Business Day falling on or after the First Call Date but before the Final Redemption Date at the applicable Call Option Amount together with accrued but unpaid Interest.
- 11.3.2 For the purpose of calculating the remaining interest payments pursuant to paragraph (a) of the Call Option Amount, it shall be assumed that the Interest Rate for the period from the relevant Redemption Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is sent to the Bondholders in accordance with Clause 11.3.3.
- 11.3.3 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

- 11.4.1 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 one hundred one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 12.4. The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.
- 11.4.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 12.4 shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 12.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.4.1.
- 11.4.3 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 11.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.
- 11.4.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.4, 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 11.4 (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 11.4, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 11.4.5 No repurchase of Bonds pursuant to this Clause 11.4 shall be required if the Issuer has given notice of a redemption pursuant to Clause 11.3 (*Early voluntary total redemption (call option)*) provided that such redemption is duly exercised.
- 11.4.6 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be retained or resold, but not cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Statements**

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.

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

- 12.2.1 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, as applicable) (as amended from time to time) and the Swedish Securities Market Act (Sw. *lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).
- 12.2.2 Each of the Financial Statements shall include a profit and loss account and a balance sheet. In addition, each of the consolidated Financial Statements shall include a cash flow statement and a management commentary or report from the Issuer's board of directors.
- 12.2.3 The Issuer shall make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Green Bond Framework to the Agent and on its website in connection with the publication of the annual audited consolidated financial statements of the Group.
- 12.2.4 The Issuer shall procure that the aggregate Nominal Amount held by Group Companies, including any amount of Bonds cancelled by the Issuer, is clearly stated in each Financial Statements published by the Issuer pursuant to Clause 12.1(b).

### **12.3 Compliance Certificate**

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

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

- (b) in connection with the incurrence of Financial Indebtedness, the making of a Restricted Payment or the payment of principal under any Shareholder Loan, which requires that the Financial Covenants are met; and
- (c) at the Agent's request, within twenty (20) calendar days from such request.

12.3.2 In each Compliance Certificate, the Issuer shall:

- (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it; and
- (b) if provided in relation to paragraph (a) or (b) of Clause 12.3.1, certify that the Financial Covenants are met as per the Test Date to which the Compliance Certificate refers to and include calculations and figures in respect of the Equity Ratio, Net Loan to Value and Interest Coverage Ratio, calculated in accordance with Clause 13 (*Financial Covenants*).

12.4 **Information: miscellaneous**

The Issuer shall:

- (a) promptly notify:
  - (i) the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing or a Listing Failure; and
  - (ii) the Agent upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default,and shall provide the Agent with such further information as it may reasonably request in writing following receipt of any such notice;
- (b) keep the latest version of these Terms and Conditions (including documents amending the Terms and Conditions), the Green Bond Framework(s) applicable to the Initial Bonds and any Subsequent Bonds and the second opinion relating to such Green Bond Framework(s) available on its website; and
- (c) upon request by the Agent, provide the Agent with any information relating to a transaction made pursuant to Clause 14.6 (*Disposal of assets*) or Clause 15.7 (*Mergers and demergers*) which the Agent deems necessary (acting reasonably).

12.5 **Restrictions**

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 12 (*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). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 12 (*Information undertakings*).

### 13. FINANCIAL COVENANTS

13.1 The Financial Covenants are met if:

- (a) the Interest Coverage Ratio is at least 1.75:1.00;
- (b) the Net Loan to Value does not exceed seventy (70.00) per cent.;
- (c) the Equity Ratio exceeds twenty-five (25.00) per cent.; and
- (d) no Event of Default is continuing or would occur upon the incurrence or payment (as applicable).

13.1.1 The Financial Covenants shall be tested:

- (a) quarterly on each Reference Date from and including 30 June 2024, for as long as any Bond is outstanding, on the basis of the consolidated Financial Statements for the Relevant Period ending on the relevant Reference Date; and
- (b) in connection with the incurrence of Financial Indebtedness, the making of a Restricted Payment or the payment of principal under any Shareholder Loan, which requires that the Financial Covenants are met, until and including the Final Redemption Date.

13.1.2 The Financial Covenants shall be reported in a Compliance Certificate delivered pursuant to Clause 12.3.1.

13.1.3 The Financial Covenants shall be tested on each relevant Reference Date and on each date on which any incurrence or payment set out in to paragraph (b) of Clause 13.1.1 is made (as applicable) (the “**Test Date**”).

13.1.4 For the purpose of calculating the Financial Covenants in relation to paragraph (b) of Clause 13.1.1, the transaction which requires that the Financial Covenants are met made shall be included in the calculations on a *pro forma* basis.

13.1.5 For the purpose of calculating the Financial Covenants (in each case, as applicable):

- (a) the figures for Equity Ratio as of the last day of the period covered by the most recent Financial Statements shall be used, but, in relation to paragraph (b) of Clause 13.1.1, be adjusted so that:
  - (i) entities, assets or operations acquired, disposed of or discontinued by the Group after the Relevant Period and up until and including the Test Date shall be included or excluded (as applicable) on a *pro forma* basis;
  - (ii) any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included on a *pro forma* basis; and
  - (iii) any equity raised or distributions made after the Relevant Period and up until and including the Test Date shall be included on a *pro forma* basis;
- (b) the calculation of the Interest Coverage Ratio shall be made for the Relevant Period ending on the last day of the period covered by the most recent Financial Statements and the figures for Adjusted Profit From Property Management and Total Financial Items for the Relevant Period ending on the last day of the period covered by the most recent

Financial Statements (including any new Financial Indebtedness, for the avoidance of doubt, always including the Financial Indebtedness incurred under the Initial Bond Issue and any previous Subsequent Bond Issues and excluding any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness, in each case on a *pro forma* basis) shall be used, but adjusted so that:

- (i) entities, assets or operations acquired, disposed of or discontinued by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant Test Date (as applicable), shall be included or excluded (as applicable), *pro forma*, for the entire Relevant Period; and
  - (ii) any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Relevant Period.
- (c) the Net Interest Bearing Debt shall be measured on the relevant Test Date, but, in relation to paragraph (b) of Clause 13.1.1, include new Financial Indebtedness (and any Financial Indebtedness owed by any entity acquired with such Financial Indebtedness) and exclude any Financial Indebtedness to the extent refinanced with new Financial Indebtedness incurred, in each case provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of new Financial Indebtedness shall not reduce Net Interest Bearing Debt); and
- (d) the Value as of the last day of the period covered by the most recent Financial Statements shall be used, but, in relation to paragraph (b) of Clause 13.1.1, be adjusted so that:
- (i) Properties acquired, disposed of or discontinued by the Group after the Relevant Period and up until and including the Test Date shall be included or excluded (as applicable) on a *pro forma* basis; and
  - (ii) Properties to be acquired with proceeds from new Financial Indebtedness shall be included on a *pro forma* basis.

## **14. SPECIAL UNDERTAKINGS**

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

### **14.1 Distributions**

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

- (a) 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 Subordinated Loan or Hybrid Instrument; or
- (e) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the direct or indirect shareholders or any Affiliates of the Issuer,

(the transactions set out in paragraphs (a) to (e) above are together and individually referred to as a “**Restricted Payment**”), provided however that any such Restricted Payment 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:

- (A) 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;
- (B) the Issuer if such Restricted Payment constitutes payment of interest under Hybrid Instruments or Preference Shares, provided that the Financial Covenants (calculated *pro forma* including the relevant Restricted Payment) are met;
- (C) any Group Company (including the Issuer) to the shareholders of the Issuer and provided that (i) the Financial Covenants (calculated *pro forma* including the relevant Restricted Payment) are met and (ii) 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 and any Restricted Payment made in accordance with paragraph (B) above, but excluding any Restricted Payment made in accordance with paragraph (A) above), does not exceed fifty (50.00) per cent. of the Profit From Property Management ; or
- (D) the Issuer if such Restricted Payment constitutes payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by an issuance of new Hybrid Instruments, an incurrence of Subordinated Loan or an equity injection in cash by way of a share issue in the Issuer or an unconditional shareholder contribution to the Issuer.

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

Without prejudice to Clause 11.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*), the Issuer shall ensure that:

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

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

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

#### 14.4 **Market Loans**

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

- (a) issue any Market Loans, provided however that the Issuer has a right to issue Market Loans which is (i) unsecured and ranks *pari passu* with or is subordinated to the obligations of the Issuer under the Finance Documents, (ii) meets the Financial Covenants on a *pro forma* basis and (iii) has a final maturity date or a final redemption date and, when applicable, early redemption dates or instalment dates, which occur after the Final Redemption Date; or
- (b) provide, prolong or renew any Security over any of its assets (present or future) to secure any Market Loan.

#### 14.5 **Shareholder Loans**

The Issuer shall not, and shall procure that no other Group Company will (i) incur any Financial Indebtedness provided by a direct or indirect shareholder of the Issuer or any Affiliate to such shareholder, unless such Financial Indebtedness constitutes:

- (a) a Shareholder Loan, provided that the Financial Covenants (calculated *pro forma* including such payment) are met; or
- (b) a Subordinated Loan,

and/or (ii) make payments of principal or interest under any Shareholder Loan, unless the Financial Covenants (calculated *pro forma* including such payment) are met.

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

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

#### 14.7 **Mergers and demergers**

The Issuer shall procure that no other Group Company is subject to any merger or demerger (unless such merger or demerger would constitute a permitted disposal under Clause 14.6 (*Disposals of assets*) with any other Person, if such merger or demerger has or is reasonably likely to have a Material Adverse Effect.

#### 14.8 **Maintenance of Properties**

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

#### 14.9 **Property valuation**

- (a) The Issuer shall procure that a Valuation regarding the Value of Properties representing at least 95 per cent. of the Value (prior to such Valuation) is prepared each financial year and that:
  - (i) the results of such Valuation is reflected in the next Compliance Certificate submitted to the Agent; and
  - (ii) if requested by the Agent, such Valuation is delivered in full to the Agent.
- (b) The Issuer shall further procure that the results of each Valuation, or (if available) any subsequent comparable Valuation replacing such Valuation, are reflected in good faith and in accordance with the Group's valuation policy in the following Financial Statements.

#### 14.10 **Insurance**

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

#### 14.11 **Financial Covenants**

The Issuer shall procure that the Financial Covenants are met as long as any Bond is outstanding.

#### 14.12 **Dealings with related parties**

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

#### 14.13 **Compliance with laws and regulations**

The Issuer shall, and shall procure that each other Group Company will, comply 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), where failure to do so has or is reasonably likely to have a Material Adverse Effect.

#### 14.14 **Authorisations**

The Issuer shall, and shall procure that each other Group Company will, obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, where failure to do so has or is reasonably likely to have a Material Adverse Effect.

#### 14.15 **Agency Agreement**

- (a) The Issuer shall, in accordance with the Agency Agreement:
  - (i) pay fees to the Agent;

- (ii) indemnify the Agent for costs, losses and liabilities;
  - (iii) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
  - (iv) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.
- (b) The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

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

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

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

Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.11 (*Termination*) and Clause 15.12 (*Distribution of proceeds*)).

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

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

#### 15.2 **Financial Covenants**

The Issuer fails to comply with the Financial Covenants on any Reference Date.

#### 15.3 **Other obligations**

- (a) The Issuer does not comply with any provision of the Finance Documents (other than any breach of the Green Bond Framework or the use of Net Proceeds from a Bond Issue in breach of the Green Bond Framework as set out under Clause 4 (*Use of Proceeds*), or a breach of Clause 15.1 (*Non-payment*) or Clause 15.2 (*Financial Covenants*)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied and is remedied within fifteen (15) Business Days of the earlier of:
  - (i) the Agent giving notice to the Issuer; and
  - (ii) the Issuer becoming aware of the failure to comply,provided that if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written notice.

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

- (a) Any Financial Indebtedness of a Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described).
- (b) Any security interest securing Financial Indebtedness over any asset of any Material Group Company is enforced.
- (c) No Event of Default will occur under this Clause 15.4 if:
  - (i) the Financial Indebtedness is owed by a Group Company to another Group Company; or
  - (ii) the aggregate amount of Financial Indebtedness falling within paragraphs (a) to (b) above is equal to or less than SEK 25,000,000 (or its equivalent in any other currency or currencies).

#### 15.5 **Insolvency**

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

#### 15.6 **Insolvency proceedings**

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

- (ii) in relation to the members of the Group other than the Issuer, solvent liquidations.

#### 15.7 **Mergers and demergers**

The Issuer is subject to a merger with any other person, with the effect that the Issuer is not the surviving entity or which otherwise has or is reasonably likely to have a Material Adverse Effect, or a demerger.

#### 15.8 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding SEK 25,000,000 (or its equivalence in other currencies) and is not discharged within thirty (30) calendar days.

#### 15.9 **Impossibility or illegality**

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

#### 15.10 **Cessation of business**

- (a) The Issuer ceases to carry on its business; or
- (b) any Material Group Company (save for the Issuer) ceases to carry on its business, except if due to:
  - (i) a permitted disposal permitted under Clause 14.6 (*Disposals of assets*); or
  - (ii) a merger or demerger permitted under Clause 15.7 (*Mergers and demergers*), in each case provided that such cessation is likely to have a Material Adverse Effect.

#### 15.11 **Termination**

- 15.11.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.11.3 or 15.11.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 15.11.2 The Agent may not terminate the Bonds in accordance with Clause 15.11.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 15.11.1.

- 15.11.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 15.1 (*Non-payment*)) up until the time stipulated in Clause 15.11.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 15.11.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 16 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 15.11.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 16 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.11.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.11.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 15.11.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 16 (*Decisions by Bondholders*).
- 15.11.9 If the Bonds are declared due and payable in accordance with Clause 15.11.1, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable Call Option Amount for the relevant period and shall for the period until the First Call Date be the price set out in paragraph (b) of the Call Option Amount, in each case plus accrued but unpaid Interest.

## 15.12 Distribution of proceeds

15.12.1 If the Bonds have been declared due and payable in accordance with this Clause 15, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *firstly*, in or towards payment *pro rata* of:
  - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
  - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights as may have been incurred by the Agent;
  - (iii) any non-reimbursed costs incurred by the Agent for external experts; and
  - (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a bondholders' meeting or a written procedure;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions, including any default interest.

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

15.12.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.12.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.12.1.

15.12.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15.12 as soon as reasonably practicable.

15.12.4 If the Issuer or the Agent shall make any payment under this Clause 15.12, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

## **16. DECISIONS BY BONDHOLDERS**

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

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 16.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 16.3.1. After a request from the Bondholders pursuant to Clause 18.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

## 16.2 **Bondholders' Meeting**

16.2.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.

16.2.2 The notice pursuant to Clause 16.2.1 shall include:

- (a) the time for the meeting;
- (b) the place for the meeting;
- (c) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) a form of power of attorney;
- (e) the agenda for the meeting;
- (f) any applicable conditions precedent and conditions subsequent;
- (g) the reasons for, and contents of, each proposal;
- (h) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (i) if a notification by the Bondholders be required in order to attend the Bondholders' Meeting, information regarding such requirement; and
- (j) information on where additional information (if any) will be published.

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

16.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days from the notice.

16.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.

16.2.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in Person.

### 16.3 **Written Procedure**

16.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.

16.3.2 A communication pursuant to Clause 16.3.1 shall include:

- (a) 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;
- (b) 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;
- (c) 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 thirty (30) Business Days from the communication pursuant to Clause 16.3.1);
- (d) any applicable conditions precedent and conditions subsequent;
- (e) the reasons for, and contents of, each proposal;
- (f) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (g) if the voting shall be made electronically, instructions for such voting; and
- (h) information on where additional information (if any) will be published.

16.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

16.3.4 The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

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

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

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

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

- 16.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds ( $66\frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2:
- (a) waive a breach of or amend an undertaking set out in Clause 14 (*Special undertakings*);
  - (b) amend the terms of Clause 2 (*Status of the Bonds*);
  - (c) a mandatory exchange of the Bonds for other securities;
  - (d) reduce the principal amount, premiums in connection with redemption or repurchase of any Bonds, Interest Rate or Interest which shall be paid by the Issuer;
  - (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking (other than as a result of an application of Clause 20 (*Base Rate Replacement*));
  - (f) a change of issuer; or
  - (g) amend the provisions in this Clause 16.4.2 or in Clause 16.4.3.
- 16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 17.1) or a termination of the Bonds.
- 16.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 16.4.3.
- 16.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.4.2, and otherwise twenty (20.00) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 16.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16.4.5

shall not apply to such second Bondholders' Meeting or Written Procedure.

- 16.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.4.8 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 16.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a Bondholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that vote in respect of the proposal at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable (such time period to be not less than ten (10) Business Days).
- 16.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 16.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 16.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **17. AMENDMENTS AND WAIVERS**

- 17.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders;
  - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
  - (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;

- (d) is necessary for the purpose of having the Bonds admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders; or
  - (e) has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.
- 17.2 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 17.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 17.3 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Bondholders' Meeting, in the Written Procedure or by the Agent, as the case may be.

## **18. THE AGENT**

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

- 18.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer and in relation to any mandatory exchange of the Bonds for other securities (including, for the avoidance of doubt, a right for the Agent to subscribe for any such new securities on behalf of the relevant Bondholder). By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 18.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 18.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 18.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

18.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## 18.2 Duties of the Agent

18.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents. The Agent is not responsible for the contents, legal validity or enforceability of the Finance Documents. The Agent does not review the documents and other evidence delivered to it pursuant to Clause 5.1 or 5.2 from a legal or commercial perspective of the Bondholders.

18.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.

18.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.

18.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

18.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.

18.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:

- (a) after the occurrence of an Event of Default;
- (b) for the purpose of investigating or considering:
  - (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or
  - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
- (c) in connection with any Bondholders' Meeting or Written Procedure;
- (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15.12 (*Distribution of proceeds*).

18.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.

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

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

- 18.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 12.3.2 and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.9.
- 18.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.9. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 18.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 18.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 18.2.13 The Agent shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or if it refrains from acting for any reason described in Clause 18.2.12.
- 18.2.14 Upon the reasonable request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable

fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.

- 18.2.15 Subject to any restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default, which event shall be governed by Clause 15.11.3).

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

- 18.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 18.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 18.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 18.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 18.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

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

- 18.4.1 Subject to Clause 18.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 18.4.2 Subject to Clause 18.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 18.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 18.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
  - (b) the Agent was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 18.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 18.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
  - (b) the period pursuant to paragraph (b) of Clause 18.4.4 having lapsed.
- 18.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **19. THE ISSUING AGENT**

- 19.1 The Issuer shall when necessary appoint an Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.

- 19.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 19.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

## **20. REPLACEMENT OF BASE RATE**

### **20.1 General**

- 20.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 20 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.
- 20.1.2 If a Base Rate Event has occurred, this Clause 20 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

### **20.2 Definitions**

In this Clause 20:

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

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

“**Base Rate Amendments**” has the meaning set forth in Clause 20.3.4.

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

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;

- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholders using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*) containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

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

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

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

“**Successor Base Rate**” means:

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

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

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

- 20.3.1 Without prejudice to Clause 20.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding

the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 20.3.2.

- 20.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating, and finally deciding the applicable Base Rate.
- 20.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 20.3.2, the Bondholders shall, if so decided at a Bondholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in Clause 20.3.2. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clause 20.3 to 20.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.
- 20.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").
- 20.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

#### 20.4 **Interim measures**

- 20.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:
- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
  - (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.
- 20.4.2 For the avoidance of doubt, Clause 20.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 20. This will however not limit the application of Clause 20.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 20 have been taken, but without success.

## 20.5 **Notices etc.**

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 24 (*Notices and press releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Bonds are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

## 20.6 **Variation upon replacement of Base Rate**

20.6.1 No later than giving the Agent notice pursuant to Clause 20.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 20.3.3) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 20. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

20.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 20.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 20.

20.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 20. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

## 20.7 **Limitation of liability for the Independent Adviser**

20.7.1 Any Independent Adviser appointed pursuant to Clause 20.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser 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 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 is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm (or any

other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) 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 Clause 18.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 18.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.13 before a Bondholder may take any action referred to in Clause 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 11.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## **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 Any notice which shall be provided to the Bondholders in physical form pursuant to these Terms and Conditions may, at the discretion of the Agent, be limited to:

- (a) a cover letter, which shall include:
  - (i) all information needed in order for Bondholders to exercise their rights under the Finance Documents;
  - (ii) details of where Bondholders can retrieve additional information;
  - (iii) contact details to the Agent; and
  - (iv) an instruction to contact the Agent should any Bondholder wish to receive the additional information by regular mail; and
- (b) copies of any document needed in order for Bondholder to exercise their rights under the Finance Documents.

24.1.4 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 11.3.3, paragraph (a)(i) of Clause 12.4 or Clauses 15.11.3, 15.12.4, 16.2.1, 16.3.1, 16.4.13, 17.2, 18.2.13, 18.4.1 or 20.5 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. **GOVERNING LAW AND JURISDICTION**

26.1 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.

26.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 26.3, be determined by Swedish courts and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

26.3 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

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### Part 1

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

##### 1. The Issuer

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer.
- (b) A copy of a resolution of the board of directors of the Issuer:
  - (i) approving the terms of, and the transactions contemplated by, the documents set out in Section 2(a) to (b) below and resolving that it execute, deliver and perform such documents;
  - (ii) authorising a specified person or persons to execute the documents set out in Section 2(a) to (b) below 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 documents set out in Section 2(a) to (b) below.

##### 2. Documents

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

## **Part 2**

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

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

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

#### **2. Miscellaneous**

- (a) 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

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### COMPLIANCE CERTIFICATE

To: Intertrust (Sweden) AB as Agent

From: Fastighetsbolaget Emilshus AB as Issuer

Date: [date]

Dear Sir or Madam,

**Fastighetsbolaget Emilshus AB**  
**Maximum SEK 800,000,000 senior unsecured callable floating rate green bonds**  
**2024/2027 with ISIN: SE0022242483**  
**(the "Bonds")**

- (1) We refer to the terms and conditions for the Bonds (the "**Terms and Conditions**"). This is a Compliance Certificate delivered pursuant to paragraph [(a)/(b)/(c)] of Clause 12.3.1 in respect of [*describe the relevant event which requires the Financial Covenants to be met*]. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
- (2) We confirm that the Financial Covenants are met and that in respect of the Test Date/Reference Date [date]:
- (a) Total Equity was SEK [●] and Total Assets was SEK [●] and therefore the Equity Ratio was [●] per cent. (and should have been higher than 25.00 per cent.);
  - (b) Adjusted Profit From Property Management was SEK [●] and Total Financial Items was [●] and therefore the Interest Coverage Ratio was [●] (and should have been is at least 1.75:1.00); and
  - (c) Net Interest Bearing Debt was SEK [●] and Value was SEK [●] and therefore the Net Loan to Value was [●] per cent. (and should not have been higher than 70.00 per cent.), in each applicable case calculated in accordance with Clause 13 (*Financial Covenants*).
- Computations as to compliance with the Financial Covenants are attached hereto.
- (3) [We confirm that, as far as we are aware, no Event of Default is continuing.]<sup>3</sup>

### Fastighetsbolaget Emilshus AB

\_\_\_\_\_  
Name:  
*Authorised signatory*

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

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

Stockholm, 12 June 2024

*The Issuer*

**Fastighetsbolaget Emilshus AB**

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Name:

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

Stockholm, 12 June 2024

*The Agent*

**Intertrust (Sweden) AB**

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Name:

# ADDRESSES

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## Issuer

**Fastighetsbolaget Emilshus AB (publ)**  
P.O. Box 177, SE-574 22 Vetlanda, Sweden  
Web page: [www.emilshus.com](http://www.emilshus.com)

## Issuing agent and Joint Bookrunner

**Danske Bank A/S, Danmark, Sverige filial**  
P.O. Box 7523, SE-103 92  
Stockholm, Sweden  
Web page: [www.danskebank.se](http://www.danskebank.se)

## Joint Bookrunner

**Skandinaviska Enskilda Banken AB (publ)**  
Kungsträdgårdsgatan 8, SE-111 47 40 Stockholm,  
Sweden Web page: [www.seb.se](http://www.seb.se)

## Auditor

**KPMG AB**  
P.O. Box 382, SE-101 27 Stockholm, Sweden  
Web page: [www.kpmg.com](http://www.kpmg.com)

## Legal advisor

**Advokatfirman Cederquist KB**  
P.O. Box 1670, SE-111 96 Stockholm, Sweden  
Web page: [www.cederquist.se](http://www.cederquist.se)

## Agent

**Intertrust (Sweden) AB**  
P.O. Box 16285, SE-103 25, Sweden  
Web page: [www.cscglobal.com](http://www.cscglobal.com)

## Central securities depository

**Euroclear Sweden AB**  
P.O. Box 191, SE-101 23 Stockholm, Sweden  
Web page: [www.euroclear.com](http://www.euroclear.com)