CAPNOR WEASEL BIDCO OYJ
PROSPECTUS REGARDING LISTING OF
EUR 55,000,000
SENIOR SECURED FLOATING RATE NOTES

Issuing agent*:* Nordea Bank Abp, filial i Sverige

The date of this Prospectus is 4 September 2020

The validity of this Prospectus will expire twelve (12) months from the date hereof. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.

IMPORTANT INFORMATION

This prospectus (the "**Prospectus**") has been prepared by Capnor Weasel Bidco Oyj (the "**Issuer**"), registration number 3089585-3, in relation to the application for listing of notes issued under the Issuer's maximum EUR 100,000,000 senior secured callable floating rate notes 2020/2025 with ISIN: SE0013513488 (the "**Notes**"), which was issued on 12 December 2019 (the "**Issue Date**") in accordance with the terms and conditions for the Notes (the "**Terms and Conditions**") (the "**Note Issue**"), on the Corporate Bond List at NASDAQ Stockholm AB ("**Nasdaq Stockholm**"). In this Prospectus, references to the "**Group**" mean the Issuer and its subsidiaries, from time to time. References to "**EUR**" refer to Euro.

This Prospectus has been prepared in accordance with the standards and requirements under 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**") and the rules and regulations connected thereto, as applicable.

Unless otherwise stated or required by context, terms defined in the terms and conditions of the Notes beginning on page 45 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

This Prospectus does not constitute an offer for sale or a solicitation of an offer to purchase the Notes in any jurisdiction. It has been prepared solely for the purpose of listing the Notes on Nasdaq Stockholm. This Prospectus may not be distributed in any country where such distribution requires an 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 Notes are therefore required to inform themselves about, and to observe, such restrictions. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and may be subject to U.S. tax law requirements. The Issuer has not undertaken to register the Notes under the Securities Act or any U.S. state securities laws. Furthermore, the Issuer has not registered the Notes under any other country's securities laws. It is the investor's obligation to ensure that the offers and sales of Notes comply with all applicable securities laws. The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable from time to time under local laws to which a Noteholder may be subject (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Noteholder must ensure compliance with local laws and regulations applicable at its own cost and expense.

This Prospectus will be available at the Swedish Financial Supervisory Authority's web page (www.fi.se) and the Issuer's web page (www.iloq.com), and paper copies may be obtained from the Issuer.

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 Issuer. 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 Issuer and its subsidiaries 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.

This Prospectus shall be read together with all documents that are incorporated by reference, see subsection "*Documents incorporated by reference*" under section "*Additional information*" below, and possible supplements to this Prospectus.

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

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RISK FACTORS

*Investments in the notes (the "**Notes**") involve inherent risks. These risks include, but are not limited to, risks attributable to Capnor Weasel Bidco Oyj (the "**Issuer**" and together with its subsidiaries, the "**Group**") and the Group's operations, regulatory and financial risks and risks relating to the Notes.*

The description below is based on information available as of the date of this Prospectus. In this section the Issuer's material risk factors are illustrated and discussed. In each category of the below section, the most material risk, in the assessment of the Issuer based on the probability of their occurrence and the expected magnitude of their negative impact, are presented first. The subsequent risk factors are not ranked in order of materiality or probability of occurrence and thus presented in no particular order.

Before making a decision to invest in the Notes, any potential investor should carefully consider the risk factors outlined below, as well as evaluate external factors, and make an independent evaluation.

Risks Relating to the Group's business operations

Potential deficiencies in the security of the Group's products and successful attempts to manipulate or breach the products could have a material adverse effect on the Group's reputation and the demand for its products

The Group continually develops and tests the security of its products. The security of the Group's products is not based on the physical shape of the key, but on strong, alternating encryption similar to that used in access management identifiers. Due to the nature of the Group's products, there is a risk that they could be manipulated without this being noticed or that products could be breached in some other manner. Furthermore, it is common in the Group's industry that professional operators seek to find security deficiencies in products and use those deficiencies for their own business purposes. Any security deficiencies that may be found in the Group's products or attempts to manipulate or breach the Group's products could significantly damage the Group's reputation which in turn could negatively affect the sales of such certain product. Though the Group is under no obligation to repair or replace locking or access management systems in the event of attempted manipulation or breaches, the Group may wish to replace such locking systems in order to preserve its reputation, which could cause the Group to incur significant costs due to the large number of locks.

The access rights to the Group's products are managed through the cloud-based iLOQ Manager software, and the cloud service could be targeted by data breaches. Even though the Group would not necessarily be responsible for remedying the breach in such a case, the Group may decide to remedy the breach voluntarily at its own expense, which could have an adverse effect on the result of the Group's business operations. Manipulation and breach attempts targeting competing products could also have an adverse effect on the reputation of the Group's products and digital locking systems in general. The impact of the aforementioned risks on the reputation may significantly affect the market's willingness to rely on the Group's products and reduce its sales and competitive position and thereby its profitability, and the cost of mitigating this damage could have a significant effect on the Group's results, and accordingly either could have a significant impact on the Group's revenues.

The Group's business operations depend on key persons and skilled personnel, and the loss of such key persons or a failure to recruit skilled personnel could have an adverse effect on the Group's business operations

There is a strong demand for competent personnel in the Group's industry, and the Group's success and the future opportunities for organic growth depend largely on the Group's ability to recruit, motivate and retain highly skilled staff at every level of its organisation. As of 31 May 2020, the Group employs approximately 165 employees and although the organic turn around is less than 5 per cent. there is a risk that the Group will not be

able to retain skilled personnel or to recruit new competent persons, for example, to manage sales companies in new markets, such as Central Europe due to lack of brand recognition. If the Group loses several key persons or fails in recruiting and training competent and skilled employees, this could prevent the Group from developing and expanding its operations successfully. The risks mentioned above could have a significant effect on the competitive position and profitability of the Group, and thus a material adverse effect on the Group's business operations.

New operators and digital locking systems, intensifying competition and competing solutions could have an adverse effect on the result of the Group's business and its growth potential

The Group offers self-powered and digital locking and access management systems to replace mechanical locking systems. As of the date of this Prospectus, the Group competes directly against operators within the same product field, such as Salto, as well as pan market competitors such as Assa Abloy and Dorma Kaba offering both traditional mechanical locking systems and digital locking systems. The locking markets are undergoing disruption, which means that the Group's competitive environment and locking systems could change significantly in the future. It is possible that the Group's competitors will be able to adapt their products more quickly than the Group to new applications or new markets or may be able to utilise the opportunities provided by digitalisation more quickly or efficiently than the Group. Some competitors also have more extensive financial resources, tech-expertise and personnel able to relocate at a quicker pace than the Group, which enable them to make larger investments in product and service development, develop competitive technology and act cost-efficiently in respect of staffing needs. Furthermore, a rapid increase in foreign competition from lower-cost regions, could lead to a loss of customers, intensify price competition, and weaken the Group's revenues and profitability.

Intensifying competition, competing solutions, changes to pricing or demand or other changes to the competitive situation could have a material adverse effect on the Group's revenues and profitability.

Potential disruptions and interruptions in the use of the iLOQ Manager software and functioning of information systems could have an adverse effect on the Group's business operations and reputation

Access rights of all of the Group's products are managed by and are highly dependent on the cloud-based iLOQ Manager software and the data storage of the software is also based on a cloud service. As a result, the Group is dependent on the functioning of the cloud service. There is a risk that the Group will not be able to recognise all risks related to the cloud service or the software itself. Potential interruptions in the use of the software will only affect the management of access rights (not affecting access or security), which consequently could have an adverse effect on the Group's reputation and the user experience of the Group's locks. A potential crash or disruption of the cloud service could have adverse effects on the functionality and security of the Group's locks and keys and could therefore have a significant impact on the Group's reputation, as well as for the Group's other products, result in a loss of customers and unforeseen expenses in covering any losses incurred and accordingly on the Group's revenues and profitability.

The availability of components procured from the Group's suppliers may worsen and may become more expensive

The prices and availability of the components from the Group's electronics manufacturing service providers, which the Group needs in its production affect the Group's business operations. The availability of components could deteriorate due to, for example, a rapid increase in demand or if the Group's contractual relationships with its suppliers deteriorate or are terminated, or suppliers cease operations, increase the prices of components or engage in exclusive cooperation with a competitor. Furthermore, the price and availability of components are affected by numerous factors beyond the Group's control. Such factors could include market conditions, the

production capacity of suppliers on the markets in question, export restrictions, the level of import duties and currency exchanges rates. Furthermore, it could be difficult to replace the Group's component suppliers in the short term, which could have an adverse effect on the Group's business operations, and the relatively small volume of the Group's procurements could weaken the Group's bargaining position in relation to component suppliers. With respect to component suppliers, there is a risk that they may be unable to supply a sufficient volume of components or their shipments may be delayed if the demand for the Group's products grows significantly over a short period of time. The Group may also not be able to procure replacement components quickly enough or may have to procure them at a higher price.

If any of these risks would materialise it could lead to a failure to meet demand on time or at all, missing delivery deadlines, increases in product prices or loss of profitability, any or all of which could have a material adverse effect on the Group's profitability as well as its revenues in general.

Any significant outbreak of any airborne disease could significantly damage the Group's business

The economies of the countries in which the Group operates may be negatively affected by an outbreak of any contagious disease with human-to-human airborne or contact propagation effects, such as COVID-19, that escalates in a regional epidemic or global pandemic. The occurrence of an epidemic or pandemic is beyond the Group's control and the Group can provide no assurance on the future spread of COVID-19 or other contagious diseases in areas in which the Group and its suppliers operate, or what the impact on the Group's business will be. As at the date of this Prospectus, concerns regarding COVID-19 have had an effect on the Group's business that is not deemed material in the context of the Notes. However, in the medium to long term, if the spread of COVID-19 is prolonged, or further diseases emerge that give rise to similar macroeconomic effects this may result in material and prolonged disruptions to the Group's business, for example, the Group or its suppliers may face disruption and/or increased costs as a result of supply shortages in raw materials. If current levels of economic deterioration and volatility continue or worsen, the Group may experience an adverse impact on sales, which may be material adverse to its business, results of operations and financial condition.

A potential failure to register or protect intellectual property rights as well as potential violations of the intellectual property rights could have an adverse effect on the Group's business operations

The Group's self-powered and digital locking and access management systems are based to a significant degree on the Group's patented self-powered technology. iLOQ has since its founding protected its innovative technology. Patent applications filed during years 2005-2019 have resulted in 19 valid patent families. The majority of and all the critical patents are in force at least until early 2030's while the most recently received patents are effective until 2039. The NFC patent remains a material patent for the Group, providing the right to protect and make lock cylinders with NFC technology. Despite this, the Group's patent coverage may not be sufficient against competitors, including but not limited to Assa Abloy. Furthermore, the Group's competitors may have patent applications pending or they may be granted patents and other exclusive rights, which might prevent the patenting of the products developed by the Group or might compete with the products patented by the Group, and the Group may not be granted the patents it has applied for. The Group may not always be aware of pending patent applications or granted patents that may affect products in development. Intellectual property rights could also be otherwise revealed to competitors or competitors could develop them independently. There is also a risk that the Group's employees, consultants, or other business partners will breach their non-disclosure obligations in a manner that could endanger the coverage of Group's intellectual property rights. A failure to register or protect intellectual property rights and possible violations of third-party intellectual property rights could undermine the Group's competitive position and adversely affect its business operations.

Furthermore, there is a risk that competitors or other third parties could claim (spuriously or not) that the Group is infringing such competitor's intellectual property rights leading to claims for damages or to cease using such

rights against the Group. Any such claims could lead to unforeseen expenses and disruption in defending the claims, or if ruled adversely could entail higher costs and/or loss of competitive position either of which could adversely affect the Group's profitability and thus its financial position.

The loss of the Group's retailers, a failure to expand the retailer network in current or new markets or other changes to the Group's sales channels

The Group uses retailers in the sale of its products, and the Group's products are sold in over 950 retail outlets in approximately 25 countries. If the Group loses several retailers or changes to its retail channels occur, it could have an adverse effect on the Group. The Group could lose a current retailer, for example, due to pricing, increased competition or to disputes over the interpretation of retail agreements.

Furthermore, it may be possible in the future to also sell the Group's products through other sales channels, including online. However, the Group's retailers and customers may not necessarily adopt new sales channels, operating models or digital services. Competitors of the Group or its retailers could adopt new electronic sales channels and digital services before the Group or its retailers, and end-customers could consider the sales channels or offering of competitors to be better than the those of the Group or its retailers.

The loss of the Group's retailers or a failure to expand the retailer network or adopt electronic sales channels could significantly impact the Group's competitive position and lead to a loss of sales and accordingly have a significant impact on the revenues of the Group as well as its profitability.

The Group's component suppliers and assembly partners may not necessarily comply with the Group's instructions, and there is a risk of potential quality deviations or failures in the manufacturing of components and in the assembly of products

The Group mainly uses large international operators in the manufacturing of components and the assembly of its products. The Group has several component suppliers, a few partners are responsible for the assembly of keys and two partners are responsible for the assembly of locks. In order to ensure high-quality manufacturing and assembly, the Group has agreed with its partners and suppliers on, among other things, the testing, delivery times and liability distribution of components and products. Outsourced manufacturing and assembly involves a risk that, among other things, the instructions defined by the Group are not complied with, products are not tested as agreed or the components or cooperation agreements defined by the Group are not used in the manufacturing or assembly of products. Any such discrepancies or delays in delivery, as well as errors, violations or omissions in the manufacturing and assembly could lead to losses and reflect negatively on the Group, leading to reputational harm and the loss of customers and reduced revenues and competitive position.

The materialisation of the risks related to the manufacturing of components and the assembly of products outsourced by the Group could as a result have a mate significant impact on the revenues of the Group and therefore its results of operations and prospects.

If the Group's logistics are disrupted or the Group's facility in Oulu, the production facilities or warehouses of the Group's suppliers or assembly partners are damaged or destroyed, the Group may not be able to deliver its products as agreed or planned

The Group's logistics involves risks, as the Group's procurement of components, assembly of products and the warehousing thereof take place in different parts of the world. It is possible that one or more phases of the Group's logistics will be interrupted due to, for example, natural disasters, trade sanctions, political decisions or other corresponding events outside the Group's control, in which case the Group would be unable to obtain the components it needs, the assembly of products would be slowed or interrupted or the deliveries of assembled

products to the Group's warehouse in Oulu and from there to retailers and end customers will be delayed or prevented. The delivery of components from Asia and China in particular could involve logistical challenges that could hinder the assembly of the Group's products and their delivery to retailers and end customers.

The Group's facility in Oulu as well as the production facilities of warehouses of the Group's suppliers and assembly partners could also be damaged or destroyed as a result of, for example, fires, accidents, or other corresponding events beyond the Group's control. This could lead to significant disturbances in the assembly and shipment of the Group's products and to the Group being unable to meet its obligations towards its contractual partners. There is a risk that the Group's existing insurance policy does not sufficiently cover all damageable situations. In particular, if the Group's facility in Oulu suffered a severe fire, an accident or some other disruptive situation, this could cause disturbances and interruptions in the Group's deliveries.

Disruption in the Group's logistics and damage to or destruction of the manufacturing facilities or warehouses of the Group or its assembly partners and the resulting delays in delivery or failure to meet contractual obligations may lead to the loss of customers and affect the reputation of the Group leading to reduced sales and competitive position and accordingly could have a significant impact on the revenues of the Group and therefore its results of operations.

Strikes and other industrial actions could have an adverse effect on the Group's business

The Group, its retailers, assembly partners or other key interest groups could become the target of strikes and other industrial actions, and the business interruptions resulting from them could have a material adverse effect on the Group's business operations. Some of the Group's personnel are members of trade unions with which collective agreements have been made. The employer associations that negotiated the applicable collective agreements may not be able to negotiate new, satisfactory collective agreements upon the expiry of previous collective agreements. In addition, the collective agreements currently applicable to the Group's employees will not necessarily rule out strikes or work stoppages. In addition to Finland, strikes or other work stoppages and industrial actions that may also materialise in the Group's other countries of operation could hinder the Group's business. Industrial disputes in the Group's industries or otherwise in the industries related to the Group's business, such as in the construction industry, could have an adverse effect on the Group's business.

Strikes and industrial actions could interrupt the Group's operations and damage the Group's reputation, increase personnel costs due to negotiated increases to salaries and benefits or damage relationships between labour market organisations. The materialisation of the aforementioned risks could have a significant impact on the revenues of the Group and therefore its results of operations.

Risks relating to the Group's financial condition and financing

Currency exchange rate fluctuations may cause exchange rate losses to the Group

The Group operates in Northern and Central Europe and procures raw materials and components from Asia and China. The Group plans to expand its operations to other European cities, and the Group has also engaged in negotiations concerning expanding its business operations outside of Europe. The Group is primarily exposed to exchange rate fluctuation relating to the US dollar. Approximately 80% of the Group's raw material procurements take place in US dollars, whereas the Group sells substantially all of its products in Europe, primarily in Euro, as at the date of this Prospectus. In addition to the US dollar, the Group is exposed to exchange rate risks relating to Swedish krona, Danish krone, Norwegian krone and the Taiwan dollar. The Group does not currently use currency hedging. Exchange rate fluctuations could particularly affect the manufacturing costs and sales margin of the Group's products, and thus, the result of the Group's operations.

Risks relating to the Notes

Refinancing risk

The Issuer will eventually be required to refinance certain or all of its outstanding debt, including the Notes and the super senior revolving credit facility (the "**Super Senior RCF**"). The ability to successfully refinance its debt is dependent on the conditions of the debt capital markets and its financial condition at such time. The Issuer's access to financing sources may not be available on favourable terms, or at all. As at the date of this Prospectus, €10 million has been utilised under the Super Senior RCF (as a precautionary measure to ensure the liquidity of the Issuer during the uncertainty in the economic climate resulting from the outbreak of COVID-19), and €50 million of Notes have been issued under the Terms and Conditions. The Issuer has the ability (subject to certain conditions) to issue a further €50 million of Notes and to draw a further €5 million under the Super Senior RCF. The Issuer's inability to refinance its debt obligations, and in particular the Notes, would be likely to result in an ability to repay principal on the Notes at maturity, resulting in the loss of a significant part, or all, of an investment in the Notes.

Risks relating to transaction security and the guarantees

Risk relating to transaction security

The obligations under the Notes and certain other obligations of the Group to the Noteholders and certain other creditors are secured by (i) share pledges over at least the Issuer and iLOQ Oy, (ii) pledges over certain material and long term intragroup loans and shareholder debt, (iii) pledges over certain business mortgage certificates and (iv) security assignment of certain contractual rights under the acquisition agreement for the acquisition of the iLOQ Group. There is a risk that the proceeds of any sale of the Transaction Security following enforcement will not be sufficient to satisfy all, or even part of any amount owed at the time to the Noteholders.

According to the Terms and Conditions, the Issuer may issue subsequent Notes and the holders of such notes will become Secured Parties entitled to share the Transaction Security and Guarantees that have been granted to the existing Noteholders. In addition, the Issuer may in accordance with the Terms and Conditions issue additional indebtedness subject to pro forma compliance with a leverage ratio and provide Security and Guarantees for such debt, provided that such Security and/or Guarantees are granted to the Noteholders on a pro rata basis. There is a risk that the issue of subsequent Notes or the granting of security or guarantees for such "New Debt" will have an adverse effect on the value of the Security and Guarantees that have been granted to the Noteholders.

The relationship and ranking between the Noteholders, Super Senior RCF provider, the Hedge Counterparty, the Agent and any providers of New Debt will be governed by an intercreditor agreement entered into by, inter alios, the Issuer, the Agent and the agent under the Super Senior RCF (the "**Intercreditor Agreement**"). Any enforcement of Transaction Security will be taken by the security agent in accordance with the terms of the Intercreditor Agreement and the proceeds of enforcement from Transaction Security or otherwise will be applied in accordance with the Intercreditor Agreement, meaning that the Noteholders will not benefit from the Transaction Security until the creditor under the Super Senior RCF and any providers of super senior hedging have been paid in full.

The Notes rank after the Super Senior RCF and Hedging Debt under the waterfall pursuant to the Intercreditor Agreement. The Intercreditor Agreement will implement principles which will limit the Noteholders right to receive payment and enforce security, as further described below and under "*Risks relating to enforcement of transaction security*". As an example, following a payment block event, which is triggered by the occurrence of an event of default under the Super Senior RCF (after the expiration of any applicable grace period in respect

of the default giving rise to the Event of Default) relating to e.g. non-payment, breach of financial covenants, cross default or insolvency, and for as long as the payment block event is continuing, no payments of principal or interest may be made by the Issuer to the Noteholders under or in relation to the Notes. The failure by the Issuer to timely make any payments due under the Notes will constitute an Event of Default (as defined in the Terms and Conditions) and the unpaid amount will carry default interest pursuant to the Terms and Conditions.

Risk relating to enforcement of transaction security

The Noteholders will not receive proceeds from the enforcement of the Transaction Security until the obligations of other Secured Parties secured on a more senior basis have been repaid in full, such as the Group's obligations towards the lender under the Super Senior RCF, the Agent and any Hedging Obligations. As a result, the Noteholders may not recover any or full value in the case of an enforcement sale of the Transaction Security. If the Issuer becomes wound-up, reorganised or bankrupt, an investor in the Notes may lose all or part of its investment.

Further, if any Group Company whose shares are pledged in favour of the Secured Parties is subject to foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative proceedings or other bankruptcy or insolvency proceedings the shares that are pledged may be of limited value since all of its obligations first must be satisfied, potentially leaving few or no remaining assets in the Group Company. As a result, the Secured Parties may not be able to recover the full value (or any value in the case of an enforcement sale) of such pledged shares. Moreover, the value of the Transaction Security may decline over time. If the proceeds of an enforcement sale are not sufficient to repay all amounts due on or in respect of the Notes, the Noteholders will only have an unsecured claim against the remaining assets (if any) in the Issuer and the Guarantors for the amounts which remain outstanding on or in respect of the Notes. In relation to unsecured claims, under bankruptcy law, certain debts and claims must be paid in priority to other debts and claims (for example, costs and expenses of a liquidator and certain payments to employees). Any enforcement proceedings and the release of security will be subject to the provisions of the Intercreditor Agreement.

The value of any intragroup loans and shareholder debt that are subject to Security in favour of the Secured Parties is largely dependent on the relevant debtor's ability to repay such intragroup loan. Should the relevant debtor be unable to repay debt obligations upon enforcement of pledge over the intragroup loans, the Secured Parties may not recover the full value of the Security granted under such intra-group loans.

Certain Group Companies have granted Security in favour of the Secured Parties over business mortgage certificates and rights under the acquisition agreement in respect of the acquisition of the Targets. The value of such security is dependent on the value of the secured asset and the ability to profitably sell or otherwise dispose of or otherwise foreclose on such assets following enforcement. It is hard to assess the future value of such underlying assets, which is affected by several factors. If the value of the assets decline or turn out to be less than expected, there is a risk that the Secured Parties may not receive the proceeds expected following enforcement, or any proceeds at all.

If the Agent wishes to enforce any Transaction Security, it must first consult with all Secured Parties (in the event there is no agreement on the proposed enforcement action) for a certain period set out in the Intercreditor Agreement after which the Agent may take such action. Other Secured Parties may thus delay enforcement which the Noteholders believe is necessary. Furthermore, the Agent may act in a manner that a Noteholder believes is to its detriment. In some situations (e.g. where another Secured Party has requested enforcement action to be taken but the Noteholders have not provided any enforcement instruction to the Agent within a certain period set out in the Intercreditor Agreement after the end of the consultation period, or where enforcement action requested by the Noteholders has not resulted in any enforcement proceeds being made available to the Agent), the other Secured Parties may give enforcement instructions to the Agent.

Bankruptcy, structural subordination and similar events and risk of priority

The Terms and Conditions include a so called "negative pledge" undertaking, meaning that there is a general restriction on the Issuer's and the Group's ability to provide, prolong or renew any security over any of its assets. However, the Issuer may under certain circumstances grant security to other lenders, including for the benefit of future holders of the Notes or for the benefit of other lenders to the Issuer or the Group. Such security would not necessarily secure the Notes.

Pursuant to the Intercreditor Agreement, the Noteholder' claims under the Notes rank behind the claims of the lender under the Super Senior RCF, the Agent, and any Hedge Counterparties under the waterfall provisions applicable to enforcement proceeds. Furthermore the Noteholders are only entitled to receive payments under the Notes and the Guarantees provided that none of a number of events of defaults has occurred under the Super Senior RCF.

The Notes constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and *pari passu* with all direct, unconditional, unsubordinated and secured obligations of the Issuer, except those obligations which are mandatorily preferred by law, the Super Senior RCF and any Super Senior Hedges. This means that a Noteholder will normally receive payment after any prioritised creditors' receipt of payment in full in the event of the Issuer's liquidation, company reorganisation or bankruptcy. Every investor should be aware that by investing in the Notes, it risks losing the entire, or parts of, its investment in the event of the Issuer's liquidation, bankruptcy or company reorganisation.

The Notes will constitute structurally subordinated liabilities of the Issuer's subsidiaries which have not acceded as guarantors in respect of the Notes, meaning that creditors' claims against such subsidiary will be entitled to payment out of the assets of such subsidiary before the Issuer. The subsidiaries are legally separate entities and distinct from the Issuer, and have no obligation to settle or fulfil the Issuer's obligations, other than to the extent that follows from security agreements and/or guarantees to which the subsidiaries are parties. In the event of insolvency of a subsidiary, there is a risk that the Issuer and its assets are affected by the actions of the creditors of a subsidiary. The insolvency of the subsidiaries may affect the financial position of the Issuer negatively, and adversely impact the Issuer's ability to make payments under the Notes.

The Noteholders (and the other Secured Parties) benefit from guarantees provided by certain subsidiaries. In the event of insolvency, liquidation or a similar event relating to one of the Guarantors, all other creditors of such Subsidiary would be entitled to be paid out of the assets of such Subsidiary with the same priority as the Secured Parties, to the extent that the guarantees are valid.

Upon the occurrence of an insolvency event in respect of a subsidiary which is not a Guarantor, an entity within the Group (i.e. the shareholder of the relevant subsidiary and, directly or indirectly, the Issuer), or the Secured Parties with Transaction Security consisting of the shares in such subsidiary, would not be entitled to any payments until the other creditors have received payment in full for their claims. The Notes are, in the latter case, structurally subordinated to the liabilities of such Subsidiaries to the extent there is no provision for a prioritised position.

Further, the Group operates in various jurisdictions and in the event of bankruptcy, insolvency liquidation, dissolution, reorganisation or similar proceedings involving the Issuer or any of its subsidiaries, bankruptcy laws other than those of Sweden could apply. The outcome of insolvency proceedings in foreign jurisdictions is difficult to predict and could therefore have a material and adverse effect on the potential recovery in such

proceedings. It should further be noted that based on the initial Transaction Security provided, insolvency proceedings will likely take place in Finland, under Finnish law.

Corporate benefit limitations and financial assistance issuses regarding security and guarantees in favour of third parties

In certain jurisdictions, when a limited liability company guarantees, or provides security for, another party's obligations or subordinates any of its rights to the benefit of a third party without deriving sufficient corporate benefit therefrom, the guarantee, security or subordination will only be effective if the consent of all shareholders of the grantor has been obtained and to the extent the amount the company granting the security, providing the guarantee or undertaking to subordinate any rights could have distributed a dividend to its shareholders at the time the guarantee, security or subordination was provided (or as otherwise limited by local law). To the extent that a company does not obtain corporate benefit from the provided guarantee or security or subordination undertaking, such guarantee, security or subordination will be limited in value as stated above, but further limitations in respect of security, guarantees and/or subordinations may also exist under local law. For instance, the value of guarantees, security and subordination arrangements securing the Notes may be reduced in certain jurisdictions by laws and regulations limiting a company's ability to provide financial assistance or securing obligations of foreign entities.

Consequently, the security or guarantee granted or subordination undertaken by a Subsidiary of the Issuer could be limited in accordance with the aforesaid, which could have an adverse effect on the Noteholders' security position.

RESPONSIBILITY FOR THE INFORMATION IN THE PROSPECTUS

The issuance of the Notes was authorised by resolutions taken by the board of directors of the Issuer on 29 November 2019. This Prospectus has been prepared in connection with the Issuer's application to list the Notes on the corporate bond list of Nasdaq Stockholm, in accordance with the Prospectus Regulation.

The Issuer is responsible for the information given in this Prospectus. The Issuer is the source of all company specific data contained in this Prospectus and neither the Bookrunner nor any of its representatives have conducted any efforts to confirm or verify the information supplied by the Issuer. The Issuer confirms that, the information contained in this Prospectus, including the registration document and the securities note, is, to the best of the Issuer's knowledge, in accordance with the facts and contains no omissions likely to affect its import. There is no information in this Prospectus that has been provided by a third party.

The board of directors is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Finnish law. The board of directors confirms that the information in this Prospectus, including the registration document and the securities note, is, to the best of the board of directors' knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) 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. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the securities. The approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus.

Stockholm on ***4 September 2020***

Capnor Weasel Bidco Oyj

The board of directors

STATUTORY AUDITORS

Since incorporation on 4 October 2019, the Issuer's auditor has been KPMG Oy Ab with Authorised Public Accountant Tapio Raappana as the principal auditor (the "**Auditor**"). Tapio Raappana can be contacted at KPMG Oy Ab, Töölönlahdenkatu 3 A, FI-00100 Helsinki, Finland. Tapio Raappana is an authorised public accountant (KHT).

iLOQ Oy's auditor is the Auditor. The Auditor has acted as auditor of iLOQ Oy since its incorporation in 2003. The Auditor was re-elected at the annual general meeting held on 5 May 2020 for the time until the end of the annual general meeting to be held in 2021.

The Group's consolidated annual reports for the financial year 2019 were audited by the Auditor, and iLOQ Oy's consolidated annual reports for the financial years 2018 and 2019 were audited by the Auditor.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer's auditors.

THE NOTES IN BRIEF

This section contains a general and broad description of the Notes. It does not claim to be comprehensive or cover all details of the Notes. 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 Notes, which can be found in section "Terms and Conditions for the Notes", before a decision is made to invest in the Notes.

Concepts and terms defined in section "Terms and Conditions for the Notes" are used with the same meaning in this section unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

Overview of the Notes

The following overview of the Notes contains basic information about the Notes. It is not intended to be complete and it is subject to important limitations and exceptions. For a more complete understanding of the Notes, including certain definitions of terms used in this overview, see "*Terms and Conditions for the Notes*."

General

Issuer:	Capnor Weasel Bidco Oyj, reg. no. 3089585-3, c/o iLOQ Oy, Yrttipellontie 10, 90230 Oulu, Finland.
The Notes:	Up to EUR 100,000,000 in aggregate principal amount of senior secured callable floating rate notes due 12 May 2025. As of the date of this Prospectus, EUR 55,000,000 of the Notes has been issued. No physical instruments have been issued. The Notes are issued in dematerialised form and have been registered on behalf of each Noteholder with the Central Securities Depository. As of the date of this Prospectus, the number of Notes for which admission to trading is being sought is 550 (each with a nominal value of EUR 100,000). Additional Notes may be issued up to an aggregate total amount of 1,000, in accordance with the Terms and Conditions.
ISIN:	SE0013513488.
First Issue Date:	12 December 2019.
Issue Price of Initial Notes:	100 per cent.
Interest Rate:	Interest on the Notes is paid at a rate equal to the sum of EURIBOR plus 5.375 per cent. *per annum*. If any of the applicable rates for the calculation of EURIBOR is below zero (0), EURIBOR will be deemed to be zero (0). As at the date of this Prospectus, the administrator of EURIBOR – the European Money Markets Institute – is included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**"). Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

EURIBOR:	EURIBOR is a reference rate that shows the interest rate at which wholesale funds in euro can be obtained by credit institutions in the EU and EFTA countries without collateral.
Interest Payment Dates:	Means 12 March, 12 June, 12 September and 12 December of each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes was 12 March 2020 and the last Interest Payment Date shall be the Final Redemption Date (or any relevant Redemption Date prior thereto). Interest will accrue from and including the Issue Date.
Final Redemption Date:	12 May 2025
Nominal Amount:	The initial nominal amount of each Initial Note is EUR 100,000.
Use of Proceeds:	The transaction cost relating to having the Notes issued amounted to approximately EUR 3,695,700. Consequently, the remaining proceeds from the Notes Issue, was EUR 51,304,300. The purpose of the Note Issue is to use the Net Proceeds from the issue of the Initial Notes, towards fully funding the Bridge Financing Refund. The Issuer shall use the Net Proceeds from the issue of any Subsequent Notes, for its general corporate purposes, including, *inter alia*, investments and acquisitions.
Status of the Notes:	The Notes constitute direct, general, unconditional and secured obligations of the Issuer and shall at all times rank (i) behind the Super Senior RCF Debt and the Hedging Obligations pursuant to the terms of the Intercreditor Agreement, (ii) *pari passu* without any preference among them, and (iii) at least *pari passu* with all other direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory law and except as otherwise provided in the Finance Documents. The Notes are secured as described in clause 11 (*Transaction Security*) of the Terms and Conditions and as further specified in the Security Documents.
Guarantee and Security:	
Guarantee Agreement:	The guarantee and adherence agreement dated 13 December 2019 entered into between the Issuer and certain Group companies and the Security Agent for itself and on behalf of Secured Parties for each of the Noteholders.
Guarantors:	The Notes (together with the other Secured Obligations (as defined in the ICA)) benefit from guarantees from the Material Subsidiaries (from time to time). As of date of this Prospectus, the Guarantors are, apart from the Issuer: a) iLOQ Oy, Finnish Reg. No. 1842821-6 b) Hailuoto Development Oy, Finnish Reg. No. 2595372-1
Ranking of the Guarantee:	The Guarantee shall be granted with first priority ranking in respect of the Super Senior Debt and the Senior Debt, *pari passu* between the Super Senior Debt and the Senior Debt, but subject always to the allocation of proceeds provision as set out in in the Intercreditor Agreement.

Security:	The security securing the Notes consist, *inter alia,* of share pledge over the Guarantors, pledge over certain intercompany loans, mortgage certificates and certain other assets of the Group. See the definitions of *"Security/Security Documents/Transaction Security"* in clause 1.1 (*Definitions*) of the Terms of Conditions.
Intercreditor Agreement:	The Intercreditor Agreement dated 13 December 2019 entered into between amongst other, the Issuer, the Parent, the Guarantors, the Shareholder Creditors, the Original Super Senior RCF Creditor, the Original Hedge Counterparty (as defined therein), the Security Agent and the Agent (representing the Noteholders).
Call Option	
Call Option:	The Issuer may redeem all, but not some only, of the outstanding Notes in full: (a) any time prior to, but excluding, the First Call Date, at an amount per Note equal to the amount per Note payable pursuant to clause 10.4.1(b) of the Terms and Conditions (for the avoidance of doubt, including the accrued but unpaid Interest), plus the amount of all remaining scheduled Interest payments on the Note until the First Call Date (assuming that the Interest Rate for the period from the relevant Redemption Date to but excluding the First Call Date will be equal to the Interest Rate in effect on the date on which the applicable notice of redemption is given); (b) at any time from and including the First Call Date to, but excluding, the first Business Day falling thirty-six (36) months after the First Issue Date at an amount per Note equal to 102.688 per cent. of the Nominal Amount, together with accrued but unpaid interest; (c) at any time from and including the first Business Day falling thirty-six (36) months after the First Issue Date to, but excluding, the first Business Day falling forty-eight (48) months after the First Issue Date at an amount per Note equal to 101.344 per cent. of the Nominal Amount, together with accrued but unpaid interest; and (d) at any time from and including the first Business Day falling forty-eight (48) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Note equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid interest.
First Call Date:	12 December 2021.
Equity Claw Back:	The Issuer may on one or more occasion in connection with an Equity Listing Event, redeem in part up to forty (40) per cent. of the total aggregate Nominal Amount of the Notes outstanding from time to time at an amount equal to 103 per cent. of the Nominal Amount of the Notes redeemed, together with any accrued but unpaid Interest on the redeemed amount, provided that at least sixty (60) per cent. of the aggregate Initial Nominal Amount of the Initial Notes remains outstanding following such redemption.

Voluntary Partial Redemption:	The Issuer may on one occasion per period of twelve (12) months falling after the First Call Date (without any carry-back or carry forward) redeem Notes in an aggregate amount not exceeding ten (10) per cent. of the aggregate Initial Nominal Amount, provided that at least sixty (60) per cent. of the aggregate Initial Nominal Amount of the Initial Notes remains outstanding following such redemption. Any such partial redemption shall reduce the Nominal Amount of each Note *pro rata* (in each case rounded down to the nearest EUR 1.00) in accordance with the procedures of the CSD. The redemption price for each Note subject to partial redemption pursuant to clause 10.3.1 of the Terms and Conditions shall be 102.688 per cent. of the Nominal Amount in each case together with accrued but unpaid Interest.
Put Option	
Put Option:	Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Noteholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or Listing Failure Event, as the case may be, pursuant to clause 12.1.5 of the Terms and Conditions (after which time period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the Listing Failure Event, as the case may be.
Change of Control Event:	A Change of Control Event means the occurrence of an event of series of events whereby: (a) prior to an Equity Listing Event, the occurrence of an event or series of events whereby the Investor directly or indirectly, ceases to own and control more than 50 per cent. of the shares and votes of the Issuer; and (b) following an Equity Listing Event, delisting of the shares in the Issuer (or its relevant holding company) or the occurrence of an event or series of events whereby one, not being the Investor, or more persons acting together, acquire control over the Issuer and where "control" means (i) acquiring or controlling, directly or indirectly, more than thirty (30) per cent. of the voting shares of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the members of the board of directors of the Issuer.
Listing Failure Event:	means that (i) the Initial Notes are not admitted to trading on Nasdaq Stockholm (or another Regulated Market) within twelve (12) months from (and excluding) the First Issue Date, and (ii) following a successful listing and subsequent de-listing of the Notes from the corporate bond list of Nasdaq Stockholm (or another Regulated Market) the Notes are not re-listed on a Regulated Market by the date falling thirty (30) calendar days from the date of the de-listing.

Covenants

Certain Covenants:	The Terms and Conditions contain a number of covenants which restrict the ability of the Issuer and other Group Companies, including, *inter alia*: • restrictions on making distributions; • restrictions on disposal of assets; • restrictions on the incurrence of Financial Indebtedness; and • restrictions on providing or granting security over assets as security for any loan or other indebtedness. Each of the above listed covenants is subject to significant exceptions and qualifications. See "*Terms and Conditions for the Notes – General Undertakings"*.

Event of Default

Events of Default:	Events of Default under the Terms and Conditions include, but are not limited to, the following events and circumstances: • failure to make payment under the Finance Documents; • breach of other obligations under the Finance Documents than the obligation to make payments; • payment cross default and cross acceleration in relation to a Material Subsidiary; • a Material Subsidiary's insolvency or if insolvency proceedings are initiated in relation to a Material Subsidiary; • a decision is made that any Material Subsidiary shall be demerged or merged; • expropriation, attachment, sequestration, distress or execution in relation to a Material Subsidiary's assets; • if it becomes illegal for the Issuer to fulfil or perform any of the provisions of the Finance Documents; • the Issuer or any other Material Subsidiary ceases to carry on its business; and • any party to the Intercreditor Agreement (other than a Secured Party or an Obligor) fails to comply with the provisions of, or does not perform its obligations under, the Intercreditor Agreement. Each of the Events of Default above are subject to exceptions and qualifications. See the "*Terms and Conditions for the Notes – Events of Default*".

Miscellaneous

Transfer Restrictions:	The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable from time to time under local laws to which a Noteholder may be subject (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Noteholder must ensure compliance with local laws and regulations applicable at its own cost and expense.
Prescription:	The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment.
Taxation:	Potential investors are strongly recommended to contact their own tax adviser to clarify the individual consequences of their investment, holding and disposal of the Notes. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes. An investor's country of residence may not be the same as the Issuer's country of incorporation and may therefore potentially have an impact on the income received from the Notes.
Listing:	Application for listing of the Notes on Nasdaq Stockholm will be filed in immediate connection with the Swedish Financial Supervisory Authority's (Sw. *Finansinspektionen*) approval of this Prospectus.
Listing costs:	The aggregate cost for the Notes' admission to trading is estimated not to exceed EUR 40,000.
Rights:	*Decisions by Noteholders* Only a Noteholder, or a person who has been provided with a power of attorney or other authorisation pursuant to clause 7 of the Terms and Conditions (*Right to act on behalf of a Noteholder*) from a Noteholder: (a) on the Business Day specified in the notice pursuant to clause 17.2.2 of the Terms and Conditions, in respect of a Noteholders' Meeting, or (b) on the Business Day specified in the communication pursuant to clause 17.3.2 of the Terms and Conditions, in respect of a Written Procedure, may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Nominal Amount. Each whole Note entitles to one vote and any fraction of a Note voted for by a person shall be disregarded. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

	Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way a Written Procedure, as determined by the Agent. A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Noteholders. *No direct action by Noteholders* Subject to certain exemptions set out in the Terms and Conditions, a Noteholder may not take any steps whatsoever against the Issuer, any Guarantor or any Group Company or with respect to the Transaction Security 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 or bankruptcy in any jurisdiction of the Issuer, any Guarantor or any Group Company in relation to any of the obligations and liabilities of the Issuer, any Guarantor or any Group Company under the Finance Documents. Such steps may only be taken by the Agent.
Agent:	Nordic Trustee & Agency AB (publ), reg. no. 556882-1879 acts as the Noteholders' agent and represents the Noteholders. The Agent's rights and duties can be found in the Terms and Conditions which are available on the Issuer's web page www.iloq.com and also contained in this Prospectus.
Issuing Agent:	Nordea Bank Abp, filial i Sverige acts as the Issuer's agent and represents the Issuer. The Issuing Agent's rights and duties can be found in the Terms and Conditions which are available on the Issuer's web page www.iloq.com and also contained in this Prospectus.
Security Agent:	Security Agent Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879 acts as the security agent for the Secured Parties and represents the Secured Parties. The Security Agent's rights and duties can be found in Intercreditor Agreement which are available on the Issuer's web page www.iloq.com.
Central Securities Depository:	Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden.
Governing Law of the Notes:	Swedish law.
Governing Law of the Intercreditor Agreement:	Swedish law.
Governing Law of the Guarantee Agreement:	Swedish law.

THE ISSUER AND THE GUARANTORS

The Issuer

The Issuer is a public limited company incorporated in Finland, with reg.no. 3089585-3 and is regulated by the Finnish Companies Act. The Issuer's registered address is c/o iLOQ Oy, Yrttipellontie 10, 90230 Oulu, Finland. The Issuer's LEI code is 549300A4ZEJ2XLX8M468. The Issuer can be reached at the following telephone number: +358 403 170 260.

The Group's webpage is: www.iloq.com. The information on the website does not form part of this Prospectus unless that information is incorporated by reference into the Prospectus.

According to the Issuer's articles of association the Issuer's objects are directly or indirectly to own and administrate properties, shares and other assets, invest in and promote business, finance the Group and act as Parent company.

The Issuer was incorporated on 4 October 2019 in order to facilitate the acquisition of the iLOQ group, and since the acquisition has been the holding company of the Group.

The Guarantors

iLOQ Oy

iLOQ Oy is a private limited company incorporated in Finland, with reg.no. 1842821-6 and is regulated by the Finnish Companies Act. iLOQ Oy's registered address is c/o iLOQ Oy, Yrttipellontie 10, 90230 Oulu, Finland. iLOQ Oy's LEI code is 743700O94OF9TQAHAE52. iLOQ Oy can be reached at the following telephone number: +358 403 170 260.

According to iLOQ Oy's articles of association its objects are the designing, marketing and selling of security systems.

iLOQ Oy was incorporated on 6 August 2003.

Hailuoto Development Oy

Hailuoto Development Oy ("**Hailuoto**") is a public limited company incorporated in Finland, with reg.no. 2595372-1 and is regulated by the Finnish Companies Act. Hailuoto's registered address is c/o iLOQ Oy, Yrttipellontie 10, 90230 Oulu, Finland. Hailuoto's LEI code is 743700VIP7GV26LMOA64. Hailuoto can be reached at the following telephone number: +358 403 170 260.

According to Hailuoto's articles of association Hailuoto's principal objects are investment activities. Hailuoto may also engage in research and development activities.

Hailuoto was incorporated on 31 January 2014.

BUSINESS OF THE GROUP

Overview

The Group is active in the mechanical and digital locking industry, developing self-powered and digital locking and access management systems.

The Group offers a cost-effective, self-powered and digital locking system in which one key provides access to all predetermined locations.

The Group's products are sold by retailers that are mainly independent companies operating within the locking and security branch. As at the date of this Prospectus, the Group's products are sold in over 962 retail outlets. Retailers market and install the Group's products and, upon request, manage their customers' locking system. The Group has retailers in approximately 25 countries. iLOQ S50 is sold both through retailers and directly to end-customers.

The Group has successfully expanded its retail network in Europe, and the number of its retailers' outlets has grown from 430 to 962 from 1 January 2017 to 30 June 2020. The Group's goal is to increase the number of retailers particularly in large European cities. This extensive retailer network makes it possible to continually, cost-effectively and scalably increase the sales of the Group's products. The Group's target markets are the large European cities and growth centres, and as at the date of this Prospectus, the Group has sales companies promoting the sales and marketing of the Group's products in Sweden, Norway, Denmark, Germany, the Netherlands, Spain, the United Kingdom and France. Furthermore, the Group is considering expanding into other countries. The Group's intention is to expand to Europe's largest cities in the future, and the Group has also engaged in negotiations concerning expanding its business operations outside of Europe.

The Group develops and designs its products in its own product development unit in Finland and, if necessary, applies for a certification for its products from independent security industry organisations. Furthermore, the Group continually develops and tests its existing product assortment in order to keep its products and operations in compliance with security industry standards.

At the end of December 2019, the Group had 152 employees. A significant portion of the Group's employees work in expert positions, mainly focusing on product development and product launches.

Operating History

iLOQ Oy was founded in 2003 in Oulu. Mika Pukari, the founder of the company, was active as an entrepreneur within the locking industry before the establishment of the Group.

The Group's first electronic locking system, iLOQ S10, developed by Mika Pukari, was exhibited at the security industry exhibition FinnSecurity in 2007.

In 2008, iLOQ S10 was used for piloting projects. As a result of these, the Group recruited a sales team in 2009 and its business operations grew in Finland. In 2008, the Group also received the national Innofinland Prize as a recognition and support for innovative entrepreneurship.

In 2010, the Group established a subsidiary in Sweden. The subsidiary acts as the Group's sales company. The Group has since established sales companies also in the Netherlands (2012) and Germany (2012), as well as in Denmark (2016), Norway (2017), France (2018), Spain (2018) and the United Kingdom (2019).

When expanding into the European markets in 2012, the Group supplemented the iLOQ S10 product line with europrofile lock cylinders, which are used in Central Europe.

In 2013, the Group was the fastest-growing Finnish technology company in Deloitte's "Fast 50" listing and the fastest growing greentech company in Deloitte's technology Fast 500 list for the EMEA Region.

In 2014, the Group launched iLOQ S10 Online, which expanded iLOQ S10 into a fully remote-controlled access management system.

In 2016, the Group introduced a new mobile-based access control management system called iLOQ S50 range and the NFC technology on which iLOQ S50 is based was awarded with the international security industry prize Detektor International Awards as the best access control management product.

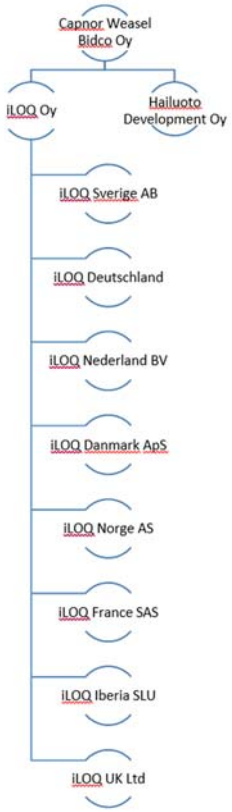
In 2017, Heikki Hiltunen started as the Group's CEO and Mika Pukari, the CEO at the time, remained as a member of the Group's board of directors.

In 2018, the Group commercially launched iLOQ S50.

In 2019, the majority of the share capital of the Group was acquired by Nordic Capital Fund IX, through the Issuer.

Legal Structure

The Issuer is the parent company of the Group. As at the date of this Prospectus, the Group consists of ten subsidiaries which are presented in the following table.



The subsidiary located in the United Kingdom has no active business operations. Furthermore, the Group is considering expanding into other countries.

The following table shows the identities of the subsidiaries, the percentage of shares held directly or indirectly by the Issuer and the location of the registered office of each of the subsidiaries:

Subsidiary	Holding (%)	Registered office
iLOQ Oy	100	Oulu
Hailuoto Development Oy	100	Oulu
iLOQ Nederland BV	100	Eindhoven
iLOQ Danmark ApS	100	Aarhus
iLOQ Deutschland GmbH	100	Düsseldorf
iLOQ Norge AS	100	Oslo
iLOQ Sverige AB	100	Stockholm
iLOQ France S.A.S.	100	Paris
iLOQ Iberia SLU	100	Barcelona
iLOQ UK Ltd.	100	Manchester

Business Overview

Strategy

The Group's growth to date has been mainly from the sale of iLOQ S10 in the Nordic countries. From 2012 to 2019, the Group's net sales grew from EUR 7.7 million to EUR 61.2 million. The Group's gross margin has also grown steadily during 2012–2019, increasing from 37 per cent. to 55 per cent.

In accordance with its growth strategy, the Group expects its strong growth to continue in the coming years. The short-term targets of the growth strategy are to increase the sale of iLOQ S10 and iLOQ 5 series on the Group's existing and new markets, by using proven methods and an extensive retailer network. In order to keep growing iLOQ S50 on the critical infrastructure markets, the Group intends to use its current retailer network and other methods that have proven effective in the sale of iLOQ S10 and iLOQ S5.

The longer-term targets of the growth strategy are to launch potential new products and business models in the Group's existing and new markets. The Group intends to achieve its longer-term targets by launching product improvements and entirely new products, increasing sales volumes and services provided to existing customers as their businesses grow in size, optimising economies of scale within its current business model and leveraging the growing recognition of the iLOQ brand.

Products

iLOQ S10 digital locking system

Multiple occupant residential properties, educational institutions, student dorms, municipal buildings, hospitals and commercial properties often encounter the same challenges, particularly related to mechanical locking systems. These challenges include loss, unauthorized copying and storage in several locations of keys, and overlapping use of many different systems. Furthermore, accessing facilities requires many different keys, investigating cases of abuse of common areas can be difficult, and traditional digital access management and locking systems require either expensive cabling or regular replacement of batteries.

The iLOQ S10 digital locking system solves the challenges of mechanical locking systems described above without expensive door cabling and batteries that need replacing, as the patented electromechanical lock cylinder generates the electrical energy it needs from key insertion. Thus, iLOQ S10 keys and locks are entirely self-powered. The lock cylinder of iLOQ S10 can also be called a mechatronic lock cylinder.

iLOQ S10 locks and keys are based on digital identification and are programmable. If keys are lost, no locks or keys need to be replaced; access rights of lost keys can easily be cancelled so that the keys no longer function in the relevant locks. In addition, a single key can also be programmed to access several places. As the copy protection of keys is not based on the physical shape of the key and the validity period of a patent, but on the same kind of strong digital encryption used for access management identifiers, keys cannot be copied without permission.

Access rights in the iLOQ S10 system are managed using the cloud-based iLOQ Manager software. All iLOQ S10 lock cylinders store the log data for each time a lock is opened or attempted to be opened. This enables the investigation of abuse of various types of premises. If necessary, for example for investigating an abuse, this log data can be extracted from the lock using a separate programming device.

The iLOQ S10 product group includes oval cylinders compatible with Nordic doors as well as europrofile cylinders compatible with Central and Southern European doors. In addition to cylinders, the product group includes keys, drawer locks, padlocks, key tubes, installation kits and protected fittings for various needs. All locks and keys offered by the Group are tested in extreme circumstances. iLOQ S10 is easy to install in place of existing mechanical locks, as the cylinders are compatible with modern lock bodies.

The most significant strength of iLOQ S10 is that it enables digital identification without an external power source, such as a battery or cabling. This guarantees a high level of security during the entire lifecycle of the system and considerably lower maintenance costs compared to corresponding costs of mechanical and battery-operated electromechanical locking systems.

iLOQ S10 is a battery-free system and the keys are completely reusable and reprogrammable making it an environmentally friendly solution. In 2017, the introduction of the battery-free iLOQ S10 reduced the use of batteries by an estimated 25 tonnes. Today, iLOQ's solutions annually save an estimated 28,000 kg of battery waste and 7,000 kg of metal waste through avoiding the need to use batteries in iLOQ's battery-free products.

As at the date of this Prospectus, iLOQ S10 competes with mechanical, digital and mechatronic locking systems offered by Assa Abloy, Dormakaba and Allegion.

iLOQ S10 Online

Alongside iLOQ S10 products, in 2014 the Group launched iLOQ S10 Online, which makes it possible to expand iLOQ S10 to a fully remotely controlled access management system. The extension enables the addition of remote-controlled lock cylinders, key update points, RFID and PIN code readers and time-controlled and volumetrically protected electronic doors to the iLOQ S10 system. iLOQ S10 Online products are managed in real-time using the same cloud-based iLOQ Manager software, which enables both iLOQ S10 offline and online products to be included in the same system. One key per keyholder and one iLOQ Manager programme per system administrator is sufficient.

iLOQ S10 Online can be integrated into certain reservation management systems, which enables the smooth use of premises, such as access to leased spaces during a specified time or date using personal or group PIN codes even to users outside the property. iLOQ S10 Online also collects log data for each time a lock is opened or attempted to be opened.

The main component of iLOQ S10 Online is the S10 Online Net Bridge. Other products include the door module, key programming hotspots, RFID keys, RFID/PIN readers and RFID readers.

The Group's product range also includes iLOQ Privus, which is a consumer version of iLOQ S10. The Group does not actively market iLOQ Privus.

iLOQ S50 access management system

Operators managing many geographically distributed locations encounter not only the challenges of traditional mechanical locking, such as lost keys and undermined security, but also logistical challenges; and large operators have a huge number of keys in constant circulation. Traditional digital locking systems still require physical keys or battery-powered locks; picking up and returning keys takes up resources and working time, and the travelling has an impact on the environment.

iLOQ S50 is designed primarily for operators of civil infrastructure, such as energy production and distribution companies, telecommunications companies, data centres, water processing plants and providers of property and transport services. By reducing the costs related to lost keys and replacing locks and batteries, the system helps organisations to focus their resources on developing their core business. Developing logistics and reducing unnecessary travel related to the management of premises bring significant savings across the entire lifespan of the system. Time-restricted access can be granted for specific periods of time, and granting and revoking access rights can be done instantaneously. In addition, iLOQ S50 enables real-time monitoring reports. iLOQ S50 enables organisations to collect data to make their operations more efficient and focus their resources. Lock access rights are granted and managed in real time using the cloud-based iLOQ Manager software. Every opening or attempted opening of a lock is recorded to the cloud in real time.

The Group launched iLOQ S50 into the market in 2018, and, as at the date of this Prospectus, iLOQ S50 is on sale in Finland, Sweden, Norway, Denmark, the Netherlands, France, Spain and Germany, in addition to other countries where the Group sells its products through partners. iLOQ S50 works with a large number of phones that support NFC technology, such as most Android and iOS phones. To the Group's knowledge, NFC support is continually becoming more common in phones. In the iLOQ S50 access management system, a smartphone serves as both a key and power source. iLOQ S50 locks are powered by touching an NFC-enabled phone to the lock knob. The NFC radio inside the lock cylinder harvests electricity through NFC induction and powers the lock’s energy cells. One of the cells is used to release the lock’s knob and the other to lock it again. The lock cylinder of iLOQ S50 can also be called mechatronic, because the lock opens as a result of a turning movement, but it gets the electrical energy it needs from a smartphone’s NFC induction.

The iLOQ S50 product group includes oval cylinders in use in the Nordic countries, europrofile cylinders in use in Central and Southern Europe, padlocks and key tubes. Existing mechanical locking can be replaced with iLOQ S50 cylinders without replacing the lock bodies. The iLOQ S50 product range also includes a physical, battery-powered key fob, which enables the use of iLOQ S50 locks without a phone. Phones are authenticated using the PKI (Public Key Infrastructure) encryption method. Mutual authentication of the lock and phone uses AES-256 encryption.

With Apple opening its NFC (near field communications) capabilities for third parties in its latest iOS 13 operating system, iLOQ S50 is now fully accessible to both Android and Apple phone users.

iLOQ Manager software

The access rights of all the Group's products are managed using iLOQ Manager software. iLOQ Manager is delivered as Software as a Service ("SaaS"), i.e. cloud-based software, so iLOQ system users do not need their own servers. The data centres providing the cloud service are ISO/IEC 27001 certified. The software is easy to install, and it is available 24/7 on the customers workstation on SaaS basis. The service also includes system backup and automatic software updates. Due to the cloud-based service, all users always have the latest software version at their disposal, which supports the scalability of Companies' operations with respect to the software. The Group charges an annual licence fee for the use of iLOQ Manager software. Retailers invoice the licence fee to end customers. The fee is composed based on the number of users of the locking and access control management system. The licence fees are approximately one per cent of the Group's annual revenue.

iLOQ Manager software has up-to-date data on the keys, locks and access rights of the locking system. The software enables the real-time adding, altering and revocation of access rights. The system also allows for direct printing of documentation related to the handover/return of keys, locking diagrams and floor plans showing the placement of locks. The layout of the building can be added to the system to facilitate management.

The software's user-specific access rights are authenticated by both personal login information and a physical programming key. The cloud service allows distributed management from multiple locations, which makes it easy to manage and grant access rights to a large group of users.

A single locking system in the iLOQ Manager software can simultaneously manage 32,000 keys and one million locks. The number of locks and mobile keys that can be managed using iLOQ S50 is unlimited.

Customers manage the access rights of iLOQ S10 and iLOQ S50 with a programming terminal and software. Within each customer, only the main user of the iLOQ Manager software has access rights, where necessary, to the security-critical data in the software, but not even the main user can change them. The digital security of both product groups offered by the Group is based on distributed data. The management of access rights requires a physical programming key for the system in question, which is only possessed by the party managing the locking system. In addition to the programming key, the management of access rights always requires the iLOQ Manager software, a unique locking system code and personal login information. A logged-in user must also have sufficient user rights to manage access rights.

<u>iLOQ S5 digital locking system</u>

In 2019, iLOQ capitalized on new opportunities offered by digitalization and the internet of things to introduce the iLOQ S5 digital locking system. Like previous product families, iLOQ S5 is a battery-free solution controlled by the same iLOQ Manager software. New features and benefits have been designed to bring high security and unparalleled ease of access management paired with competitive lifecycle costs and major savings for building owners, operators and key holders.

iLOQ S5 enables device-to-device communication. This advanced feature allows a vast amount of data to be remotely updated and then shared between readers, keys and locks in a building. Data is updated every time a door is opened. Information, such as access rights, time limitations, a list of blocked keys and audit trails, is quickly shared between the devices before the door is unlocked. With all devices connected and communicating with each other, iLOQ S5 keeps access rights information continually up to date ensuring smarter and simpler access management.

iLOQ S5's standard, open application programming interface (API) streamlines operations by allowing integration with modern information-sharing and booking systems and customer personal databases. This enables, for example, booking of communal spaces to be updated using touchscreens in the premises or on mobile apps and shared with the iLOQ S5 key. No additional wiring to the door is needed.

The decentralized iLOQ S5 solution ensures that the loss or breach of one element does not compromise the security of an entire locking infrastructure.

iLOQ S5 can be expanded using iLOQ Online to offer fast and easy remote access management of a locking system. Remote-controlled lock cylinders, readers or time-controlled electronic doors can be added, and the administration handled from one single system.

The all-in-one iLOQ RFID/PIN/Bluetooth and NFC reader allows frequently used doors to be opened with a variety of devices such as the iLOQ S5 digital key, an iLOQ S50 fob, an RFID tag, an NFC-enabled Bluetooth phone or with a PIN code. Key holders can be granted easy access by showing their key at pre-set times of the day or locks can be programmed to open for a specific time period. Time-restricted PIN codes can easily be assigned to external users of a building. All access events are stored in the cloud for future reference.

iLOQ Online can be used for single-door access points or as a wired multi-door solution. With the single-door access point, the connection to iLOQ's cloud-based access-management software – iLOQ Manager – is a Plug & Play system. The connection uses 4G wireless internet technologies. With the multi-door solution, connection to iLOQ Manager uses the TCP/IP communication protocol. The devices in the locking system are conveniently connected across a physical network. Additional locking and access control features include easy opening of doors by just holding the key against a reader, opening of doors using a PIN-code, door status monitoring, remote management of wired iLOQ cylinders and calendar functions for electric locks.

<u>iLOQ 5 Series</u>

Using new opportunities offered by digitalization and the internet of things, the iLOQ S5 and iLOQ S50 locking solutions can be managed from the same easy-to-use software platform. This means access rights can be created, adjusted and revoked quickly, securely and remotely.

The iLOQ 5 Series is a flexible, modifiable locking solution that offers multiple access possibilities. Customers can choose what 'key' they want to use; the iLOQ S5 digital key, the iLOQ S50 mobile phone key (iOS or Android), a fob, a tag or even a PIN code.

The iLOQ 5 Series keeps accesses continually up to date by way of device-to-device communication. This advanced feature allows a vast amount of data (such as a list of blocked keys, time limitations, latest time, audit trails and accesses of the key) to be remotely updated and quickly shared in both directions between the management software and the readers, keys and locks in a building before the door is unlocked. This minimizes the need to travel between sites and administration offices to manually import or export data to locks and keys, reduces the expenditure associated with system wiring and drives down lifecycle costs and impact on the environment.

With iLOQ's use of NFC technology, a smartphone acts as both a key and a power source when used with iLOQ S50 locks. In the iLOQ 5 Series, they will soon also be able to be used as a communication channel to update the access rights of iLOQ S5 keys and iLOQ S50 fobs using the iLOQ 5 Series application.

With all devices connected and communicating with each other, security is maximized while administration costs are minimized. Lost, stolen or unreturned keys can be easily blocked. The latest time feature ensures that expired keys have no access without any administrative actions.

iLOQ 5 Series' standard, open application programming interface (API) allows integration with modern information-sharing and booking systems and customer personal databases. This enables, for example, booking of communal spaces to be updated using touchscreens in the premises or on mobile apps and shared with the iLOQ keys. No additional wiring to doors is needed.

In common with iLOQ's other digital and mobile locking systems, iLOQ 5 Series is a battery- and cable-free solution. The more keys and locks properties contain, the more the costs are reduced. In large systems, this saves potentially millions of euros in purchasing and maintenance costs over the lifecycle of the locking system. iLOQ's self-powered solutions also have built-in sustainability. In 2019, they eliminated 28,000 kg of battery waste and, compared to mechanical locking solutions, 7,000 kg of metal waste.

iLOQ 5 Series is highly scalable, making it ideal for single buildings, dozens of premises or properties spread over a vast area with thousands of locked objects. By maximizing security and minimizing administration and lifecycle costs, it boosts the value of properties while reducing consumption of resources and impact on the environment.

Retailer Network and Support of Sales

iLOQ's products are sold by retailers that are mainly independent companies operating within the locking and security industry. In addition to retail sales, retailers also market and install the Group's products and, upon request, manage their customers' locking system. For iLOQ S50 sales, it is also possible to utilise a multi-channel model in which products can be sold not only to the retailer network, but also directly to end-customers, as 'white label' sales or to the original equipment manufacturer.

As at 2 June 2020, the Group's products are sold in over 962 retail outlets. Of these, 178 are located in Finland, 330 in Sweden, 143 in Germany, 83 in Denmark, 79 in the Netherlands, 36 in France, 20 in Spain, 66 in Norway and 27 in other countries. The Group's goal is to increase the number of retailers particularly in large European cities.

This retailer network is a key part of the Group's business operations. This extensive retailer network makes it possible to continually and cost-effectively increase the sales of the Group's products. From 2015 to 2019, the Group increased the number of retail outlets from 384 to 871, and will actively seek to continue expanding it in the future. Each country's sales company is responsible for building the retailer network in that target market.

Retailers that meet the criteria defined by the Group can apply to be retailers of the Group's products. These criteria include, among other things, sufficient knowledge of the locking industry and the Group's products. In addition, the employees of the retailer must participate in commercial and technical training relating to the Group's products, must offer maintenance services and carry out marketing measures either on their own or together with the Group. Retailers are also responsible for properly installing the products for end users.

Though the Group's products are primarily sold through retailers, the Group's sales personnel and sales companies support the retailers' sales efforts significantly. The Group increases the recognition of its products and the Group's brand through sales measures, such as meetings with and sales events for architects, real estate owners and companies. In addition to this, the Group's trained sales staff visits current and potential end customers and offers information on the Group's products and their features. In the most significant projects,

the Group may negotiate with an end customer about more precise details and enter into a framework agreement, and in such cases the products are bought from a retailer. The Group's sales staff also design locking systems and provide technical support directly to parties interested in locking systems, such as housing companies. The Group also provides training and technical support to its retailers.

The Group's sales organisation consists of sales managers for Northern and Central Europe, who are members of the executive board, as well as of the country managers and the sales teams working under them. The Group has a sales office in Espoo and sales companies in Sweden, Norway, Denmark, Germany, the Netherlands, Spain, the United Kingdom and France, and as at the date of this Prospectus, the Group is considering expanding into other countries. The sales companies are responsible for building a retailer network in their country and for training retailers. After this, the Group focuses on supporting retailers and increasing sales.

The Group is investing in international growth by developing its sales concept and product offering, as well as by strengthening its personnel. The Group also collects information on sales and end-customers using defined methods and monitors and updates this information on a weekly basis. In addition, the Group's CEO, country managers, sales manager and marketing manager review sales reports and forecasts on a weekly basis. More detailed sales matters are decided in country-specific sales teams whose tasks vary depending on the stage of development of the markets in question and the scope of the available retailer network.

Marketing

The Group invests significantly in marketing and brand-building in key target markets. The Group has drawn up a marketing strategy for 2018–2022 to support the Group's business and growth targets and through which the Group is seeking to create the best customer experience in digital access management and turn its marketing and brand management into a clear competitive advantage. The marketing strategy is divided into three focus areas: brand-building, marketing of the Group's products and technology, as well as daily support and training of sales and sales channels, such as retailers.

The Group is marketed as a digital locking pioneer that creates innovative products for a rapidly developing market and for its target segments and verticals. Support of sales and sales channels seek to create the best value, experience and ease to do business for iLOQ's retailers, end-customers and product users, as well as to reinforce the image of market leadership in the Nordic countries and a strong position in selected large cities.

According to the marketing strategy, the Group's goal for 2018–2022 is to develop marketing step by step to support growth and internationalisation. The development of marketing started with systematic brand-building in key markets, creating marketing channels and tools such as iLOQ ACCESS portal and activities for the Group's key target groups and taking advantage of digitalisation at the customer interface.

The Group increases the recognition of its brand, among other things, by participating in trade fairs and industry interest group events, and the Group has participated in over 60 different events in 2017 and 2018. The Group also markets and grows its brand through partnerships, for example, with top athletes, and uses the content from these partnerships in its multi-channel marketing communications and brand building efforts. The Group also increases the exposure of its brand and communication in public and media relations among other things, by sharing technology articles and customers stories.

The company uses different marketing channels for different target groups to enhance its marketing and create customer value. The marketing channels covered by the marketing strategy are e.g. face-to-face meetings, digital marketing, marketing automation for customer and retailer communication and distribution, events, seminars, partnerships, e-learning, segmented direct marketing and PR activities.

Product Development and Testing

The Group's innovative products have been at the core of the business operations during the Group's entire operating history. The Group's product development bases its innovative solutions on a strong understanding of customer needs, market potential and knowledge of the available technologies. Technological solutions are sought to be implemented by taking into consideration the modular architecture of products and systems, platform thinking and scalability.

The Group invests in the development of new products as well as in the further development of the features and manufacturing methods of its current products.

The Group's Chief Technology Officer, under which the Group's electronics, mechanics and software teams work, is responsible for the Group's product development. The Group's research, product development and testing operations are based in the Oulu facility, where the Group also has an assembly line for the test manufacturing of new products. The Group mainly develops its products internally. The Group uses a network model in product development as well. The Group procures the development and maintenance of the Group's cloud-based iLOQ Manager from an outside supplier. However, the final solutions and their testing are always the responsibility of the Group, which also owns all intellectual property rights of its products. The development work related to the security of the Group's products is carried out by the Group itself.

The Group's product development process is based on concurrent engineering where the representatives of various functions, such as manufacturing, product management, sales and marketing professionals, work simultaneously on a product development project.

The Group's product management group monitors product development projects, and it consists of the Group's senior management as well as product managers. A product development project is always led by an appointed project manager, and under the project manager there is a project group that consists of, among others, mechanics, electronics and software designers as well as representatives from various functions. The Group has carefully prepared and documented procedural models in relation to the aforementioned product development process and project management.

In conjunction with the product development, the Group performs a wide variety of tests on its products. The Group carries out, among other things, resistance and environment tests for its products. The Group uses both its own test equipment and business partners that test products in accordance with the Group's parameters. After having passed the Group's own tests, the Group applies for a certification for its products from independent security industry organisations, if necessary.

The Group continually develops and tests its product assortment in order to keep its products and operations in compliance with security industry standards. The Group's assembly partners test the Group's products in conjunction with manufacturing, in addition to which the Group carries out sample-based quality control for its products in Oulu.

Production and Logistics

The Group's operations organisation is responsible for the manufacture of products and the logistics of material flows. The most important focus areas are quality assurance, scalability and the cost-effectiveness of manufacturing. The volume production of the Group's products has been outsourced. In the manufacturing of components and the assembly of its products, the Group mainly uses large international operators that typically have large factories in several parts of the world. The Group has several component suppliers, a few partners responsible for the assembly of keys and two partners responsible for the assembly of locks. The Group has

selected its assembly partners with an emphasis on quality assurance system, assembly expertise and cost-effectiveness. The Group does not own production facilities, and the scalability of the production does not require extensive changes from the Group with respect to the number of employees.

The Group puts a great deal of focus on the manufacturability of its products already during product development. The Group's procurement organisation selects the component suppliers together with product development designers. The supplier's expertise and understanding of alternative materials and manufacturing processes is utilised as early as possible during the design process. By doing so, the Group achieves optimal structures and manufacturing methods for the designed components.

In its products, the Group uses components designed by the Group itself. The components are manufactured in the premises of component suppliers. The Group owns the special tools, such as moulds, required for the manufacture of components. The Group determines the required manufacturing capacity and invests in the required component-specific tools as well as the test equipment for the production. In this way, the Group continually has visibility to the manufacturing capacity and it can scale the production flexibly.

The Group negotiates collaboration agreements with critical component suppliers. The agreements define the commercial terms and the quality-related requirements.

Assembly partners manufacture and test products and supply them to the Group's logistics centre in Oulu. The logistics centre is used for storing keys and lock cylinders but also various locking-related supplementary devices, such as fittings. All orders are processed in the logistics centre where deliveries are packed and sent to customers.

Employees

As at 31 December 2019, the Group had 152 employees, a significant number of which are experts. The employment relationships within the Group are mainly permanent and long, and employee turnover is low. In the 2019 financial year, the group employed an average of 146 persons compared to an average of 109 in 2018.

As at 31 December 2019, the distribution of the Group's personnel by country was as follows: 64 per cent. in Finland, 10 per cent. in Sweden, 9 per cent. in Germany, 4 per cent. in the Netherlands, 3 per cent. in Denmark, 3 per cent. in Norway, 4 per cent. in France and 3 per cent. in Spain, and the Group's employees were split as follows, 45 per cent. work in sales, 20 per cent. in operations and logistics, 18 per cent. in research and development, 9 per cent. in marketing and product management, 8 per cent. in administration.

Intellectual Property Rights

Since its establishment, the Group has systematically sought to protect its technology through patents. The Group utilises 15 patent families in its production, and the Group has applied for protection of its most important patents in important European countries taking into consideration the Group's growth strategy. In addition, the Group has differing levels of patents in other parts of the world, such as in North America and Asia. The Group has also licenced the rights to two inventions patented by a third parties, but it does not currently actively use those patent licences in its business operations.

The Group has 59 registered patents in force and currently utilises 54 of them. In addition, the Group has submitted 28 patent applications that mainly relate to iLOQ S50. The Group is not aware of any significant obstacles to the approval of these patent applications.

The Group requested an external patent expert (Kolster) to provide an analysis of its intellectual property rights, which concluded that the Group's patent portfolio can be deemed to be high-quality with respect to self-powered locks, at least moderate with respect to NFC locks and moderate with respect to system management.

To the date of this Prospectus, the Group has not been sued for alleged patent violations.

As at the date of this Prospectus, the Group has protected the iLOQ trademark in the EU, Russia and China as well as the iLOQ S5, iLOQ S10, iLOQ S20, iLOQ S50 and iLOQ KISS trademarks in the EU. In addition, the Group has sought to protect its trademarks by, among other things, domain name registrations, and the Group has registered several different domain names, such as iloq.com and iloq.fi. The Group has also sought to protect the appearance of its products by EU design registrations.

Material Contracts

As at the date of this Prospectus, the Group does not have material contracts not pertaining to its ordinary business.

Recent Developments

In August 2020 Timo Pirskanen was appointed as chief financial officer of the Group and will enter into his role starting from 7 September 2020, at which point Esa Myllylä will step down from the role as interim chief financial officer.

Litigation

During the 12 months preceding the date of this Prospectus, the Group has not been a party to any trials, arbitration proceedings or administrative proceedings that could have or have had a material effect on the Group's or its subsidiaries' financial position or profitability, and according to the Group's knowledge, no such proceedings are pending or threatened.

BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

Overview

Pursuant to the provisions of the Finnish Limited Liability Companies Act and the Group's Articles of Association, responsibility for the control and administration of the Group is divided between the general meeting of shareholders, the Board of Directors and the Chief Executive Officer. The shareholders participate in the control and administration of the Group through actions taken at general meetings of shareholders. Typically, general meetings of shareholders are convened upon notice given by the board of directors. In addition, general meetings of shareholders must be held when so requested in writing by an auditor of the Group or by shareholders representing at least one-tenth of all the outstanding shares of the Group.

The business address of the members of the board of directors, the CEO and President and the management group is Yrttipellontie 10, FI-90230 Oulu, Finland.

Board of Directors and Management Group

Board of directors of the Issuer

As at the date of this Prospectus, the Issuer's board of directors consists of the following person:

Name	Year of birth	Position	Year appointed to the board
Karl Petersson	1984	Member of the board	2019

Karl Petersson has served as a member of the Issuer's board since 2019. He has worked at Nordic Capital since May 2014. Karl holds an MSc in Industrial Engineering and Management from Linköping University. From 2010 to 2014, he worked in the Corporate Finance Department at SEB Enskilda.

Board of directors of iLOQ Oy

The board has general responsibility for the management of the Group and its affiliates, and for the appropriate organisation of the Group's operations. The board confirms the principles related to the Group's strategy, organisation, accounting and the monitoring of financial management, and appoints the CEO of the Group. During 2019, the Group's board of directors held 16 meetings. The CEO and President is in charge of the implementation of the Group's strategy and the Group's operative matters in accordance with the instructions and orders issued by the board of directors.

In accordance with the Group's articles of association, the board of directors is comprised of one or more members, who are elected in the annual general meeting for a term that ends at the end of the following annual general meeting.

As at the date of this Prospectus, iLOQ Oy's board of directors consists of the following person:

Name	Year of birth	Position	Year appointed to the board
Heikki Hiltunen	1962	Member of the board	2020

Heikki Hiltunen has served as a member of iLOQ Oy's board since his appointment in 2020 and has been CEO and President of the company since 2017. Previously, Mr. Hiltunen served as Senior Vice President and Head of Global Sales, Marketing and Service at Oy Danfoss Ab during 2014–2017. He has also served as Senior Vice President and Head of Global Sales, Marketing and Service at Danfoss Drives and served as Vice President for Europe, Middle-East and Africa for Tellabs Inc and as CEO for Tellabs Oy in 2000–2002. Hiltunen also serves

as the chairman of the board of, among other things, SM-Liiga Oy and Hockey-Team Vaasan Sport Oy. Mr. Hiltunen holds a B. Sc. in Computer Science.

Executive board

As at the date of this Prospectus, iLOQ's executive board consists of the following persons:

Name	Year of birth	Position	Year appointed to the executive group
Heikki Hiltunen	1962	CEO and President	2017
Esa Myllylä	1958	Chief Operating Officer and interim CFO	2014
Tomi Karjalainen	1978	Chief Sales Officer Nordics	2015
Jyrki Kananen	1964	Chief Technology Officer, Mechanics R&D	2016
Joni Lampinen	1977	Chief Marketing Officer	2018
Timo Ainali	1969	Chief Technology Officer	2019
Veli-Pekka Autio	1970	Chief Production Officer	2017
Minna Tuomikoski	1976	Human Resources Director	2018

Heikki Hiltunen has been iLOQ's CEO and President since 2017. Previously, Mr. Hiltunen has served as Senior Vice President and Head of Global Sales, Marketing and Service at Oy Danfoss Ab during 2014–2017. He has also served as Senior Vice President and Head of Global Sales, Marketing and Service at Danfoss Drives and served as Vice President for Europe, Middle-East and Africa for Tellabs Inc and as CEO for Tellabs Oy from 2000 to 2002. Mr. Hiltunen also serves as the chairman of the board of, among other things, SM-Liiga Oy and Hockey-Team Vaasan Sport Oy. Mr. Hiltunen holds a B. Sc. in Computer Science.

Esa Myllylä has been iLOQ's COO since 2014. He has previously served as iLOQ's General Manager in 2017 and during 2014–2015. Mr. Myllylä has also worked as management consultant and managing director of Raxia Oy during 2013–2014, Head of Factory for Nokia Siemens Networks during 2007–2013 and in several management positions during 1995–2007. In addition, Mr. Myllylä has been Jutron Oy's Head of Factory during 1994–1995 and Rautaruukki New Technologies' Financial Manager, Production Manager, Development Engineer during 1985–1994. Mr. Myllylä has also been member of the board of Erweko Oy between 2014 and 2018. Mr. Myllylä holds a B. Sc. degree in Engineering.

Tomi Karjalainen has served as iLOQ's Chief Sales Officer for Northern Europe since 2018. In addition, Mr. Karjalainen was iLOQ's Chief Sales and Marketing Officer during 2015–2018, Head of Sales for Finland during 2012–2015 and Sales Manager during 2009–2012. Mr. Karjalainen also worked at LukkoExpert Security Oy as Sales Director, Building and Construction during 2006–2008 and as Sales Manager during 2002–2006. Mr. Karjalainen holds a vocational qualification in business and administration and upper secondary school matriculation examination.

Jyrki Kananen has served as Chief Technology Officer, Mechanic R&D in iLOQ since 2016. Mr. Kananen has previously served in iLOQ as Director Operations in 2008–2016 and Operation Manager 2007–2008. Mr. Kananen has also worked at Remec Oy (as of 2006 Powerwave Finland Oy) as, among other things, CEO and CP Project Management in 2005–2007 and as Site Manager and VP Program Management in 2001–2005. Mr. Kananen holds a B. Sc. degree in Computer Science.

Joni Lampinen has been iLOQ's Chief Marketing Officer since 2018. Mr. Lampinen has worked as Vice President, Marketing at Oy Danfoss Ab in 2015–2017, as manager and director responsible for brand and marketing communications at Vacon Plc in 2008–2015 and as sales manager at Satama Interactive Oyj in 2008. Mr. Lampinen holds an MBA and BBA (marketing).

Timo Ainali has served as Chief Technology Officer at iLOQ since 2017. Mr. Ainali earlier worked as Director, R&D and Operations 2017- 2019, EXFO Homeland Security. Director, R&D 2010 – 2017, EXFO. Executive Vice President, IP Solutions 2008 – 2010 and Vice President, R&D 2003 –2008, NetHawk Oyj. Senior Program Manager 2002 –2003, Head of R&D, Special Products 1999 –2002, several R&D positions in R&D 1994 – 1999, Nokia. Mr. Ainali holds an M.Sc. Electrical Engineering.

Veli-Pekka Autio has served as Chief Production Officer at iLOQ since 2017. Mr. Autio has earlier worked as Transportation/Control Tower and Merge Point manager at Nokia in Oulu in 2015–2016 and as HUB Manager for Global-Europe HUB at Nokia in the Netherlands in 2012–2015. Mr. Autio has also worked as Production Manager, NPI and Ramp Up production at Nokia Siemens Networks Oy in Oulu (currently Nokia Solutions and Networks Oy) in 2010–2012, as Manufacturing Engineering Manager at Nokia Siemens Networks Oy in India in 2008–2010, as Production Manager, SMD and Ramp ups at Nokia in Oulu in 2005–2008 and in various managerial positions at Nokia in Oulu in 1997–2005. Mr. Autio holds a B. Sc. degree in Machine Automation.

Minna Tuomikoski has been iLOQ's Human Resources Director since 2018. She has previously worked as Head of Human Resources at Luovi Vocational College in 2009–2017 and as Group Human Resources Manager at the PKC Group in 2008–2009. Mrs. Tuomikoski holds a M.Ed. degree.

Timo Pirskanen was appointed as new Chief Financial Officer of the Group in August 2020 and will start in this position on 7 September 2020. Before joining iLOQ, Mr. Pirskanen has been working as CFO at Adapteo Plc. Mr. Pirskanen has previously also worked as CFO at Kotipizza Oyj in 2015-2019 and as Vice President of Investor Relations for Rautaruukki Oyj in 2011-2015. Prior to that Mr. Pirskanen held equity analysis management positions at Deutsche Bank AG in Finland (2004-2011). Following the appointment of Mr. Pirskanen as new Group Chief Financial Officer, Mr. Myllylä will step down from the role as interim Chief Financial Officer.

Board of directors of Hailuoto

As at the date of this Prospectus, the board of directors of Hailuoto Oy consists of the following persons:

Name	Year of birth	Position	Year appointed to the board
Robert Furuhjelm	1969	Member of the board	2019

Robert Furuhjelm has served as a member of Hailuoto's board since 2019. He has worked at Nordic Capital since August 2003. Robert is Head of Finland, where he has led the local Advisor office since 2006. Prior to joining Nordic Capital, Robert worked with M&A and capital markets transactions at Goldman Sachs (1994–1996) and at SEB (1996–2003). Robert holds a BSc in Economics from the Swedish School of Economics and Business Administration in Helsinki.

Corporate Governance

In its decision making and administration, the Group applies the Finnish Companies Act, other legal provisions governing listed companies, and the Group's Articles of Association. The Group also complies with the Nasdaq Rule Book for Issuers.

Committees

There are currently no committees of the board in existence.

Conflicts of Interest

The Group is not aware of any conflicts of interests of the members of the board of directors and the executive group or the CEO between their duties towards the Group and their private interests and/or their other duties.

Incentive Schemes

Bonus scheme

The Group has a bonus scheme that is updated annually and the content of which is decided by the board of directors of the Group. The Group's CEO and President, the members of the executive board and certain employees of the Group belong to the bonus scheme. The bonuses are paid provided that the key performance goals set by the Group are met. The objectives of the bonus scheme vary depending on the task.

The Group has a separate sales bonus scheme. The amount of the bonus in the sales bonus scheme is affected by the net sales and EBIT. The grounds for determining the bonus vary depending on the task, and the grounds take into consideration, for example, different phases of the sales companies and the differences between target markets. Sales personnel can achieve a bonus of up to several months' salary.

Share-based incentive schemes

The Group has a share-based incentive and retention scheme for key personnel through which the members of the Group's board of directors and management group, the President and CEO and certain other key persons have subscribed for shares in the Group's indirect parent company, Capnor Weasel TopCo Oy.

Auditors

The Group's audited consolidated financial statements for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017 have been audited by audit firm KPMG Oy Ab, with Authorised Public Accountant Tapio Raappana as the principal auditor. Audit firm KPMG Oy Ab, with Authorised Public Accountant Tapio Raappana as the principal auditor, was elected as auditor of the Group at the Group's annual general meeting held on 15 May 2020.

RELATED PARTY TRANSACTIONS

As at 31 March 2020, the Group had no related party transactions.

GLOSSARY

The following glossary presents the definitions of certain technical terms and abbreviations used in this Prospectus.

Term	Definition
AES-256 encryption	AES (*Advanced Encryption Standard)* is an encryption standard that is widely used for protecting various software, network traffic, personal data and organisations' IT infrastructure. The number of rounds to be used (10, 12 or 14) depends on the length of the used key (128-bit, 192-bit or 256-bit). The method is still considered unbreakable, and it is one of the most reliable encryption methods.
Digital locking	Digital locking refers to locking where the lock cylinder operates by means of an electric current, and no traditional key is used for the locking. Digital locking always requires electric wiring and cabling. An access management system is a typical example of digital locking.
Euro profile lock	The euro profile lock is one of the lock types and it is known for its dual cylinder configuration, which means it can be locked from both inside and outside of the door. Euro profile lock cylinders are typical in Europe.
Access management system	An access management system is a typical example of digital locking, and it usually requires separate cabling. A traditional key is not typically used for access management system.
Log data	Log data refer to data on opening and attempted openings of a lock and they can be obtained from a locking system, for example, in conjunction with vandalism, if necessary.
Lock body	A lock body is a mechanical device installed inside the door. As a result of turning a lock cylinder, the lock body retracts the bolt and correspondingly locks the door when it is closed by pushing. A mechanical or mechatronic lock cylinder can be typically installed inside the lock body.
Lock cylinder	A lock cylinder is a component inside the lock body and consists of, among other things, tumblers.
Mechanical locking	Mechanical locking refers to a traditional mechanical lock that is opened with a key. A key suitable for each lock is unique.
Mechatronic locks	Features of mechanical and digital locking are combined in mechatronic locks. In a mechatronic lock, the bolt is opened by the turning of the key, like in a mechanical lock; energy is required for identification and for pin movements inside the lock. A mechatronic lock can operate by means of batteries or can be self-powered.
NFC induction	NFC induction, i.e. electromagnetic field induction on radio frequency 13.56 MHz is the core of NFC technology.
NFC technology	NFC technology (*Near Field Communication*) is a short-range wireless technology that uses RFID technology. NFC technology is built-in the large majority of mobile phones and other mobile devices.-
RFID reader	RFID (*radio frequency identification*) is a method for remote reading and storing data. RFID IDs (tags) are used in RFID.- For example, a door locked by electricity can be opened by means of an RFID reader.
Software as a Service (SaaS)	SaaS, i.e. *Software as a Service*, is one service model of cloud services in which an entire software is provided as a service. The service provider of a SaaS service is comprehensively responsible for the entire software. Typically, SaaS software is used via a web browser.

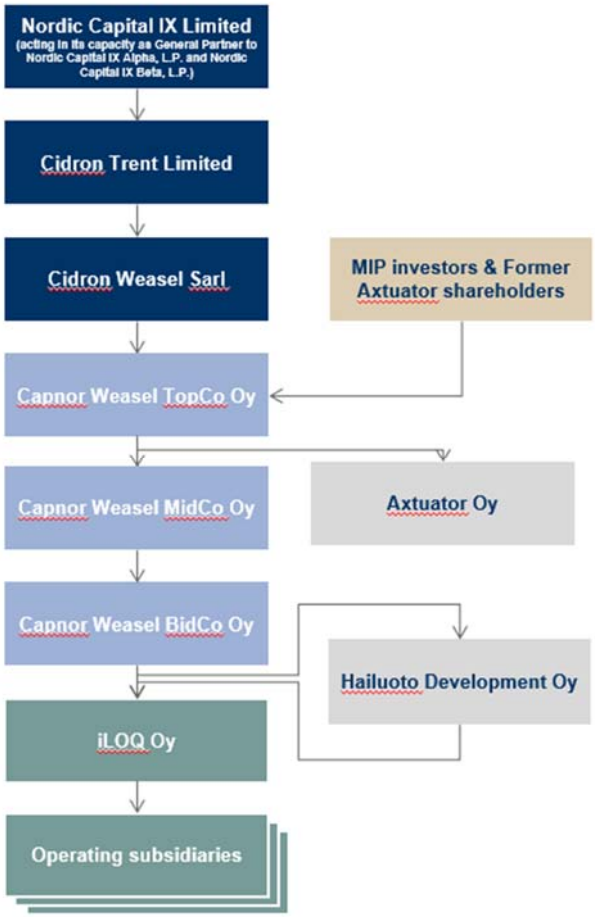
MAJOR SHAREHOLDERS

Shareholders

The Issuer is a wholly-owned subsidiary of Capnor Weasel Midco Oy, which is wholly owned by Capnor Weasel Topco Oy. Cidron Weasel S a r l holds 57.08 per cent. of the shares in Capnor Weasel Topco Oy and Cidron Trent Limited holds 100 per cent. of the shares in Cidron Weasel S a r l. The remaining 42.33 per cent. of the shares in Capnor Weasel Topco Oy are distributed among investors in the management incentive programme of iLOQ Oy and the former shareholders of Axtuator Oy. Nordic Capital IX Limited is the beneficial owner of Cidron Trent Limited and no individual or entity holds more than 25 per cent. of Nordic Capital IX Limited.

Structure Chart

The legal ownership structure related to the Group and the Guarantors is set out in the structure chart below.



Shareholders' agreements

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

FINANCIAL INFORMATION

The accounting principles applied in the preparation of the Group's financial statements are set out below and have been consistently applied to all the years presented, unless otherwise stated.

The Issuer's consolidated financial information for the financial year ending 2019 has been prepared in in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the EU. In addition, the Issuer's unconsolidated financial information for the financial year ending 2019 has been prepared in in accordance with Finnish Accounting Standards.

The Issuer's consolidated annual report for the financial year ended 2019 has been incorporated in this Prospectus by reference. The consolidated annual report has been audited by the Issuer's auditor and the auditor's report has been incorporated by reference in this Prospectus through the consolidated annual report for the financial year ended 2019.

iLOQ Oy's consolidated financial information for the financial year ending 2019 has been prepared in in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the EU. In addition, iLOQ Oy's unconsolidated financial information for the financial year ending 2019 has been prepared in in accordance with Finnish Accounting Standards.

iLOQ Oy's consolidated annual reports for the financial years which ended 2018 and 2019, respectively, have been incorporated in this Prospectus by reference. The consolidated annual reports have been audited by iLOQ Oy's auditor and the auditor's reports for each year have been incorporated by reference in this Prospectus through the consolidated annual reports for the financial years which ended 2018 and 2019, respectively.

Hailuoto Development Oy's financial information has not been deemed material to an investor's assessment of the Group and therefore has not been included in this Prospectus.

ADDITIONAL INFORMATION

Share capital

The Issuer's current share capital amounts to EUR 80,000 divided among 100 ordinary shares. The ordinary shares entitle the holder to one vote per share. The shares are denominated in EUR and have been fully paid up.

iLOQ Oy's current share capital amounts to EUR 1,000,015.60 divided among 1,241,244 class K shares and 0 class A shares. The class K shares entitle the holder to 20 votes per share and the class A shares entitle the holder to one vote per share. The shares are denominated in EUR and have been fully paid up.

Hailuoto Oy's current share capital amounts to EUR 11,250 divided among 225,000 ordinary shares. The ordinary shares entitle the holder to one vote per share. The shares are denominated in EUR and have been fully paid up.

Interest of natural and legal persons involved in the Note Issue

Nordea Bank Abp, filial i Sverige (the "**Issuing Agent**") and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or other services for the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Issuing Agent and/or its affiliates having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Documents incorporated by reference

In this Prospectus, the following documents are incorporated by reference. The documents have been made public and have been handed in to the Swedish Financial Supervisory Authority.

- The following sections of the second quarter (Q2) report of the Issuer for the second quarter of 2020:
    - The statements of financial position on pages 6 and 9;
    - The income statements on pages 5 and 8;
    - The cash flow statements on pages 7 and 10; and
    - The notes on page 11, including the description of the accounting principles applied on page 11.
- The following sections of the first quarter (Q1) report of the Issuer for the first quarter of 2020:
    - The statements of financial position on pages 5 to 6 and 8;
    - The income statements on pages 4 and 7;
    - The cash flow statements on pages 6 and 9; and
    - The notes on page 10, including the description of the accounting principles applied on page 10.
- The following sections of the audited annual report of the Issuer for the financial year 2019:
    - The independent auditor's report on pages 58 to 60;
    - The statements of financial position on pages 7 and 48;

  - The income statements on pages 6 and 47;
  - The cash flow statements on pages 19 and 49; and
  - The notes on pages 8 to 18, 21 to 46 and 50 to 55, including the description of the accounting principles applied on pages 8 and 50.
- The following sections of the audited consolidated annual report of iLOQ Oy for the financial year 2019:
  - The statements of financial position on pages 9 and 42;
  - The income statements on pages 8 and 41;
  - The cash flow statement on pages 10 and 43; and
  - The notes on pages 13 to 39 and 45 to 52, including the description of the accounting principles applied on pages 13 and 45.
- The independent auditor's report relating to the audited consolidated annual report of iLOQ Oy for the financial year 2019.
- The following sections of the audited consolidated annual report of iLOQ Oy for the financial year 2018:
  - The statement of financial position on pages 8 and 40;
  - The income statement on pages 7 and 39;
  - The cash flow statement on pages 9 and 41; and
  - The notes on pages 12 to 37 and 43 to 50, including the description of the accounting principles applied on pages 12 and 43.
- The independent auditor's report relating to the audited consolidated annual report of iLOQ Oy for the financial year 2018.

The abovementioned report is available in electronic form on the Issuer's web page and can also be obtained from the Issuer in paper format in accordance with section "*Documents available for inspection*" below.

Investors should read all information which is incorporated in the Prospectus by reference.

Dependency on subsidiaries

A significant part of the Group's assets and revenues relate to the Issuer's direct and indirect subsidiaries, especially iLOQ Oy. The Issuer is therefore dependent upon receipt of sufficient income and cash flow related to the operations of the other companies within the Group to service its debt under the Notes. The transfer of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiaries.

Limitations or restrictions on the transfer of funds between companies within the Group may become more restrictive in the event that the Group experiences difficulties with respect to liquidity and its financial position, which may negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Notes.

Litigation

As of the date of this Prospectus neither the Issuer, the Guarantors nor the Group is involved in any governmental, legal or arbitration proceedings, and has not been for the last 12 months, which may have, or have had in the recent past, significant effects on the Issuer's, the Guarantors' and/or the Group's financial position or profitability.

No Significant Change in the Issuer's, the Guarantors' or the Group's Financial or Trading Position and Trend Information

There has been:

(i) no significant change in the financial or trading position of the Issuer, the Guarantors or the Group since 31 December 2019;

(ii) no recent events particular to the Issuer and which are to a material extent relevant to an evaluation of the Issuer's or Guarantors' solvency since 31 December 2019;

(iii) no material adverse change in the financial position or prospects of the Issuer, the Guarantors or the Group since 31 December 2019; and

(iv) no significant change in the financial performance of the Group since 31 March 2020.

MATERIAL CONTRACTS

Guarantee and Adherence Agreement

The guarantee and adherence agreement dated 13 December 2019 was entered into between, amongst other, the Issuer and the Security Agent for itself and on behalf of Secured Parties (as defined in the Intercreditor Agreement). Pursuant to the Guarantee and Adherence Agreement the Guarantee shall be granted with first priority ranking in respect of the Super Senior Debt and the Senior Debt, *pari passu* between the Super Senior Debt and the Senior Debt, but subject always to the allocation of proceeds provision as set out in in the Intercreditor Agreement.

The Guarantee and Adherence Agreement is governed by Swedish law.

Intercreditor Agreement

The intercreditor agreement originally dated 13 December 2019 was entered into between amongst other, the Issuer, Capnor Weasel MidCo Oy, the Original ICA Group Companies, Nordea Bank Abp as the Original Super Senior RCF Agent, the Original Super Senior RCF Creditor and as the Original Hedge Counterparty and Nordic Trustee & Agency AB (publ) as the Original Senior Notes Agent and the Original Security Agent.

The Intercreditor Agreement sets out: (i) the relative ranking of certain indebtedness of the debtors; (ii) the relative ranking of certain security granted by the debtors; (iii) when payments can be made in respect of certain indebtedness of the debtors; (iv) when enforcement actions can be taken in respect of that indebtedness; (v) the terms pursuant to which that indebtedness will be subordinated upon the occurrence of certain insolvency events; (vi) turnover provisions; and (vii) when security and guarantees will be released to permit a sale of any assets subject to security.

The Intercreditor Agreement is governed by Swedish law.

Super Senior RCF Agreement

The super senior revolving credit facility relating to a EUR 15,000,000 Multi-currency Revolving Facility originally dated 13 December 2019 was entered into between, amongst other¸ the Issuer as Original Borrower, Company and Original Guarantor, iLOQ Oy as Original Borrower and Original Guarantor, Hailuoto Development Oy as Original Guarantor, Nordea Bank Abp as Arranger, Original Lender and Agent and Nordic Trustee & Agency AB (publ) as Security Agent (the "**Super Senior RCF**").

The Super Senior RCF may be used, *inter alia*, for financing of working capital requirements in the Group, repayment of certain loans and certain permitted acquisitions.

The Super Senior RCF has been utilised through a loan in the amount of EUR 10,000,000.

The Super Senior RCF is governed by Swedish law.

Other than as stated above, neither the Issuer nor any of the Guarantors have entered into any material agreements.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents can be obtained from the Issuer in paper format upon request during the validity period of this Prospectus at the Issuer's head office and through the Issuer's website: www.iloq.com.

- the up to date articles of association and the trade register extracts of the Issuer and the Guarantors;
- the Guarantee and Adherence Agreement;
- the Intercreditor Agreement; and
- all documents which by reference are a part of this Prospectus, including historical financial information for the Issuer and iLOQ Oy.

TERMS AND CONDITIONS FOR THE NOTES

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

"**Accounting Principles**" means generally accepted accounting principles in Finland, including the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

"**Acquisition**" means the acquisition by the Issuer of 100 per cent. of the issued share capital and option rights of the Targets on the terms of the Acquisition Agreement.

"**Acquisition Agreement**" means the sale and purchase agreement dated 14 October 2019 relating to the Acquisition and made between the Issuer and the Vendors.

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

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

"**Agency Agreement**" means the agreement entered into on or before the First Issue Date between the Issuer and the Agent (in its capacity as Agent and Security Agent), or any replacement agency agreement entered into after the First Issue Date between the Issuer and an Agent.

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

"**Axtuator**" means Axtuator Oy, Finnish Reg. No. 2651375-2, and the intellectual property and any other material assets owned by it, or another entity from time to which such assets are transferred.

"**Bridge Financing**" means the "risk capital" received by the Issuer prior to the Completion Date in cash from the Parent in the form of share capital, other restricted or unrestricted reserves (including shareholder contributions) and/or Shareholder Debt, and used to fund the aggregate consideration for the Acquisition and the repayment in full of the Existing Financing.

"**Bridge Financing Refund**" means a Restricted Payment made in order to repay or otherwise refund a portion of the Bridge Financing not exceeding EUR 53,800,000.

"**Business Day**" means a day on which banks are open for general business in Sweden other than a Saturday or Sunday or other public holiday.

"**Business Day Convention**" means the first following day that is a Business Day or CSD Business Day (as applicable) 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 or CSD Business Day (as applicable).

"**Change of Control Event**" means the occurrence of an event or series of events whereby:

(a) prior to an Equity Listing Event, the occurrence of an event or series of events whereby the Investor directly or indirectly, ceases to own and control more than 50 per cent. of the shares and votes of the Issuer; and

(b) following an Equity Listing Event, delisting of the shares in the Issuer (or its relevant holding company) or the occurrence of an event or series of events whereby one, not being the Investor, or more persons acting together, acquire control over the Issuer and where "control" means (i) acquiring or controlling, directly or indirectly, more than thirty (30) per cent. of the voting shares of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the members of the board of directors of the Issuer.

"**Completion Date**" means the date of the disbursements of the proceeds from the Escrow Account.

"**Compliance Certificate**" means a certificate signed by the CEO or the CFO or any other authorised signatory of the Issuer on behalf of the Issuer, certifying, among other things, that, (a) so far as the Issuer is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it, and (b) if relevant, the Incurrence Test and/or the Distribution Test (as applicable) is met and including calculations and figures in respect thereof.

"**Conditions Precedent Failure**" has the meaning set forth in Clause 5.3.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Notes, Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

"**CSD Business Day**" means a day (i) on which the relevant CSD settlement system is open; and (ii) on which the Trans European Automated Real Time Gross Settlement Express Transfer (TARGET2) System or any successor system is open.

"**CSD Regulations**" means the CSD's rules and regulations applicable to the Issuer, the Agent and the Notes from time to time.

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

"**Distribution Test**" means the test set out in Clause 14.2 (*Distribution Test*).

"**EBITDA**" means, for the Relevant Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report:

(a) **before** deducting any amount of tax on profits, gains or income paid or payable by any Group Company;

(b) **before** taking into account any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any Group Company (calculated on a consolidated basis) in respect of that Relevant Period;

(c) **before** taking into account any exceptional, one off, non-recurring or extraordinary items in an aggregate amount not exceeding the higher of (i) EUR 2,000,000 and (ii) twenty (20) per cent. of EBITDA of the Group, in any Relevant Period;

(d) **before** taking into account any Transaction Costs or any costs in relation to future divestments or acquisitions or any costs relating to aborted divestments or acquisitions;

(e) **not including** any accrued interest owing to any Group Company;

(f) **before** taking into account any unrealized gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);

(g) **after adding back or deducting**, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;

(h) **plus or minus** the Group's share of the profits or losses of entities which are not part of the Group;

(i) **minus** any gain arising from any purchase of Notes by the Issuer;

(j) **after adding** any amounts claimed under loss of profit, business interruption or equivalent insurance;

(k) **before** taking into account any income or charge attributable to a post-employment benefit scheme other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme; and

(l) **after adding back** any amount attributable to the amortization, depreciation or depletion of assets (including any amortisation or impairment of any goodwill arising on any acquisition).

"**Equity Listing Event**" means the first day of trading following an offering of shares in the Parent or another indirect holding company to the Issuer, whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

"**Escrow Account**" means a bank account of the Issuer held with the Escrow Bank, into which the proceeds from the Initial Notes will be transferred and which has been pledged in favour of the Agent and the Noteholders (represented by the Agent) under the Escrow Account Pledge Agreement.

"**Escrow Account Pledge Agreement**" means the pledge agreement entered into between the Issuer and the Agent in respect of a first priority pledge over the Escrow Account and all funds held on the Escrow Account from time to time, granted in favour of the Noteholders and the Agent (in its capacity as security agent in accordance with the Agency Agreement).

"**Escrow Bank**" means Nordea Bank Abp, filial i Sverige.

"**EUR**" means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

"**EURIBOR**" means

(a) the applicable percentage rate per annum displayed on Thomson Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in EUR and for a period comparable to the relevant Interest Period; or

(b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between:

(i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period; and

(ii) the applicable screen rate for the shortest period (for which that screen rate is available) which exceeds that Interest Period,

in each case as of or around 11 a.m. on the Quotation Day; or

(c) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of EUR 10,000,000 for the relevant period; or

(d) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in EUR offered for the relevant period,

and if any such rate is below zero (0), EURIBOR will be deemed to be zero (0).

"**Event of Default**" means an event or circumstance specified in Clause 15.1.

"**Existing Financing**" means (i) the EUR 5,000,000 credit limit facility provided to, *inter alia*, iLOQ Oy by Nordea Bank Abp and (ii) the Hailuoto Loan.

"**Final Maturity Date**" means the date falling 66 months after the First Issue Date.

"**Finance Documents**" means:

(a) the Terms and Conditions;

(b) the Agency Agreement;

(c) the Guarantee Agreement;

(d) the Security Documents;

(e) the Escrow Account Pledge Agreement;

(f) the Intercreditor Agreement; and

(g) any other document designated by the Issuer and the Agent (on behalf of itself and the Noteholders) as a Finance Document.

"**Financial Indebtedness**" means any indebtedness in respect of:

(a) monies borrowed or raised (including under bank financing or Market Loans);

(b) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(c) any amount raised under any other transaction having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Principles (including forward sale or purchase arrangements and excluding any earn out obligations);

(d) the amount of any liability in respect of any leases or hire purchase contract (in each case, which is treated as a balance sheet liability in accordance with the Accounting Principles);

(e) the marked-to-market value of any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);

(f) any counter-indemnity obligation in respect of a guarantee, indemnity, Market Loan, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(g) (without double counting) any guarantee or other assurance against financial loss in respect of indebtedness referred to in the above paragraphs (a)–(f) (inclusive).

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

"**Financial Report**" means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, or any report required for the purpose of a Compliance Certificate to be delivered to the Agent pursuant to the Terms and Conditions.

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

"**First Issue Date**" means 12 December 2019.

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

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

"**Guarantee Agreement**" means the guarantee agreement entered into between the Issuer, each Guarantor and the Agent pursuant to which the Secured Obligations under the Finance Documents will be guaranteed by the Guarantors and the Guarantors will undertake to adhere to, and comply with, the undertakings set out in the Secured Finance Documents.

"**Guarantors**" means each of:

(a) iLOQ Oy;

(b) Hailuoto; and

(c) any other entity which has acceded as a Guarantor to the Guarantee Agreement and the Intercreditor Agreement pursuant to the Secured Finance Documents.

"**Hailuoto**" means Hailuoto Development Oy, Finnish Reg. No. 2595372-1.

"**Hailuoto Loan"** means the EUR 450,000 loan made by Nordea Bank Abp to Hailuoto.

"**Hedging Obligations**" shall have the meaning ascribed to it in the Intercreditor Agreement.

"**iLOQ Oy**" means iLOQ Oy, Finnish Reg. No. 1842821-6.

"**Incurrence Test**" means the test pursuant to Clause 14.1 (*Incurrence Test*).

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

"**Initial Notes**" means the Notes issued on the First Issue Date.

"**Insolvent**" means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other relevant jurisdiction).

"**Intercreditor Agreement**" means the intercreditor agreement entered into between, amongst other, the Issuer, the Parent, the Guarantors, the Shareholder Creditors, the Original Super Senior RCF Creditor, the Original Hedge Counterparty (as defined therein), the Security Agent and the Agent (representing the Noteholders).

"**Interest**" means the interest on the Notes calculated in accordance with Clauses 9.1 to 9.3.

"**Interest Payment Date**" means 12 March, 12 June, 12 September and 12 December in each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 12 March 2020 and the last Interest Payment Date shall be the relevant Redemption Date.

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

"**Interest Rate**" means EURIBOR plus 5.375 per cent. *per annum*.

"**Investor**" means (i) Nordic Capital IX Alpha, L.P. and Nordic Capital IX Beta, L.P., which act through their general partner Nordic Capital IX Limited (ii) any of their Affiliates and/or (iii) any other funds launched as a "Nordic Capital Fund" from time to time.

"**Issue Date**" the First Issue Date and each other date on which Notes are to be issued pursuant to these Terms and Conditions, as agreed between the Issuing Agent and the Issuer.

"**Issuer**" means Capnor Weasel Bidco Oy, a limited liability company incorporated under the laws of Finland with Reg. No. 3089585-3.

"**Issuing Agent**" means, initially, Nordea Bank Abp, filial i Sverige and thereafter each other party appointed as Issuing Agent in accordance with these Terms and Conditions and the CSD Regulations.

"**Leverage Ratio**" means the ratio of Net Debt to EBITDA calculated in accordance with Clause 14.3 (*Calculation adjustments*).

"**Listing Failure Event**" means that (i) the Initial Notes are not admitted to trading on Nasdaq Stockholm (or another Regulated Market) within twelve (12) months from (and excluding) the First Issue Date, and (ii) following a successful listing and subsequent de-listing of the Notes from the corporate bond list of Nasdaq Stockholm (or another Regulated Market) the Notes are not re-listed on a Regulated Market by the date falling thirty (30) calendar days from the date of the de-listing.

"**Major Obligations**" means an obligation under any Super Senior RCF Documents with respect to any Group Company relating to (i) negative pledge, (ii) financial indebtedness, (iii) disposal of assets, (iv) financial support, (v) acquisitions and (vi) restricted payments.

"**Market Loan**" means any loan or other indebtedness in the form of commercial paper, certificates, convertibles, subordinated debentures, notes or any other debt securities (including, for the avoidance of doubt, 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 any Regulated Market or a multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

"**Material Adverse Effect**" means a material adverse effect on:

(a) the business, financial condition or operations of the Group taken as a whole;

(b) the Issuer's ability to perform and comply with its payment obligations under the Finance Documents; or

(c) the validity or enforceability of the Finance Documents.

"**Material Subsidiary**" means

(a) a Guarantor;

(b) iLOQ Oy;

(c) a Group Company which, directly or indirectly, holds shares in any Guarantor;

(d) a Subsidiary of the Issuer, identified as a Material Subsidiary on the Completion Date or thereafter in a Compliance Certificate delivered to the Agent, which, together with its Subsidiaries on a consolidated basis, has earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing ten (10) per cent. or more of EBITDA of the Group, in each case calculated on a consolidated basis by reference to the most recent annual financial statements of the Group; and

(e) a Group Company which, directly or indirectly, holds shares in the companies listed in limbs (a) to (d) above.

For this purpose:

(a) the contribution of the Group Company will be determined from its financial statements (consolidated if it has Subsidiaries) upon which the latest audited financial statements of the Group have been based;

(b) the EBITDA of the Group will be determined from its latest audited financial statements, adjusted (where appropriate) to reflect the EBITDA of any company or business subsequently acquired or disposed of;

(c) if a Material Subsidiary disposes of all or substantially all of its assets to another Group Company, it will immediately cease to be a Material Subsidiary and the other Group Company (if it is not already) will immediately become a Material Subsidiary; the subsequent financial statements of those Group Companies and the Group will be used to determine whether those Group Companies are Material Subsidiaries or not;

(d) if a Group Company is not wholly owned (directly or indirectly) by the Issuer, the EBITDA of that Group Company shall when determining whether that Group Company is a Material Subsidiary be adjusted and calculated *pro rata* to the ownership portion held by the Issuer (directly or indirectly) in that Group Company; and

(e) EBITDA of a Group Company will be determined applying the same principles as when determining EBITDA.

If there is a dispute as to whether or not a company is a Material Subsidiary, a certificate of the auditors of the Issuer will, in the absence of manifest error, be conclusive. Such a certificate may be requested by the Agent or the Super Senior RCF Creditors.

"**Net Debt**" means, on a Group consolidated basis (i) the aggregate amount of all interest-bearing Financial Indebtedness (excluding Financial Indebtedness under Notes held by the Issuer or a Group

Company, any Shareholder Debt, any Subordinated Debt, any Financial Indebtedness under any permitted intra-Group loans, and any pension and tax liabilities) (including lease obligations which according to the Accounting Principles shall be treated as debt) **less** (ii) freely available cash in hand or at a bank and short-term, highly liquid securities that are immediately convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

"**Net Proceeds**" means the proceeds from the Initial Note issue or any Subsequent Note issue which, after deduction has been made for the Transaction Costs payable by the Issuer in connection with issuance of the Notes and the establishment of the Original Super Senior RCF, or any Subsequent Notes (as applicable), shall be transferred to the Issuer and used in accordance with Clause 3 (*Use of Proceeds*).

"**New Creditor**" means any creditor in respect of or in relation to New Debt and as further defined in the Intercreditor Agreement.

"**New Debt**" means any Financial Indebtedness incurred by the Issuer under paragraph (i)(ii) of the definition of Permitted Debt and as further defined in Intercreditor Agreement.

"**Nominal Amount**" means in respect of each Note the Initial Nominal Amount, less the aggregate amount by which that Note has been redeemed in part pursuant to Clause 10.3 (*Voluntary partial redemption*) or Clause 10.5 (*Voluntary partial redemption due to Equity Listing Event (call option)*).

"**Note**" means a debt instrument (*skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*), issued by the Issuer under the Terms and Conditions, including the Initial Notes and any Subsequent Notes.

"**Note Issue**" means the issue of Notes by the Issuer pursuant to the Terms and Conditions.

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

"**Noteholders' Meeting**" means a meeting among the Noteholders held in accordance with Clauses 17.1 (*Request for a decision*), 17.2 (*Convening of Noteholders' Meeting*) and 17.4 (*Majority, quorum and other provisions*).

"**Original Super Senior RCF Creditor**" means Nordea Bank Abp, filial i Sverige.

"**Original Super Senior RCF**" means the EUR 15,000,000 super senior revolving facility agreement dated on or about the Completion Date, entered into between, among others, the Original Super Senior RCF Creditor and the Issuer.

"**Parent**" means Capnor Weasel Midco Oy, Finnish Reg. No. 3089584-5.

"**Payment Block Event**" means:

(a) when a Super Senior RCF Creditor serves a written notice to the Issuer, the Security Agent, the Agent and any New Creditor that a Payment Block Event has occurred due to the occurrence of a Super Senior RCF Event of Default (for the avoidance of doubt, after the expiration of any applicable grace period in respect of the default giving rise to the Event of Default) relating to (i) a non-payment, (ii) a breach of financial covenants, (iii) non-compliance with any of the Major Obligations, (iv) a cross default, (v) insolvency, (vi) insolvency proceedings, (vii) creditors' process, (viii) invalidity, (ix) cessation of business or (x) a breach of any provision relating to applicable laws, regulations or orders concerning any trade, economic or financial sanctions or embargoes under the Super Senior RCF Documents has occurred; or

(b) when a Super Senior RCF Creditor has served a written notice of acceleration to the Issuer with a copy to the Security Agent, the Agent and any New Creditor.

"**Permitted Debt**" means any Financial Indebtedness:

(a) until the Completion Date, incurred under the Existing Financing and the Bridge Financing;

(b) incurred under the Initial Notes;

(c) arising under any Shareholder Debt;

(d) incurred under any Subordinated Debt;

(e) arising between any Group Companies under any cash pooling arrangement of the Group;

(f) incurred under the Super Senior RCF in an aggregate maximum principal amount of EUR 15,000,000, or a higher amount as a result of an increase of the amounts available under the Super Senior RCF, provided that the increase meets the Incurrence Test *pro forma* including such incurrence and provided that the amount of the Super Senior RCF shall not, at the time of the increase, exceed an amount corresponding to 100 per cent. of EBITDA of the Group pursuant to the most recently delivered audited annual report;

(g) to the extent covered by a letter of credit, guarantee or indemnity issued under the Super Senior RCF or any ancillary facility relating thereto;

(h) incurred under any Hedging Obligations;

(i) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested pro forma including such incurrence, and (i) is incurred as a result of a Note Issue of Subsequent Notes under the Terms and Conditions, or (ii) such Financial Indebtedness ranks pari passu to the obligations of the Issuer under the Terms and Conditions in accordance with the Intercreditor Agreement, provided that the Financial Indebtedness has a final redemption date or, when applicable, early redemption dates (including any mandatory prepayment) or instalment dates which occur on or after the Final Maturity Date;

(j) arising as a result of a contemplated refinancing of the Notes in full (a "Refinancing") provided that the proceeds from such debt is held on a blocked escrow account which is not accessible for the Group except in connection with a full repayment of the Notes (as applicable);

(k) between the Issuer and a Guarantor or between Guarantors;

(l) between Group Companies (other than the Issuer) that are not Guarantors;

(m) between the Issuer or a Guarantor and a Group Company (other than the Issuer) that is not a Guarantor provided that such Financial Indebtedness is on arm's length terms and the aggregate amount for any such Financial Indebtedness for the Group taken as whole does not exceed EUR 3,000,000 at any time;

(n) arising under any guarantee for the obligations of another Group Company, provided that such guarantee would have been permitted pursuant to paragraphs (k) to (m) of this definition had it instead been a loan to that Group Company;

(o) arising in the ordinary course of trading with suppliers of goods or under guarantees of such debt made for the benefit of such suppliers;

(p) arising under any hedging transactions for non-speculative purposes in the ordinary course of business of the relevant Group Company;

(q) incurred in the ordinary course of business by any Group Company under any pension and tax liabilities;

(r) incurred under any working capital facilities in jurisdictions other than Finland in an aggregate amount not exceeding EUR 2,000,000 at any time;

(s) arising under any receivables sold or discounted on a recourse basis in an aggregate amount not exceeding EUR 2,000,000 at any time;

(t) of any person acquired by a Group Company after the First Issue Date which has been incurred under arrangements in existence at the date of acquisition, but not incurred, increased or having its maturity date extended in contemplation of, or since, that acquisition, and outstanding only for a period of six (6) months following the date of the acquisition, provided that the Incurrence Test is met (calculated on a pro forma basis including the excess amount) at the date of completion of the relevant acquisition;

(u) incurred as part of making an acquisition permitted by the Finance Documents for the purpose of enabling a re-investment of the sellers of the relevant target, and the debt is set-off (or similar) and converted into equity no later than the following Business Day;

(v) arising in the ordinary course of banking arrangements for the purposes of netting debt and credit balances of Group Companies;

(w) for any rental obligations in respect of any real property leased by a Group Company in the ordinary course of business and on normal commercial terms;

(x) incurred pursuant to any lease or hire purchase contract up to a maximum aggregate amount that does not exceed EUR 4,000,000 (or its equivalent in other currencies); and

(y) if not permitted by any of paragraphs (a) to (x) above which does not in aggregate at any time does not exceed the higher of EUR 2,000,000 (or its equivalent in other currencies) and 20 per cent. of EBITDA of the Group pursuant to the most recently delivered audited annual report (for the avoidance of doubt, with such Financial Indebtedness being permitted if it was permitted at the time the Financial Indebtedness was originally incurred, despite any subsequent decrease in EBITDA).

provided that, no Group Company shall incur any Financial Indebtedness from any direct or indirect shareholder of the Issuer, the Investor or any of their respective Affiliates, except any Shareholder Debt from the Parent to the Issuer that is either (i) in respect of any part of the Bridge Financing that will be repaid using the proceeds of the Notes to consummate the Bridge Financing Refund, or (ii) subordinated as Shareholder Debt under the Intercreditor Agreement and subject to a fully perfected pledge under the Security Documents.

"**Permitted Distribution Amount**" means fifty (50) per cent. of the cumulative consolidated net profit (defined as profit / loss after taxes) of the Issuer for the period (treated as one accounting period) from the first day of the first fiscal quarter commencing after the First Issue Date to the end of the most recent fiscal quarter ending prior to the date of such Restricted Payment for which Financial Reports of the Issuer are available.

"**Permitted Security**" means:

(a) any Security created under the Security Documents, including any Security and/or guarantees granted for New Debt, provided that such Security is granted to the Secured Parties (including the new provider of Financial Indebtedness) on a *pro rata* basis and the creditor in respect of New Debt accedes to the Intercreditor Agreement as a "New Creditor" *pari passu* with the Noteholders as further set out in the Intercreditor Agreement);

(b) any Security created under the Security Documents for any Super Senior RCF Debt that is permitted under paragraph (f) of the definition of Permitted Debt, provided that such Security is granted to the Secured Parties (including any new provider of Financial Indebtedness) on a *pro rata* basis with the ranking set out in the Intercreditor Agreement and any new creditor in respect of such new Super Senior RCF Debt accedes to the Intercreditor Agreement as a "Super Senior RCF Creditor";

(c) any Security created in relation to the Hedging Obligations;

(d) until the Completion Date, any security granted for the Existing Financing;

(e) any right of netting or set off over credit balances on bank accounts arising in the ordinary course of banking arrangements of the Group;

(f) any Security created in relation to any working capital facilities of in jurisdictions other than Finland in an aggregate amount not exceeding EUR 2,000,000 at any time;

(g) any payment or close out netting or set-off arrangement pursuant to any hedging transaction other than under a Hedging Agreement entered into by a Group Company for the purpose of:

(i) hedging any risk to which any Group Company is exposed in its ordinary course of trading; or

(ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,

excluding, in each case, any Security under a credit support arrangement in relation to a hedging transaction (for the avoidance of doubt, other than in respect of any hedging constituting Hedging Obligations);

(h) any Security arising by operation of law and not as a result of any default or omission;

(i) any Security over or affecting any asset acquired by a Group Company after the First Issue Date if:

(i) the Security was not created in contemplation of the acquisition of that asset by a Group Company;

(ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a Group Company; and

(iii) the Security is removed or discharged within six (6) months of the date of acquisition of such asset;

(j) any Security over or affecting any asset of any company which becomes a Group Company after the First Issue Date, where the Security is created prior to the date on which that company becomes a Group Company, if:

(i) the Security was not created in contemplation of the acquisition of that company;

(ii) the principal amount secured has not increased in contemplation of or since the acquisition of that company; and

(iii) the Security is removed or discharged within six (6) months of that company becoming a Group Company;

(k) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements relating to prepayments or any other arrangements having similar effect in

respect of goods supplied to a Group Company in the ordinary course of business and on the supplier's standard or usual terms and not arising as a result of any default or omission by any Group Company;

(l) any Security over assets leased by the Group or subject to a hire purchase contract if such leases or hire purchase contracts constitute Permitted Debt;

(m) any Security created for purposes of securing obligations to the CSD;

(n) any Security created in the form of a pledge over an escrow account to which the proceeds incurred in relation to a Refinancing are intended to be received (provided that only proceeds from the Refinancing shall stand to the credit of such account); and

(o) any Security which does not in aggregate at any time secure indebtedness exceeding EUR 2,000,000 (or its equivalent in other currencies) and 20 per cent. of EBITDA of the Group pursuant to the most recently delivered audited annual report (for the avoidance of doubt, with such Financial Indebtedness being permitted if it was permitted at the time the Financial Indebtedness was originally incurred, despite any subsequent decrease in EBITDA).

"**Quarter Date**" means the last day of each quarter of the Issuer's financial year.

"**Quotation Day**" means, in relation to (i) 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 (ii) 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) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 16 (*Distribution of Proceeds*), (iv) the date of a Noteholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

"**Redemption Date**" means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and repurchase of the Notes*).

"**Reference Banks**" means Swedbank AB (publ), Skandinaviska Enskilda Banken AB (publ) and Nordea Bank Abp (or such other banks as may be appointed by the Issuing Agent in consultation with the Issuer).

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

"**Relevant Period**" means the twelve (12) month period ending on each Quarter Date.

"**Secured Finance Documents**" shall have the meaning ascribed to it in the Intercreditor Agreement.

"**Secured Obligations**" shall have the meaning ascribed to it in the Intercreditor Agreement.

"**Secured Parties**" shall have the meaning ascribed to it in the Intercreditor Agreement.

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

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

"**Security Agent**" means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, or another party replacing it, as Security Agent, in accordance with the Intercreditor Agreement.

"**Security Documents**" means the following documents:

(a) each share pledge agreement pursuant to which Security is created over the shares in the Issuer and any other Guarantor;

(b) each business mortgage agreement pursuant to which Security is created over all business mortgage certificates in the business of any Guarantor incorporated in Finland;

(c) each loan pledge agreement pursuant to which Security is created over Structural Intra-Group Loans;

(d) each loan pledge agreement pursuant to which Security is created over present and future Shareholder Debt owed by the Issuer;

(e) a pledge agreement pursuant to which Security is created over certain rights under the Acquisition Agreement; and

(f) any other documents pursuant to which Transaction Security is provided.

"**Shareholder Debt**" means all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Issuer to the Parent.

"**Special Mandatory Redemption**" has the meaning set forth in Clause 5.3.

"**Subsequent Notes**" means any Notes issued after the First Issue Date on one or more occasions.

"**Structural Intra-Group Loan**" means an intra-Group loan with no maturity or with a tenor that is at least one (1) year and with an aggregate amount (when aggregated with all loans from the relevant Group Company to another Group Company) equal to or exceeding EUR 2,000,000 (or its equivalent in any other currency).

"**Subordinated Debt**" means all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Issuer to a third party to the extent subordinated to the obligations of the Issuer under the Terms and Conditions in accordance with the Intercreditor Agreement, provided that such Financial Indebtedness has a final redemption date or, when applicable, early redemption dates (including any mandatory prepayment) or instalment dates which occur on or after the Final Maturity Date.

"**Subsidiary**" means, in relation to any person, any Finnish or other legal entity (whether incorporated or not), which at any time is a subsidiary (Fi. *tytäryritys*) of such person, directly or indirectly, as defined in the Finnish Accounting Act (*kirjanpitolaki* (1336/1997), as amended).

"**Super Senior Creditors**" means (i) the Super Senior RCF Creditor and (ii) any Hedge Counterparties (as defined in the Intercreditor Agreement).

"**Super Senior RCF**" has the meaning given thereto in the Intercreditor Agreement.

"**Super Senior RCF Agent**" has the meaning given thereto in the Intercreditor Agreement.

"**Super Senior RCF Creditors**" has the meaning given thereto in the Intercreditor Agreement.

"**Super Senior RCF Debt**" has the meaning given thereto in the Intercreditor Agreement.

"**Super Senior RCF Documents**" has the meaning given thereto in the Intercreditor Agreement.

"**Super Senior RCF Event of Default**" has the meaning given thereto in the Intercreditor Agreement.

"**Targets**" means iLOQ Oy and Hailuoto.

"**Target Companies**" means the Targets and their Subsidiaries from time to time (each a "**Target Company**" and together the "**Target Group**").

"**Total Nominal Amount**" means the total aggregate Nominal Amount of the Notes outstanding at the relevant time.

"**Transaction Costs**" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other Group Company in connection with any Note Issue, the Original Super Senior RCF and the Acquisition.

"**Transaction Security**" means the Security provided for the Secured Obligations pursuant to the Security Documents.

"**Written Procedure**" means the written or electronic procedure for decision making among the Noteholders in accordance with Clauses 17.1 (*Request for a decision*), 17.3 (*Instigation of Written Procedure*) and 17.4 (*Majority, quorum and other provisions*).

"**Vendors**" means the legal entities and individuals who have sold the shares and options in the Targets as set out in the Acquisition Agreement.

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, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

(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 EUR 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 EUR for the previous Business Day, as published by the European Central Bank on its website (www.ecb.europa.eu). If no such rate is available, the most recently published rate shall be used instead.

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

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

1.2.6 The selling restrictions, the privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Noteholders and the Agent.

1.3 **Conflict of Terms**

In case of any conflict of terms between the terms of the Intercreditor Agreement and any other Finance Document, the terms of the Intercreditor Agreement shall prevail.

2. STATUS OF THE NOTES

2.1 The Notes are denominated in EUR and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.

2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.

2.3 The initial nominal amount of each Initial Note is EUR 100,000 (the "**Initial Nominal Amount**"). The maximum Total Nominal Amount of the Initial Notes as at the First Issue Date is EUR 55,000,000. All Initial Notes are issued on a fully paid basis at an issue price of 100.00 per cent. of the Initial Nominal Amount.

2.4 Provided that the Financial Indebtedness under the relevant issue of Subsequent Notes constitutes Permitted Debt (for the avoidance of doubt, including that it shall meet the Incurrence Test), the Issuer may, on one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The issue price of the Subsequent Notes may be set at the Nominal Amount, a discount or a premium compared to the Nominal Amount. The maximum Total Nominal Amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed EUR 100,000,000 unless a consent from the Noteholders is obtained in accordance with Clause 17.4.2(a). Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 9.1, and otherwise have the same rights as the Initial Notes.

2.5 The Notes constitute direct, general, unconditional and secured obligations of the Issuer and shall at all times rank (i) behind the Super Senior RCF Debt and the Hedging Obligations pursuant to the terms of the Intercreditor Agreement, (ii) *pari passu* without any preference among them, and (iii) at least *pari passu* with all other direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory law and except as otherwise provided in the Finance Documents. The Notes are secured as described in Clause 11 (*Transaction Security*) and as further specified in the Security Documents.

2.6 Pursuant to the terms of the Intercreditor Agreement, following a Payment Block Event and for as long as it is continuing, no repayments, payments of Interest, repurchase of Notes or any other payments may be made by the Issuer or a Guarantor to the Noteholders under or in relation to the Notes or a Guarantee (notwithstanding any other provisions to the contrary in these Terms and Conditions). For the avoidance of doubt, the failure by the Issuer or a Guarantor to timely make any payments due under the Notes or a Guarantee shall constitute an Event of Default and the unpaid amount shall carry default interest pursuant to Clause 9.4. If and when the Payment Block Event ceases to exist, the Issuer and/or the Guarantor shall, for the avoidance of doubt, immediately make the payments and/or repurchases they should have done in relation to the Notes or a Guarantee should the Payment Block Event not have occurred (together with the default interest referred to above).

2.7 In the case of insolvency of the Issuer, the Financial Indebtedness incurred by the Issuer under the Notes will be subordinated to the Financial Indebtedness owed by the Issuer under the Super Senior RCF Debt and the Hedging Obligations.

2.8 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable from time to time under local laws to which a Noteholder may be subject (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Noteholder must ensure compliance with local laws and regulations applicable at its own cost and expense.

2.9 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required and as such the Notes have not been and will not be registered, and may be restricted, in United States, Australia, Japan, Canada, or in any other country where the offering, sale and delivery of the Note may be restricted by law. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

3. USE OF PROCEEDS

3.1 The Net Proceeds from the Initial Notes shall initially be deposited in the Escrow Account.

3.2 The Issuer shall use the Net Proceeds from the issue of the Initial Notes, towards fully funding the Bridge Financing Refund.

3.3 The Issuer shall use the Net Proceeds from the issue of any Subsequent Notes, for its general corporate purposes, including, *inter alia*, investments and acquisitions.

3.4 Notwithstanding Clauses 3.2 and 3.3, the Net Proceeds deposited in the Escrow Account shall in the case of a Conditions Precedent Failure be applied by the Agent in accordance with Clause 5.3.

4. CONDITIONS FOR DISBURSEMENT

4.1 The Issuer shall provide to the Agent, no later than on the First Issue Date, the following:

(a) copies of constitutional documents of the Issuer;

(b) copies of necessary corporate resolutions (including authorisations) from the Issuer;

(c) a duly executed copy of the Terms and Conditions;

(d) a duly executed copy of the Agency Agreement;

(e) a duly executed Escrow Account Pledge Agreement and evidence (in the form of a signed acknowledgement) that the security interests thereunder have been duly perfected in accordance with the terms thereof; and

(f) a duly executed affiliation agreement made between the Issuer and the CSD and evidence that the Initial Notes will be registered with the CSD.

4.2 The Issuer shall provide to the Agent, no later than on the Issue Date in respect of Subsequent Notes, the following:

(a) a duly executed Compliance Certificate certifying that the Incurrence Test (tested *pro forma* including the incurrence of Subsequent Notes) is met;

(b) copies of the constitutional documents of the Issuer;

(c) copies of necessary corporate resolutions (including authorisations) of the Issuer; and

(d) such other documents and information as is agreed between the Agent and the Issuer no later than ten (10) Business Days prior to the incurrence of Subsequent Notes.

4.3 The Agent shall confirm to the Issuing Agent when it is satisfied (acting reasonably) that the conditions in Clause 4.1 and 4.2, as the case may be, have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*). The relevant Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent no later than on the relevant Issue Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.

4.4 The Agent does not review the documents and evidence referred to in Clause 4.1 and 4.2 (as applicable) from a legal or commercial perspective of the Noteholders. The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 and 4.2 (as applicable) are 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.

4.5 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.3, the Issuing Agent shall settle the issuance of the Initial Notes and pay the Net Proceeds into the Escrow Account on the First Issue Date. Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.3, the Issuing Agent shall settle the issuance of any Subsequent Notes and pay the Net Proceeds to the Issuer on the relevant Issue Date.

5. ESCROW OF PROCEEDS

5.1 The Net Proceeds from the Initial Notes shall be paid by the Issuing Agent into the Escrow Account.

5.2 The Agent shall instruct the Escrow Bank to promptly transfer the funds standing to the credit on the Escrow Account to the account designated by the Security Agent and the Issuer in writing, and in conjunction therewith release the Security over the Escrow Account, when the Agent is satisfied (acting reasonably) that it has received the following:

(a) a duly executed copy of the Intercreditor Agreement;

(b) a duly executed copy of the Guarantee Agreement;

(c) the Security Documents duly executed by the parties thereto and evidence that the security interests thereunder have been, or will be, duly perfected and that all documents, required to be delivered thereunder, have been delivered, in accordance with the terms of the relevant Security Document;

(d) copies of constitutional documents of the Parent, each Guarantor, each Shareholder Creditor (as defined in the Intercreditor Agreement) and, if different, each provider of Security under the Security Documents;

(e) copies of necessary corporate resolutions (including authorisations) of the Parent, each Guarantor, each Shareholder Creditor (as defined in the Intercreditor Agreement) and, if different, each provider of Security under the Security Documents;

(f) evidence (i) in the form of a funds flow statement duly signed by the Issuer, that payments in accordance with Clause 3.2 will be made immediately following disbursement of the Net Proceeds from the Escrow Account, and (ii) that the Existing Financing has been or will be cancelled and repaid in full on or before the Completion Date and that the Security and guarantees in respect of such Financial Indebtedness have been or will be discharged upon such cancellation, evidenced by a duly executed release notice or release and delivery undertaking from each relevant creditor;

(g) any other Finance Documents duly executed by the parties thereto;

(h) a legal opinion prepared by the legal counsel of the Issuing Agent and/or the Secured Parties as to matters of Swedish law;

(i) a legal opinion prepared by the legal counsel of the Issuing Agent and/or the Secured Parties as to matters of Finnish law (such matters being *inter alia* the capacity of the Group Companies incorporated in Finland and the enforceability of Finnish law Finance Documents);

(j) a list of all Material Subsidiaries and a certificate (in form and substance satisfactory to the Agent) from the Issuer certifying that the Guarantor coverage pursuant to Clause 11.5 is met and that, so far as the Issuer is aware, no Event of Default is continuing;

(k) evidence that the Acquisition has been consummated in accordance with the terms of the Acquisition Agreement as in effect on the First Issue Date;

(l) evidence in the form of a funds flow statement duly signed by the Issuer that the Issuer has received risk capital in cash from the Investor or any other party (as applicable) (directly or indirectly) in the form of share capital and other restricted or unrestricted reserves (including shareholder contributions), Shareholder Debt, vendor loans or other Subordinated Debt in an aggregate amount (net of the Bridge Financing Refund) of not less than 50 per cent. of (i) the aggregate consideration under the Acquisition Agreement, (ii) all transaction costs in relation to the Acquisition and (iii) the Existing Financing;

(m) a copy of the executed Acquisition Agreement; and

(n) such other documents and information as is agreed between the Agent and the Issuer.

5.3 The conditions precedent for disbursement set out above may be made subject to a closing procedure (the "**Closing Procedure**") agreed between the Agent, the Security Agent, the Issuer and the Super Senior RCF Agent where the parties may agree that certain pre-disbursement conditions are to be delivered prior to or in connection with the release of funds from the Escrow Account. Perfection of the Transaction Security (except for under the Escrow Account Pledge Agreement) shall be established as soon as possible in accordance with the terms of the Closing Procedure on or after the first release of funds from the Escrow Account, meaning that any documents to be registered may be filed for registration on the date of disbursement of the net proceeds of the Note Issue from the Escrow Account.

5.4 The Agent may assume that any conditions precedent delivered to it in connection with Clause 5.2 are 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. The Agent does not review the documents and evidence referred to above from a legal or commercial perspective of the Noteholders.

5.5 If the Agent determines that it has not received the conditions precedent set out in Clause 5.2 on or before the Business Day falling 30 days after the First Issue Date to the satisfaction of the Agent (acting reasonably) and the Agent has not amended or waived such conditions in accordance with Clause 18 (*Amendments and waivers*) (a "**Conditions Precedent Failure**"), the Issuer shall redeem all, but not some only, of the outstanding Notes in full at a price equal to 100.00 per cent. of the Nominal Amount, together with accrued but unpaid interest (a "**Special Mandatory Redemption**"). The Agent may use the whole or any part of the amounts standing to the credit on the Escrow Account to fund such Special Mandatory Redemption. Any shortfall shall be covered by the Issuer.

5.6 A Special Mandatory Redemption shall be made by the Issuer giving notice to the Noteholders and the Agent promptly following the date when the Special Mandatory Redemption is triggered pursuant to Clause 5.3. The Issuer shall redeem the Notes in full at the applicable amount on a date specified in the

notice from the Issuer, such date to fall no later than ten (10) Business Days after the effective date of the notice. The notice shall specify the Record Date for the redemption.

6. NOTES IN BOOK-ENTRY FORM

6.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Noteholders and their holdings of Notes.

6.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

6.3 The Issuer and the Agent shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.

6.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

6.5 The Issuer and the Agent may use the information referred to in Clause 6.3 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 Noteholder or third party unless necessary for such purposes.

7. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

7.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Noteholder or a successive, coherent chain of powers of attorney or authorisations starting with the Noteholder and authorising such person.

7.2 A Noteholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder.

7.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause 7.2 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.

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

8. PAYMENTS IN RESPECT OF THE NOTES

8.1 Any payment or repayment under the Finance Documents shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other 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.

8.2 If a Noteholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.

8.3 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 9.4 during such postponement.

8.4 If payment or repayment is made in accordance with this Clause 8, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.

9. INTEREST

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

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

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

9.4 If the Issuer fails to pay any amount payable by it under the Terms and Conditions on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. The default interest shall not be capitalised but be payable to each person who was a Noteholder on the Record Date for the original due date. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9.5 Pursuant to the terms of the Intercreditor Agreement, following the occurrence of a Payment Block Event and for as long as it is continuing, no payment of Interest or principal in respect of the Notes shall be made to the Noteholders. For the avoidance of doubt, the Notes will carry default interest pursuant to Clause 9.4 during such period.

10. REDEMPTION AND REPURCHASE OF THE NOTES

10.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest.

If the Final Maturity Date is not a CSD Business Day, then the redemption shall occur on the first following CSD Business Day.

10.2 **Purchase of Notes by the Issuer**

The Issuer may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. Notes held by the Issuer may at the Issuer's discretion be retained or sold but not cancelled, except in connection with a redemption of the Notes in full.

10.3 **Voluntary partial redemption**

10.3.1 The Issuer may on one occasion per period of twelve (12) months falling after the First Call Date (without any carry-back or carry forward) redeem Notes in an aggregate amount not exceeding ten (10) per cent. of the aggregate Initial Nominal Amount, provided that at least sixty (60) per cent. of the aggregate Initial Nominal Amount of the Initial Notes remains outstanding following such redemption. Any such partial redemption shall reduce the Nominal Amount of each Note *pro rata* (in each case rounded down to the nearest EUR 1.00) in accordance with the procedures of the CSD.

10.3.2 The redemption price for each Note subject to partial redemption pursuant to Clause 10.3.1 shall be 102.688 per cent. of the Nominal Amount in each case together with accrued but unpaid Interest.

10.3.3 A partial redemption in accordance with this Clause 10.3 shall be made by the Issuer giving not less than fifteen (15) and not more than thirty (30) Business Days' notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice, and the partial redemption shall be made on the next Interest Payment Date following such notice.

10.4 **Voluntary total redemption (call option)**

10.4.1 The Issuer may redeem all, but not some only, of the outstanding Notes in full:

(a) any time prior to, but excluding, the First Call Date, at an amount per Note equal to the amount per Note payable pursuant to Clause 10.4.1(b) (for the avoidance of doubt, including the accrued but unpaid Interest), plus the amount of all remaining scheduled Interest payments on the Note until the First Call Date (assuming that the Interest Rate for the period from the relevant Redemption Date to but excluding the First Call Date will be equal to the Interest Rate in effect on the date on which the applicable notice of redemption is given);

(b) at any time from and including the First Call Date to, but excluding, the first Business Day falling thirty-six (36) months after the First Issue Date at an amount per Note equal to 102.688 per cent. of the Nominal Amount, together with accrued but unpaid interest;

(c) at any time from and including the first Business Day falling thirty-six (36) months after the First Issue Date to, but excluding, the first Business Day falling forty-eight (48) months after the First Issue Date at an amount per Note equal to 101.344 per cent. of the Nominal Amount, together with accrued but unpaid interest; and

(d) at any time from and including the first Business Day falling forty-eight (48) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Note equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid interest.

10.4.2 Redemption in accordance with Clause 10.4.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice and not more than thirty (30) Business Days' notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the

Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem the Notes in full at the applicable amount on the specified Redemption Date.

10.5 **Voluntary partial redemption due to Equity Listing Event (call option)**

10.5.1 The Issuer may on one or more occasion in connection with an Equity Listing Event, redeem in part up to forty (40) per cent. of the total aggregate Nominal Amount of the Notes outstanding from time to time at an amount equal to 103 per cent. of the Nominal Amount of the Notes redeemed, together with any accrued but unpaid Interest on the redeemed amount, provided that at least sixty (60) per cent. of the aggregate Initial Nominal Amount of the Initial Notes remains outstanding following such redemption.

10.5.2 Partial redemption shall reduce the Nominal Amount of each Note *pro rata* (in each case rounded down to the nearest EUR 1.00).

10.5.3 The redemption must occur on an Interest Payment Date within 180 days after the Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such offering (net of fees, charges and commissions actually incurred in connection with such offering and net of taxes paid or payable as a result of such offering).

10.5.4 A partial redemption in accordance with this Clause 10.5 shall be made by the Issuer giving not less than fifteen (15) and not more than thirty (30) Business Days' notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice, and the partial redemption shall be made on the next Interest Payment Date following such notice.

10.6 **Early redemption due to illegality (call option)**

10.6.1 The Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

10.6.2 The Issuer may give notice of redemption pursuant to Clause 10.6.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The Issuer shall redeem the Notes in full at the applicable amount on the specified Redemption Date.

10.7 **Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)**

10.7.1 Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Noteholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or Listing Failure Event, as the case may be, pursuant to Clause 12.1.5 (after which time period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the Listing Failure Event, as the case may be.

10.7.2 The notice from the Issuer pursuant to Clause 12.1.5 shall specify the period during which the right pursuant to Clause 10.7.1 may be exercised, the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 12.1.5. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 10.7.1.

10.7.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws or regulations conflict with the provisions in this Clause 10.7, the Issuer shall comply with the applicable securities laws or regulations and will not be deemed to have breached its obligations under this Clause 10.7 by virtue of the conflict.

10.7.4 Any Notes repurchased by the Issuer pursuant to this paragraph may at the Issuer's discretion be retained or sold. Notes repurchased by the Issuer may not be cancelled, except in connection with a full redemption of the Notes.

10.7.5 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 10.7, if a third party in connection with the occurrence of a Change of Control Event or a Listing Failure Event offers to purchase the Notes in the manner and on the terms set out in this Clause 10.7 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If Notes tendered are not purchased within the time limits stipulated in this Clause 10.7, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.

10.8 **Restrictions on repurchase or redemption upon a Payment Block Event**

No repurchases or redemption of Notes may be made by the Issuer or any other Group Company for as long as a Payment Block Event is continuing. For the avoidance of doubt, the failure by the Issuer to timely repurchase or redeem the Notes shall constitute an Event of Default and the unpaid amount shall carry default interest pursuant to Clause 9.4 during such period.

11. TRANSACTION SECURITY AND GUARANTEES

11.1 Subject to the Intercreditor Agreement and applicable limitation language, as continuing Security for the due and punctual fulfilment of the Secured Obligations, the following initial Transaction Security is granted to the Secured Parties (as represented by the Security Agent) under the Security Documents:

(a) pledges over all shares in the Issuer and each Guarantor;

(b) pledges over any Structural Intra-Group Loans existing as of the Completion Date;

(c) pledge over business mortgage certificates in each Guarantor incorporated in Finland;

(d) pledges over present and future Shareholder Debt owed by the Issuer; and

(e) a pledge over certain rights under the Acquisition Agreement,

11.2 The Issuer shall procure that any Structural Intra-Group Loan shall, to the extent that it is not already pledged under the Security Documents, be made subject to Transaction Security as soon as possible and in any event within fifteen (15) Business Days from the granting of such Structural Intra-Group Loan. The Security Document whereby Transaction Security is created over Structural Intra-Group Loans will allow payments of interest and principal until the occurrence of an Event of Default unless otherwise agreed under the Intercreditor Agreement.

11.3 Subject to general statutory limitations in local company law legislation (provided that the relevant Group Company uses its reasonable best efforts to overcome any such obstacle), the Issuer shall procure that (i) business mortgage certificates in each Guarantor incorporated in Finland, and (ii) the shares in any Guarantor, are made subject to Transaction Security immediately upon the Guarantor acceding to the Guarantee Agreement and the Intercreditor Agreement. Notwithstanding anything set forth herein, no Guarantor shall be required to issue any business mortgage certificates to the extent it does not have any assets that would be subject to Security under a pledge of such mortgage certificates.

11.4 Subject to the Intercreditor Agreement and applicable limitation language, each Guarantor irrevocably and unconditionally, as principal obligor (*proprieborgen*), guarantees to the Secured Parties the punctual performance by the Issuer of the Secured Obligations in accordance with and subject to the Guarantee Agreement.

11.5 Subject to general statutory limitations in local company law legislation (provided that the relevant Group Company uses its reasonable best efforts to overcome any such obstacle), the Issuer shall procure that:

(a) each Subsidiary that qualifies as a Material Subsidiary becomes a Guarantor as a party or by acceding to the Guarantee Agreement and the Intercreditor Agreement on the Completion Date and, in the case of any additional Material Subsidiaries thereafter, within sixty (60) days from the date that it was or should have been identified as a Material Subsidiary in a Compliance Certificate delivered to the Agent, provided that upon an acquisition as set out in item (c) of the definition of Material Subsidiary, the accession shall be completed immediately upon the relevant acquisition being completed; and

(b) each relevant Group Company becomes a Guarantor as a party or by acceding to the Guarantee Agreement and the Intercreditor Agreement to the extent required in order to ensure that turnover and EBITDA (calculated on an unconsolidated basis and excluding all intra-Group items) of the Guarantors represent at least eighty (80) per cent. of the consolidated turnover and EBITDA of the Group based on the most recent audited annual financial statements of the Group, on the Completion Date and thereafter, within sixty (60) days from the date that it was (or should have been) identified in a Compliance Certificate delivered to the Agent that the above guarantor coverage test was not met.

11.6 Provided that the Super Senior RCF Agent has given its prior written consent, any Subsidiary of the Issuer may, upon the request of the Issuer, accede to the Guarantee Agreement and the Intercreditor Agreement as a Guarantor.

11.7 In connection with any Transaction Security or Guarantees granted following the First Issue Date, the Issuer shall (or procure that the relevant Group Company will) provide the following documentation and evidence to the Agent:

(a) constitutional documents of each provider of Transaction Security or Guarantees;

(b) copies of necessary corporate resolutions (including authorisations) from each provider of Transaction Security or Guarantees (including shareholder resolutions (if customary in the relevant jurisdiction));

(c) copy of accession letters in respect of the Intercreditor Agreement and the Guarantee Agreement (as applicable);

(d) copies of the relevant Security Documents in relation to provider of Transaction Security, duly executed and evidence that the documents and other evidences to be delivered pursuant to such Security Documents have been delivered and satisfied;

(e) legal opinion(s) satisfactory to the Agent on the capacity and due execution of each provider of Transaction Security and/or guarantees and the validity and enforceability of the relevant Finance Documents, in each case in customary form and content issued by a reputable law firm; and

(f) such other documents and information as is agreed between the Agent and the Issuer and as set out in the Guarantee Agreement.

11.8 Subject to the terms of the Intercreditor Agreement, unless and until the Agent has received instructions from the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*) to the contrary, the Agent shall (without first having to obtain the Noteholders' consent), be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, releasing or enforcing the Transaction Security or Guarantees or for the purpose of settling the Secured Parties' or the Issuer's rights to the Transaction Security or the Guarantees, in each case in accordance with the terms of the Security Documents, the Guarantee Agreement, the Intercreditor Agreement and the Terms and Conditions and provided that such agreements or actions are not detrimental to the interests of the Noteholders.

11.9 For the purpose of exercising the rights of the Secured Parties, the Security Agent may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Notes are made to another bank account. The Issuer shall immediately upon request by the Security Agent provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Security Agent and the CSD), that the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 11.9.

11.10 The Security Agent may (in its sole discretion) release Transaction Security and Guarantees in accordance with the terms of the Security Documents, the Guarantee Agreement and the Intercreditor Agreement. For the avoidance of doubt, notwithstanding any other provisions to the contrary herein, a disposal of assets which are subject to Transaction Security, is subject to the prior consent by Security Agent (in its discretion) to such disposal and release of any security needed for such disposal. Any Transaction Security or Guarantee will always be released *pro rata* between the Secured Parties and the remaining Transaction Security and Guarantees will continue to have the ranking between them as set forth in the Intercreditor Agreement.

11.11 Upon an enforcement of the Transaction Security and/or Guarantees, the proceeds shall be distributed in accordance with the Intercreditor Agreement.

12. INFORMATION TO NOTEHOLDERS

12.1 Information from the Issuer

12.1.1 The Issuer shall prepare and make the following information available to the Noteholders in the English language by way of press release and by publication on the website of the Issuer:

(a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer for that financial year, prepared in accordance with the Accounting Principles;

(b) as soon as the same become available, but in any event within two (2) months after the end of each quarter, the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer or the year-end report (at the frequency required by the Nasdaq Stockholm rulebook for issuers (or the rules and regulations of any other Regulated Market, as applicable) from time to time), prepared in accordance with the Accounting Principles; and

(c) any other information required by the Swedish Securities Markets Act (*lag (2007:582) om värdepappersmarknaden*) (as amended from time to time) and following a successful listing of the Notes the rules and regulations (as amended from time to time) of the Regulated Market on which the Notes are admitted to trading (as applicable).

12.1.2 In connection with the publication on its website of the financial statements in accordance with paragraphs (a) of Clause 12.1.1, the Issuer shall submit to the Agent a Compliance Certificate, containing (i) a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it), (ii) information about acquisitions or disposals, if any, of Notes by the Issuer and the aggregate Nominal Amount held by the Issuer, and (iii) containing a list of all Material Subsidiaries, and a confirmation of satisfaction of the Guarantor coverage pursuant to Clause 11.5.

12.1.3 The Issuer shall issue a Compliance Certificate to the Agent prior to the payment of any Restricted Payment or the incurrence of Financial Indebtedness if such payment or incurrence requires that the Incurrence Test or the Distribution Test (as applicable) is met.

12.1.4 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. 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.

12.1.5 The Issuer shall promptly notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event, an Equity Listing Event or a Listing Failure Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event. The Issuer shall provide the Agent with such further information as the Agent may reasonably request following receipt of a notice pursuant to this Clause 12.1.5.

12.2 **Information from the Agent**

12.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 12.2.2, the Agent is entitled to disclose to the Noteholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default shall be dealt with in accordance with Clause 15.3 and 15.4).

12.2.2 If a committee representing the Noteholders' interests under the Finance Documents has been appointed by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

12.3 **Information among the Noteholders**

Subject to applicable regulations, the Agent shall promptly upon request by a Noteholder forward by post any information from such Noteholder to the Noteholders which relates to the Notes. The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

12.4 **Availability of Finance Documents**

12.4.1 The latest version of the Terms and Conditions (including documents amending the Terms and Conditions) shall be available on the website of the Issuer and the Agent.

12.4.2 The latest version of the Intercreditor Agreement, the Guarantee Agreement, the Security Documents and all other Finance Documents shall upon written request be available to a Noteholder (or to a person providing evidence satisfactory to the Agent that it holds Notes through a Noteholder) at the office of the Agent during normal business hours.

13. GENERAL UNDERTAKINGS

13.1 Restricted Payments

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

(a) pay any dividends on 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 Debt or loans from the Investor, shareholders or Affiliates of such shareholders (other than loans from any Group Companies);

(e) grant any loans to the Investor, shareholders of the Issuer or to Affiliates of such shareholders (other than to any Group Companies);

(f) payment of any advisory, monitoring, management fee or administrative fee to the Investor, shareholders or Affiliates of such shareholders; or

(g) make other similar distributions or transfers of value within the meaning of the Finnish Companies Act to its shareholders or the Affiliates of such shareholders (other than any Group Companies).

The events listed in paragraphs (a)-(g) (inclusive) above are together and individually referred to as a "**Restricted Payment**".

13.1.2 Notwithstanding Clause 13.1.1 but subject to the Intercreditor Agreement, any Restricted Payment (other than under paragraphs (d) and (e) of Clause 13.1.1) can be made:

(a) if made to the Issuer or a Guarantor (on a *pro rata* basis if made by a Subsidiary of the Issuer that is not directly or indirectly wholly owned by the Issuer);

(b) if made as a group contribution to another Group Company provided that no cash is transferred and that the Group Company receiving the group contribution makes a shareholders' contribution in the same amount, and simultaneously with the group contribution, to the grantor of the group contribution;

(c) if made by a Subsidiary of the Issuer that is not a Guarantor to any other Subsidiary of the Issuer (on a *pro rata* basis if made by a Subsidiary that is not directly or indirectly wholly-owned by the Issuer); or

(d) if it is a payment by the Issuer for payment of advisory, monitoring, management fee and administrative fees and cost to its shareholders in a maximum aggregate amount of EUR 500,000 per financial year, provided that the Restricted Payment would be in compliance with the Finnish Companies Act,

in each case provided that no Event of Default is continuing or would occur immediately after the making of such payment.

13.1.3 Notwithstanding Clause 13.1.1 and 13.1.2 but subject to the Intercreditor Agreement, a Restricted Payment may be made by the Issuer (other than a loan to the Parent) (i) on the Completion Date to consummate the Bridge Financing Refund, and (ii) at any other time if at the time of the Restricted Payment:

(a) no Event of Default is continuing or would result from such Restricted Payment or would occur after the expiry of any applicable grace period;

(b) prior to an Equity Listing Event, the Issuer successfully meets the requirements of the Distribution Test (for the avoidance of doubt, in each case on a pro forma basis taking into account such Restricted Payment);

(c) the Restricted Payment would be in compliance with the Finnish Companies Act; and

(d) the amount of the Restricted Payment does not exceed the Permitted Distribution Amount,

provided that any such payment (other than in respect of the Bridge Financing Refund under (i) above) shall decrease the Permitted Distribution Amount accordingly.

13.2 **Change of business and holding company activities**

The Issuer shall (and shall procure that the Parent) (i) remain a holding company only conducting activities typical for such a company, (ii) not own shares in any company other than Parent's ownership of the Issuer and Issuer's ownership of the shares of the Targets, and (iii) procure that no substantial change is made to the general nature of the business of the Group (including the Target Group) from that carried on as of the First Issue Date, unless such change is not reasonably likely to result in a Material Adverse Effect.

13.3 **Financial Indebtedness**

The Issuer shall not, and shall procure that none of the other Group Companies shall, incur any new, or maintain or prolong any existing, Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain and prolong any Financial Indebtedness which constitutes Permitted Debt.

13.4 **Disposal of assets**

The Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of any business, assets, operations or shares in Subsidiaries other than disposals (in no event other than as permitted pursuant to paragraph (a) below, being a disposal of shares in a Guarantor or Material Subsidiary):

(a) between the Issuer and any Guarantor or between Guarantors;

(b) between Group Companies (other than the Issuer) that are not Guarantors;

(c) from a Group Company (other than the Issuer) that is not a Guarantor to the Issuer or a Guarantor, provided that such transaction is on arm's lengths, or more favourable, terms for the Guarantor or the Issuer (as applicable);

(d) from the Issuer or a Guarantor to a Group Company (other than the Issuer) that is not a Guarantor provided that such transaction is on arm's length terms and the aggregate amount for any such disposals for the Group taken as whole does not exceed EUR 2,000,000 in aggregate during the period from the First Issue Date to the Final Maturity Date;

(e) for cash, in the ordinary course of trading of the disposing entity;

(f) of obsolete and redundant assets;

(g) in exchange for other assets comparable or superior as to type, value and quality;

(h) of receivables on a non-recourse basis under a supply chain financing in the ordinary course of business;

(i) of assets where the proceeds of disposal are used within twelve (12) months of that disposal, at the sole option of the Issuer, to (i) purchase replacement assets comparable or superior as to type, value and quality, or (ii) to redeem Notes at an amount equal to the call option amount set out in Clause 10.4.1 (*Voluntary total redemption (call option)*) above for the relevant period (except during the period up to but excluding the First Call Date, during which period the redemption amount shall be equal to the call option amount set out in Clause 10.4.1(b)), together with any accrued but unpaid interest on the redeemed amount; or

(j) of any business, assets or shares in Subsidiaries not otherwise permitted by paragraphs (a) to (i) above, provided that the aggregate fair market value of the assets subject to such disposals shall not exceed EUR 1,000,000 in any calendar year,

provided that it does not have a Material Adverse Effect and that the disposal is made subject to the terms of the Intercreditor Agreement, and, in respect of paragraphs (e) to (j) above, that the transaction is carried out at fair market value and on arm's length terms. The Issuer shall upon request by the Agent, provide the Agent with any information relating to any disposal made pursuant to paragraph (i) above which the Agent deems necessary (acting reasonably).

13.5 **Negative pledge**

The Issuer shall not, and shall procure that none of the other Group Companies, create or allow to subsist, retain, provide, extend or renew any Security over any of its/their assets (present or future) to secure any Financial Indebtedness, provided however that each of the Group Companies has a right to create or allow to subsist, retain, provide, extend and renew any Permitted Security.

13.6 **Admission to trading of Notes**

The Issuer:

(a) shall ensure that the Initial Notes (and any Subsequent Notes (as applicable)) are admitted to trading on the Regulated Market of Nasdaq Stockholm or, if such admission to trading is unduly onerous to obtain or maintain, admitted to trading on another Regulated Market, within twelve (12) months from the First Issue Date;

(b) shall ensure that the Initial Notes (and any Subsequent Notes (as applicable)) once admitted to trading on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), continue being listed thereon but no longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations (including any regulations preventing trading in the Notes in close connection to the redemption thereof) of Nasdaq Stockholm (or any other Regulated Market) and the CSD, subsist; and

(c) shall ensure that, upon any Subsequent Notes issue following the listing of the Initial Notes, the volume of Notes listed on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable) is increased within 60 days of the issuance of such Subsequent Notes.

13.7 ***Pari Passu* ranking**

The Issuer shall ensure that its payment obligations under the Notes at all times rank at least *pari passu* with all its other direct, unconditional, unsubordinated and unsecured obligations, except for (i) its

obligations under the Super Senior RCF Debt and the Hedging Obligations and (ii) those obligations which are mandatorily preferred by law, and without any preference among them.

13.8 **Dealings with related parties**

The Issuer shall, and shall procure that each other Group Company, conduct all dealings (other than any Restricted Payments) with persons other than Group Companies that are (directly or indirectly) wholly-owned by the Issuer on arm's length terms.

13.9 **Insurance**

The Issuer shall (and shall ensure that each Group Company will), following the completion of the Acquisition maintain adequate risk protection through insurances (including business interruption and third party risk insurance) on and in relation to its business and assets to the extent reasonably required on the basis of good business practice, taking into account, *inter alia*, the financial position of the Group and the nature of its operations, where failure to do so would have a Material Adverse Effect.

13.10 **Compliance with laws**

The Issuer shall, and shall procure that each other Group Company, (i) comply with all laws and regulations applicable from time to time and (ii) obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by each Group Company, in each case, where failure to do so would have a Material Adverse Effect.

13.11 **Axtuator acquisition**

The Issuer shall procure that, following the acquisition of Axtuator by any of its direct or indirect shareholders, the Investor or any of their respective Affiliates, Axtuator shall be merged into iLOQ Oy or any other Guarantor as soon as reasonably practicable, provided that (i) iLOQ Oy or such other Guarantor shall be the surviving entity upon any such merger and (ii) such merger shall not be required if it (including the timing thereof) would result in a material tax burden on the Parent, the Issuer or any other Group Company.

13.12 **Undertakings in relation to the Agent**

13.12.1 The Issuer shall, in accordance with the terms of the Agency Agreement:

(a) pay fees to the Agent;

(b) indemnify the Agent for all reasonably incurred costs, losses or liabilities;

(c) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and

(d) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

13.12.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders (for the avoidance of doubt, other than adjustments to the fee level if the scope of the Agent's role and/or responsibilities is materially increased).

13.13 **CSD undertaking**

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

13.14 **Contemplated Merger**

For the avoidance of doubt, nothing in this Agreement shall prevent or restrict a completion of the merger between the Issuer and Hailuoto (with the Issuer being the surviving entity) and such merger shall not constitute a breach of any of the terms of this Agreement provided that the Issuer shall (and in any event agrees to), upon completion of the aforementioned merger, confirm to the Security Agent the Transaction Security in respect of shares pledged by Hailuoto by way of performing all required perfection actions set out in the share pledge agreements entered into on or about the date of this Agreement by Hailuoto.

14. FINANCIAL UNDERTAKINGS

14.1 **Incurrence Test**

The Incurrence Test is met if:

(a) no Event of Default is continuing or would occur from such incurrence after the expiry of any applicable grace period; and

(b) the Leverage Ratio (as adjusted in accordance with 14.3 (*Calculation Adjustments*) below):

(i) from and including the First Issue Date to but excluding the date falling twenty-four (24) months after the First Issue Date, is less than 5:50:1; and

(ii) from and including the date falling twenty-four (24) months after the First Issue Date to but excluding the date falling thirty-six (36) months after the First Issue Date, is less than 5.00:1; and

(iii) from and including the date falling thirty-six (36) months after the First Issue Date to and including the Final Maturity Date, is less than 4:50:1,

for the relevant test period.

14.2 **Distribution Test**

The Distribution Test is met if:

(a) no Event of Default is continuing or would occur from such incurrence after the expiry of any applicable grace period; and

(b) the Leverage Ratio is less than 3.25:1.

14.3 **Calculation Adjustments**

14.3.1 For the purposes of this Clauses 14.1 (*Incurrence Test*) and 14.2 (*Distribution Test*), the figures for EBITDA for the Relevant Period as of the most recent Quarter Date for which financial statements have been published (including when necessary, financial statements published before the First Issue Date), shall be used, but adjusted so that (without double counting):

(a) entities acquired or disposed (i) during a Relevant Period or (ii) after the end of the Relevant Period but before the relevant testing date, will be included or excluded (as applicable) *pro forma* for the entire Relevant Period (for the avoidance of doubt, EBITDA of any acquired entity shall be calculated in accordance with the definition of EBITDA);

(b) any entity to be acquired with the proceeds from new Financial Indebtedness shall be included *pro forma* for the entire Relevant Period; and

(c) the pro forma calculation of EBITDA takes into account net cost savings and other reasonable cost reduction synergies as a result of acquisitions and/or disposals of entities referred to in (a) and (b), which has been certified, based on reasonable assumptions, by the chief financial officer of the Group, in any financial year in aggregate not exceeding twenty (20) per cent. of Group EBITDA (including all acquisitions made during the relevant financial year), as the case may be, realisable for the Group within eighteen (18) months from the acquisition as a result of acquisitions of entities referred to in paragraph (a) and (b) above.

14.3.2 For the purposes of this Clauses 14.1 (*Incurrence Test*) and 14.2 (*Distribution Test*), the Leverage Ratio shall be calculated as follows:

(a) the calculation shall be made as per a testing date determined by the Issuer, falling no more than one (1) month prior to the incurrence of the new Financial Indebtedness or the payment of the relevant Restricted Payment; and

(b) the amount of Net Debt shall be measured on the relevant testing date so determined, but include (i) the new Financial Indebtedness for which the Leverage Ratio is tested (and any Financial Indebtedness owed by any entity acquired with such Financial Indebtedness), but exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred, and (ii) be increased by any Restricted Payment or Permitted Debt for which the Leverage Ratio is tested, however, any cash balance resulting from the incurrence of any new Financial Indebtedness shall not reduce the Net Debt.

15. ACCELERATION OF THE NOTES

15.1 Subject to the Intercreditor Agreement, the Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 15.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

(a) **Non-payment**

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

(i) is caused by technical or administrative error; and

(ii) payment is made within five (5) Business Days from the due date.

(b) **Other obligations**

The Issuer, any Guarantor or the Parent fails to comply with or in any other way acts in violation of the Finance Documents to which such non-compliant entity is a party, in any other way than as set out in sub-clause (a) (*Non-payment*) above, unless the non-compliance:

(i) is capable of remedy, and

(ii) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice in writing and the Issuer becoming aware of the non-compliance.

(c) **Cross payment default and cross acceleration**

Any Financial Indebtedness of the Issuer, a Material Subsidiary or the Parent is not paid when due nor within any originally applicable grace period (if there is one) or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided however that the amount of such Financial Indebtedness individually or in the aggregate exceeds an amount corresponding to EUR 1,500,000 and provided that it does not apply to any Financial Indebtedness owed to another Group Company.

(d) **Insolvency**

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

(ii) a moratorium is declared in respect of the Financial Indebtedness of the Issuer, the Parent or any Material Subsidiary.

(e) **Insolvency proceedings**

Any corporate action, legal proceedings or other similar procedure are taken (other than (A) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) calendar days of commencement or, if earlier, the date on which it is advertised and (B), in relation to the Issuer's Subsidiaries, solvent liquidations) in relation to:

(i) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer, the Parent or any Material Subsidiary;

(ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Issuer, the Parent or any Material Subsidiary or any of its assets; or

(iii) any analogous procedure or step is taken in any jurisdiction in respect of the Issuer, the Parent or any Material Subsidiary.

(f) **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of the Issuer, the Parent or any Material Subsidiary having an aggregate value equal to or exceeding EUR 1,500,000 and is not discharged within thirty (30) calendar days.

(g) **Mergers and demergers**

A decision is made that:

(i) the Issuer or the Parent shall be merged with any other person, or is subject to a demerger, provided that (x) a merger of the Parent shall be permitted (other than with the Issuer) if the Parent is the surviving entity, and (y) a merger of the Issuer with Hailuoto shall be permitted if the Issuer is the surviving entity;

(ii) any Group Company (other than the Issuer) shall be merged or demerged with a company which is not a Group Company, unless (A) if such Group Company is the

surviving entity, such merger or demerger does not have a Material Adverse Effect (provided that any such merger of a Group Company with Axtuator will not be deemed to have a Material Adverse Effect) or (B) if such Group Company is not the surviving entity, it is not a Material Subsidiary or Guarantor and such merger or demerger would have been allowed pursuant Clause 13.4 (*Disposal of assets*); or

(iii) a Material Subsidiary or a Guarantor shall be merged or demerged with a company which is not a Group Company unless that Material Subsidiary or Guarantor (as applicable) is the surviving entity and that it does not have a Material Adverse Effect.

(h) **Impossibility or illegality**

It is or becomes impossible or unlawful for the Issuer, the Parent or any of the Guarantors to fulfil or perform any of the provisions of the Finance Documents or the Security created or expressed to be created thereby is impaired (other than in accordance with 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 and such invalidity, impairment or ineffectiveness has a materially detrimental effect on the interests of the Noteholders.

(i) **Continuation of the business**

Any Material Subsidiary ceases to carry on its business if such discontinuation is reasonably likely to have a Material Adverse Effect.

(j) **Ownership of the Issuer and the Targets**

The Parent ceases to own and control 100 per cent. of the issued shares and votes of the Issuer or, after the Completion Date, the Issuer ceases to own and control, directly or indirectly, 100 per cent. of the issued shares and votes of iLOQ Oy.

15.2 The Agent may not accelerate the Notes in accordance with Clause 15.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).

15.3 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to payments) up until the time stipulated in Clause 15.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Noteholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.

15.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing and subject to the Intercreditor Agreement, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*), subject to the Intercreditor Agreement.

15.5 If the Noteholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Notes, the Agent shall, provided that the provisions of the Intercreditor Agreement have been complied with, promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.

15.6 If the right to accelerate the Notes is based upon a decision of a court of law, an arbitrational 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 acceleration to be deemed to exist.

15.7 In the event of an acceleration of the Notes in accordance with this Clause 15, the Issuer shall redeem all Notes at an amount per Note equal to the redemption amount specified in Clause 10.4 (*Voluntary total redemption (call option)*), as applicable considering when the acceleration occurs, together with accrued but unpaid Interest (except during the period up to but excluding the First Call Date, during which period the redemption amount shall be equal to the call option amount set out in Clause 10.4.1(b)).

16. DISTRIBUTION OF PROCEEDS

16.1 Subject to the Intercreditor Agreement, all payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 15 (*Acceleration of the Notes*) and any proceeds received from an enforcement of the Transaction Security and/or the Guarantees shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

(a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, the enforcement of the Transaction Security or the protection of the Noteholders' rights as may have been incurred by the Security Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 19.2.5, and (iv) any costs and expenses incurred by the Agent that have not been reimbursed by the Issuer in accordance with Clause 17.4.11, together with default interest in accordance with Clause 9.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

(b) *secondly*, in or towards payment pro rata of unpaid fees, costs, expenses and indemnities payable by the Issuer to the Issuing Agent;

(c) *thirdly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);

(d) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and

(e) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 9.4 on delayed payments of Interest and repayments of principal under the Notes.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (e) above shall be paid to the Issuer.

16.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1(a), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1(a).

16.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Transaction Security or Guarantees constitute escrow funds (*redovisningsmedel*) and must be promptly turned over to the Security Agent to be applied in accordance with the Intercreditor Agreement.

17. DECISIONS BY NOTEHOLDERS

17.1 Request for a decision

17.1.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.

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

17.1.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable regulations.

17.1.4 The Agent shall not be responsible for the content of a notice for a Noteholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.

17.1.5 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuing Agent shall upon request provide the convening Noteholder(s) with the information available in the Debt Register in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Noteholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.

17.1.6 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 17.2 (*Convening of Noteholders' Meeting*) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 17.3 (*Instigation of Written Procedure*). After a request from the Noteholders pursuant to Clause 19.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 17.2. The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

17.1.7 Should the Issuer or any Noteholder(s) convene a Noteholders' Meeting or instigate a Written Procedure pursuant to Clause 17.1.5 or 17.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Noteholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

17.2 Convening of Noteholders' Meeting

17.2.1 The Agent shall convene a Noteholders' Meeting by way of notice to the Noteholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from

the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).

17.2.2 The notice pursuant to Clause 17.2.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Record Date on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) a form of power of attorney, and (v) the agenda for the meeting. The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

17.2.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.

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

17.3 **Instigation of Written Procedure**

17.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Noteholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).

17.3.2 A communication pursuant to Clause 17.3.1 shall include (i) a specification of the Record Date on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (ii) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (iii) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 17.3.1). The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. If the voting is to be made electronically, instructions for such voting shall be included in the communication.

17.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 17.3.1, when consents from Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 17.4.2 and 17.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.4.2 or 17.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

17.4 **Majority, quorum and other provisions**

17.4.1 Only a Noteholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 7 (*Right to act on behalf of a Noteholder*) from a Noteholder:

(a) on the Business Day specified in the notice pursuant to Clause 17.2.2, in respect of a Noteholders' Meeting, or

(b) on the Business Day specified in the communication pursuant to Clause 17.3.2, in respect of a Written Procedure,

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Nominal Amount. Each whole Note entitles to one vote and any fraction of a Note voted for by a person shall be disregarded. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

17.4.2 The following matters shall require the consent of Noteholders representing at least sixty-six and two thirds (66⅔) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2:

(a) the issue of any Subsequent Notes, if the total nominal amount of the Notes exceeds, or if such issue would cause the total nominal amount of the Notes to at any time exceed, EUR 100,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Notes are issued);

(b) a change to the terms of any of Clause 2.1 and Clauses 2.5 to 2.9;

(c) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 10 (*Redemption and repurchase of the Notes*);

(d) a change to the Interest Rate or the Nominal Amount (other than as a result of an application of Clause 10.5 (*Voluntary partial redemption due to Equity Listing Event (call option)*);

(e) a change to the terms for the distribution of proceeds set out in Clause 16 (*Distribution of Proceeds*);

(f) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 17.4 (*Majority, quorum and other provisions*);

(g) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;

(h) a release of the Transaction Security or Guarantees, except in accordance with the terms of the Finance Documents;

(i) a mandatory exchange of the Notes for other securities; and

(j) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 15 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

17.4.3 Any matter not covered by Clause 17.4.2 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 18.1(a) or (c)), an acceleration of the Notes, or the enforcement of any Transaction Security or Guarantees.

17.4.4 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

(a) if at a Noteholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 17.2.4 (or appear through duly authorised representatives); or

(b) if in respect of a Written Procedure, reply to the request.

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

17.4.6 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 17.2.1) or initiate a second Written Procedure (in accordance with Clause 17.3.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 17.4.6, the date of request of the second Noteholders' Meeting pursuant to Clause 17.2.1 or second Written Procedure pursuant to Clause 17.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 17.4.4 shall not apply to such second Noteholders' Meeting or Written Procedure.

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

17.4.8 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

17.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Notes (irrespective of whether such person is a Noteholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

17.4.10 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Noteholders.

17.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.

17.4.12 If a decision is to be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates as per the Record Date for voting, irrespective of whether such person is a Noteholder. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate.

17.4.13 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each person registered as a Noteholder on the date referred to in Clause 17.4.1(a) or 17.4.1(b), as the case may be, and also be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

18. AMENDMENTS AND WAIVERS

18.1 The Issuer, any other relevant Group Company and the Agent (acting on behalf of the Noteholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Notes, provided that the Agent is satisfied that such amendment or waiver:

(a) is not detrimental to the interest of the Noteholders as a group;

(b) is made solely for the purpose of rectifying obvious errors and mistakes;

(c) is required by any applicable regulation, a court ruling or a decision by a relevant authority; or

(d) has been duly approved by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Noteholders.

18.2 Any amendments to the Finance Documents shall be made available in the manner stipulated in Clause 12.4 (*Availability of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Clause 18.1(a) or (c), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.

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

19. THE AGENT

19.1 Appointment of the Agent

19.1.1 By subscribing for Notes, each initial Noteholder:

(a) appoints the Agent to act as its agent in all matters relating to the Notes 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 Notes held by such Noteholder, including the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer and any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security or a Guarantee; and

(b) confirms the appointment under the Intercreditor Agreement of the Security Agent to act as its agent in all matters relating to the Transaction Security, the Security Documents, the Guarantees and the Guarantee Agreement, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security or a Guarantee and acknowledges and agrees that the rights, obligations, role of and limitation of liability for the Security Agent is further regulated in the Intercreditor Agreement.

19.1.2 By acquiring Notes, each subsequent Noteholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 19.1.1.

19.1.3 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.

19.1.4 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

19.1.5 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

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

19.2 **Duties of the Agent**

19.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents and, in its capacity as Security Agent, hold the Transaction Security pursuant to the Security Documents on behalf of the Noteholders and, where relevant, enforcing the Transaction Security and Guarantees on behalf of the Noteholders.

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

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

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

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

19.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering (A) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents, and (iii) in connection with any Noteholders' Meeting or Written Procedure, or (iv) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 16 (*Distribution of Proceeds*).

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

19.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor (i) whether any Event of Default has occurred, (ii) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents, (iii) the financial situation of the Group, or (iv) whether any other event specified in any Finance Document has occurred. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance

exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

19.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in these Terms and Conditions and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.9.

19.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Noteholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

19.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.

19.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.

19.2.13 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 19.2.12.

19.3 **Liability for the Agent**

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

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

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

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

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

19.4 **Replacement of the Agent**

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

19.4.2 Subject to Clause 19.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

19.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.

19.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.

19.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

19.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of (i) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent, and (ii) the period pursuant to Clause 19.4.4 (ii) having lapsed.

19.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.

19.4.8 In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

20. THE ISSUING AGENT

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

20.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Notes.

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

21. THE CSD

21.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Notes.

21.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Noteholder or the admission to trading of the Notes on the Regulated Market or any other relevant market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

22. NO DIRECT ACTIONS BY NOTEHOLDERS

22.1 A Noteholder may not take any steps whatsoever against the Issuer, any Guarantor or any Group Company or with respect to the Transaction Security 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 or bankruptcy in any jurisdiction of the Issuer, any Guarantor or any Group Company in relation to any of the obligations and liabilities of the Issuer, any Guarantor or any 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 Noteholders 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 Noteholder to provide documents in accordance with Clause 19.1.3), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 19.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.13 before a Noteholder 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 Noteholder's right to claim and enforce payments which are due to it under Clause 10.7 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Noteholders.

23. PRESCRIPTION

23.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders' right to receive payment has been prescribed and has become void.

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

24. COMMUNICATIONS AND PRESS RELEASES

24.1 Communications

24.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

(a) if to the Agent, shall be given at the address specified on its website www.nordictrustee.se on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;

(b) if to the Issuer, shall be given at the address registered with the Finnish Trade Register on the Business Day prior to dispatch or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and

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

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 Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1, 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, in case of email, when received in readable form by the email recipient.

24.1.3 Any notice or other communication pursuant to the Finance Documents shall be in English.

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

24.2 Press releases

24.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 5.6, 10.4 (*Voluntary total redemption (call option)*), 10.5 (*Voluntary partial redemption due to Equity Listing Event (call option)*), 10.6 (*Early redemption due to illegality (call option)*), 12.1.4, 12.1.5, 15.3, 17.2.1, 17.3.1, 17.4.13 and 18.2 shall also be published by way of press release by the Issuer.

24.2.2 In addition to Clause 24.2.1, if any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to issue such press release.

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 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Stockholms tingsrätt*). The submission to the jurisdiction of the Swedish courts shall however not limit the right of the Agent (or the Noteholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

ADDRESSES

Issuer

Capnor Weasel BidCo Oyj
c/o iLOQ Oy
Yrttipellontie 10
90230 Oulu
Finland

Bookrunner

Nordea Bank Abp
Hamnbanegatan 5
FI-00020 Nordea,
Helsinki
Finland

Issuing Agent

Nordea Bank Abp, filial i Sverige
Smålandsgatan 17
SE-105 71 Stockholm
Sweden

Legal advisor to the Issuer

White & Case Advokat AB
Biblioteksgatan 12
SE-114 85 Stockholm
Sweden

Legal advisor to the Bookrunner

Baker & McKenzie Advokatbyrå KB
Vasagatan 7
SE-101 23 Stockholm
Sweden

Noteholders' agent

Nordic Trustee & Agency AB (publ)
Norrlandsgatan 23
SE-103 90 Stockholm,
Sweden

Central Securities Depository

Euroclear Sweden AB
Klarabergsviadukten 63
101 23 Stockholm,
Sweden

Issuer's auditor

KPMG Oy Ab
Töölönlahdenkatu 3 A
FI-00100 Helsinki
Finland