



## **SLR Group GmbH**

relating to the listing of

**EUR 75,000,000**

**Senior Secured Callable Floating Rate Bonds due 2027**

ISIN: NO0013177949

**Sole Bookrunner**



**This Prospectus was approved by the Swedish Financial Supervisory Authority on 25 March 2025. The Prospectus is valid for 12 months after the approval provided that it is completed by any supplement required. The Issuer's obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no longer valid**

**IMPORTANT NOTICE:**

This prospectus (the "**Prospectus**") has been prepared by SLR Group GmbH (the "**Issuer**", or the "**Company**" or together with its direct and indirect subsidiaries unless otherwise indicated by the context, the "**Group**"), a limited liability company incorporated in Germany and registered with the commercial register of the local court Mannheim under reg. no HRB 750601, having its headquarters located at the address, Am Bahnhof 16, 68789 St. Leon-Rot, Germany, in relation to the application for the listing of the senior secured floating rate bonds denominated in EUR (the "**Bonds**") on the corporate bond list on Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394 ("**Nasdaq Stockholm**"). Pareto Securities AB has acted as sole bookrunner in connection with the issue of the Bonds (the "**Sole Bookrunner**"). This Prospectus has been prepared in accordance with the standards and requirements of Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council (the "**Regulation**") and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 and repealing Commission Regulation (EC) No 809/2004.

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") as the competent authority pursuant to Article 20 in the Regulation. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the bonds that are subject to this prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds. Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 49 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Company's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. In this Prospectus, references to "**EUR**" refer to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

Investing in bonds is not appropriate for all investors. Each investor should therefore evaluate the suitability of an investment in the Bonds in light of its own circumstances. In particular, each investor should:

- (a) have sufficient knowledge and experience to carry out an effective evaluation of (i) the Bonds, (ii) the merits and risks of investing in the Bonds, and (iii) the information contained or incorporated by reference in this Prospectus or any supplements;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate in the context of its particular financial situation the investment in the Bonds and the impact that such investment will have on the investor's overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks resulting from an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the investor's own currency;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios relating to the economy, interest rates and other factors that may affect the investment and the investor's ability to bear the risks.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on the corporate bond list on Nasdaq Stockholm. This Prospectus may not be distributed in or into any country where such distribution or disposal would require any additional prospectus, registration or additional measures or contrary to the rules and regulations of such jurisdiction. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold outside the United States to purchasers who are not, or are not purchasing for the account of, U.S. persons in reliance upon Regulation S under the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act. The offering is not made to individuals domiciled in Australia, Japan, Canada, Hong Kong, the Italian Republic, New Zealand, the Republic of Cyprus, the Republic of South Africa, the United Kingdom, the United States (or to any U.S. person), or in any other country where the offering, sale and delivery of the Bonds may be restricted by law.

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 Company's management or are assumptions based on information available to the Group. The words "**considers**", "**intends**", "**deems**", "**expects**", "**anticipates**", "**plans**" and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Although the Company believes that the forecasts of, 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 the section "**Risk factors**" below.

Interest payable on the Bonds will be calculated by reference to EURIBOR. EURIBOR constitutes a benchmark according to the regulation (EU) 2016/1011 (the "**Benchmark Regulation**") and is a reference rate published by the European Money Markets Institute showing an average of the interest rate at which number of Eurozone banks are willing to lend another without collateral at different maturities. EURIBOR is administered by the European Money Markets Institute, which is included in ESMA's register of administrators under Article 36 of the Benchmark Regulation.

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

## TABLE OF CONTENTS

SUMMARY .....	4
RISK FACTORS.....	11
THE BONDS IN BRIEF.....	26
STATEMENT OF RESPONSIBILITY .....	33
DESCRIPTION OF MATERIAL AGREEMENTS .....	34
DESCRIPTION OF THE ISSUER AND THE GROUP.....	35
MANAGEMENT.....	41
HISTORICAL FINANCIAL INFORMATION .....	43
OTHER INFORMATION .....	46
TERMS AND CONDITIONS OF THE BONDS.....	49
ADDRESSES .....	115

## SUMMARY

### Introduction and Warnings

#### Introduction and warnings:

This Prospectus has been drawn up in relation to the admission to trading of EUR 75,000,000 senior secured floating rate bonds due 2027 of the Issuer.

This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability can only be imposed on those persons who have put forward the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

#### Legal and commercial name of the Issuer and its ISIN and LEI

The legal and commercial name of the Issuer is SLR Group GmbH. The Issuer is a limited liability company incorporated under the laws of Germany, with reg. no. HRB 750601 and with its registered office at Am Bahnhof 16, 68789 St. Leon-Rot, Germany. The registered office of the Board of Directors is Am Bahnhof 16, 68789 St. Leon-Rot, Germany and the Issuer's head quarter is located at Am Bahnhof 16, 68789 St. Leon-Rot, Germany. The Issuer's legal entity identifier code ("LEI Code") is 529900WJI20NRS96C93. The Bonds will be identified by the ISIN NO0013177949.

#### Identity and contact details of the competent authority approving the prospectus

Finansinspektionen (the "SFSA") has its registered office at Brunnsgatan 3, P.O Box 7821, SE-103 97 Stockholm, with telephone number (+46) (0)8 408 980 00 and email address finansinspektionen@fi.se.

#### Date of approval of the prospectus

The SFSA has, in its capacity as competent authority under the Prospectus Regulation, on 25 March 2025, approved this Prospectus.

### KEY INFORMATION ON THE ISSUER

#### Who is the issuer of the securities?

#### Issuer's domicile and legal form, its LEI, the law under which it operates and its country of incorporation

The legal and commercial name of the Issuer is SLR Group GmbH. The Issuer is a private limited liability company incorporated under the laws of Germany, with reg. no. HRB 750601 and its registered office is Am Bahnhof 16, 68789 St. Leon-Rot, Germany. The Issuer's LEI Code is 529900WJI20NRS96C93. The Issuer is subject to regulations such as, inter alia, German Limited Liability Company Act (Ger. *Gesetz betreffend die Gesellschaften mit beschränkter Haftung*).

#### Principal activities of the Issuer/Group

The Issuer's objectives are acquisition, holding and sale of investments in companies of any legal form (provided this does not require official approval or authorization) - in particular in the area of foundry operations - the administration, coordination and control of these investments as well as the provision related consulting, management and services as well as any activities that are conducive to the aforementioned purpose.

The Group operates in the metal industry and produces high-quality spheroidal graphite cast iron for the construction machinery, agricultural machinery, commercial vehicle and hydraulics industries as well as for the wind power and rail technology sectors. The Group's business activities are centered on two iron foundries in Germany, the first foundry is located in St. Leon-Rot and the second foundry is located in Elsterheide.

**Major shareholders**

As of the date of this Prospectus the Issuer is 100 per cent. owned by SLR TopCo GmbH, reg. no. HRB 290330. All the shares in the Company are owned by SLR TopCo GmbH, a limited liability company operating under the laws of Germany with reg. no. HRB 290330 (the "**Parent**"). The Parent is controlled, and the Issuer is consequently also controlled, by certain larger shareholders being the ESSVP IV LP (53.066%) and ESSVP IV Structured LP (20.106%) and Helius GmbH & Co. KG (14.475%), Silenos GmbH & Co. KG (5.878%) as well as other smaller investors (6.475%).

The shares of the Issuer are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Company had an issued share capital of EUR 100,000. The Company has issued a total of 100,000 shares.

**Executive Management**

The Executive Management consists of a team of Ralf Gunnar Halden, CFO/Managing Director and Jörg Rumikewitz, CEO/Managing Director.

**Auditor**

KPMG AG Wirtschaftsprüfungsgesellschaft, Glücksteinallee 63 68163 Mannheim was the Issuer's auditor during the period 2005 – 2025. KPMG AG is a State Authorized Public Accountant in Germany and a members of the professional body German GAAP, the professional institute for the accountancy sector in Germany.

In March 2025, the Issuer and the Group, and SLR Holding GmbH, appointed Markus Küfner and Kai Führer at PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Monteverdistraße 2, 34131 Kassel, Germany, as new auditors.

**What is the key financial information regarding the Issuer?****Financial information**

The table below sets out a summary of the key financial information extracted from the Issuer's consolidated financial report for the period from 25 January 2024 (when the Issuer was founded) and ending 30 June 2024.

Issuer	
Income statement	2024 (EUR)
Operating profit/loss	-1,025,451.12
Balance sheet	2024 (EUR)
Net financial debt (long term debt plus short term debt minus cash)	110,324.987
Debt to equity ratio (total liabilities/total shareholder equity)	0
Cash-flow statement	2024 (kEUR)
Net cash flow from operating activities	2,592
Net cash flow from financing activities	93,314
Net cash flow from investing activities	-91,418

The SFSA has granted the Issuer an exemption from including the historical financial information of the Guarantors in this Prospectus. To provide an overview of the financial position of the Guarantors, the historical financial information of SLR Holding GmbH has been incorporated in this Prospectus.

The table below sets out a summary of the key financial information extracted from SLR Holding GmbH's (in which each of the Guarantor's consolidated financial statements are included) for the period from 1 July 2022 to 30 June 2023 and the period from 1 July 2023 to 30 June 2024.

SLR Holding GmbH		
Income statement	2023/2024 (EUR)	2022/2023 (EUR)
Operating profit/loss	8,288,874	17,545,104
Balance sheet	2023/2024 (EUR)	2022/2023 (EUR)
Net financial debt (long term debt plus short term debt minus cash)	34,015,918	40,660,861
Debt to equity ratio (total liabilities/total shareholder equity)	0.90	2.15
Cash-flow statement	2023/2024 (kEUR)	2022/2023 (kEUR)
Net cash flow from operating activities	3,790	31,005
Net cash flow from financing activities	-25,117	7,946
Net cash flow from investing activities	-4,728	6,351

## What are the key risks that are specific to the Issuer?

### Risks relating to macroeconomic and geopolitical conditions

The Group's business, focused on producing high-quality cast ductile iron, is heavily influenced by macroeconomic and geopolitical conditions. It relies significantly on demand from the agricultural and construction machinery sectors, particularly in Europe and the DACH region, which accounted for 90 per cent. and 51 per cent. of its revenue, respectively, in 2024. Factors such as inflation, rising raw material and energy costs, supply-chain disruptions, and geopolitical tensions, including Russia's invasion of Ukraine, have adversely impacted the Group's operations and costs.

The invasion has strained global access to essential raw materials, increased demand for non-Russian resources, and driven inflation and energy costs higher. Although the Group doesn't source materials from Russia, it remains vulnerable to price increases for scrap and pig iron. Additionally, its financial position could be impacted if energy subsidies like the Strompreiskompensation (the "SPK"), which amounted to EUR 6 million in 2024, are reduced or lost. Economic instability, credit market tightening, or a global recession could harm the Group by disrupting its supply chain, reducing customer demand, and exposing it to financial difficulties faced by its customers, suppliers, and financial partners. Such conditions could materially affect the Group's profitability, financial condition, and operations.

### Dependency on IT infrastructure

The Group relies on IT systems for business operations, primarily for internal use. Disruptions such as server downtime, cyberattacks, or power failures could negatively impact operations, causing transaction errors, loss of sales, and reputational damage. Centralised servers in Germany enhance security but also pose a risk of widespread disruption if compromised. Weaknesses in IT protection could lead to cyberattacks affecting business continuity, financial performance, and data security. The Group also depends on third-party suppliers for backup systems, and failures on their part—whether due to negligence, technical issues, or financial instability—could further disrupt operations.

### Dependency on key customers

As per the fiscal year ended 2024, the Group's five largest customers together represented approximately 77 per cent. of the Group's sales volume. To the extent these customers choose to proceed with another supplier, a substantial portion of the Group's revenue could decrease and

entail a considerable reduction of demand for the Group's products. The failure to develop or maintain relationships with these key customers could have an adverse effect on the Group's business. If the Group's key customers terminate their relationship, decrease their contracts or change their manner of doing business with the Group, on a temporary basis or permanently, due to technical problems, changes in applicable laws or regulations, political issues or any other reason, such as lack of competitive pricing, such actions could adversely affect the Group's business, results of operations, financial condition and cash flows.

## KEY INFORMATION ON THE SECURITIES

### What are the main features of the securities?

<b>Governing law, type, class and ISIN</b>	The Terms and Conditions of the Bonds are governed by Swedish law. The Bonds are senior secured floating rate bonds with ISIN: NO0013177949.
<b>Currency, denomination, par value, the number of securities issued and the term of the securities</b>	The Bonds are denominated in EUR. The Initial Nominal Amount of each Bond is EUR 1,000 and the minimum permissible investment in the Initial Bond Issue is EUR 100,000. The Issuer has issued a total of 75 000 bonds in an initial aggregate amount of EUR 75,000,000 on the First Issue date of 9 April 2024 and may also issue Subsequent Bonds up to an aggregate principal amount of EUR 35,000,000, pursuant to the Terms and Conditions. The final maturity date of the Bonds is 9 October 2027.
<b>Rights attached to the securities</b>	<p>Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent.</p> <p>The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond 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.</p> <p>The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with the Terms and Conditions.</p>
<b>Ranking</b>	The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least <i>pari passu</i> with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except (A) those obligations which are mandatorily preferred by law and (B) the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement (if any).
<b>Transfer Restrictions</b>	The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
<b>Payout policy</b>	The Bonds Interest Payment Dates are quarterly each year 9 January, 9 April, 9 July and 9 October commencing on 9 July 2024. Interest will accrue from (and including) the First Issue Date. The last interest payment date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). The Bonds carry an interest of three (3) month EURIBOR (with a floor of zero per cent.) plus margin of 7.00 per cent. <i>per annum</i> .

## Where will the securities be traded?

### Trading

The Initial Bonds will be admitted to trading at Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

## Is there a guarantee attached to the securities?

### Nature and scope of the guarantee

The Guarantors have agreed to jointly and severally guarantee the full and punctual payment and performance of all Secured Obligations, including the payment of principal and interest under the Senior Finance Documents (as defined in the Guarantee Agreement as defined below) when due, whether at maturity, by acceleration, by redemption or otherwise, and interest on any such obligation which is overdue, and of all other monetary obligations of the Issuer and the other Guarantors to the Secured Parties under the Senior Finance Documents.

### Guarantors

The Issuer's obligations under the Bonds are jointly and severally guaranteed by each of the following entities:

- SLR Giesserei St. Leon-Rot GmbH, a limited liability company incorporated under the laws of Germany since 15 April 1955 with reg. no. HRB 350486 and LEI code 529900ZHHSL3WG1KUE38; and
- SLR-Elsterheide GmbH, a limited liability company incorporated under the laws of Germany since 16 April 2008 with reg. no. HRB 26576 and LEI code 529900KCJIBNWB2BD522

## What is the key financial information regarding the Guarantors?

## Material risk factors pertaining to the Guarantors

### Risks relating to the guarantees

The Issuer's obligations to Bondholders under the Bonds are partially guaranteed, but there is a risk that enforcing these guarantees may not cover all amounts owed to Bondholders. Additionally, guarantors are not restricted from providing further guarantees for other obligations, which could weaken the guarantees provided to Bondholders. Guarantees from the Issuer's subsidiaries are subject to financial assistance rules, corporate benefit limitations, and principles against fraudulent or voidable transfers. If the Issuer fails to repay the Bonds, Bondholders may struggle to recover their funds, as the guarantees might not fully cover the Issuer's obligations in case of insolvency. The payment obligations under the Bonds are also structurally subordinated to the liabilities of the Issuer's subsidiaries and their own subsidiaries.

The guarantees are provided by specific guarantors and not all Group entities. Their effectiveness is limited by the Subordination Agreement and general legal provisions. For instance, changes to primary obligations without guarantor consent could render the guarantees void or unenforceable, potentially delaying or reducing Bondholder recovery. Such outcomes could significantly harm the likelihood of Bondholders receiving the amounts owed under the Bonds.

## What are the key risks that are specific to the securities?

### Risks related to the transaction security

The Issuer's obligations to bondholders are secured by first-priority pledges over the shares in the Issuer and certain Group companies, certain real property owned by the Gorup and certain material intragroup loans, but enforcement proceeds may not fully cover amounts owed. The bondholders rely on Nordic Trustee & Agency AB (publ) as the Security Agent (or anyone appointed by it), to properly fulfil its obligation in maintaining, perfecting, and enforcing or taking any other necessary actions in relation to the transaction security. Bondholders will not be entitled to take enforcement actions in respect of the transaction security (except through the Security Agent) and are exposed to risks related to the Security Agent's financial standing or potential breaches of its duties.

In jurisdictions like Germany, the transaction security structure relies on "parallel debt" mechanisms, which remain legally untested and may face challenges that may limit the transaction security's validity and enforceability. Additional legal limitations, including capital maintenance rules in



Germany and restrictions on corporate benefit under Swedish and foreign laws, may further limit the enforceability of guarantees and security provided in accordance with the Terms and Conditions.

During insolvency or bankruptcy of pledged subsidiaries, bondholders may recover little to no value from pledged shares or intra-group loans if subsidiary obligations exhaust the available assets. Furthermore, certain hardening periods may temporarily prevent bondholders from benefiting fully, or at all, from the transaction security.

If enforcement proceeds are insufficient to repay all amounts due under or in respect of the Bonds, bondholders will only have an unsecured claim against the Issuer and its remaining assets (if any). Legal interpretations and evolving rulings in jurisdictions like Germany and Sweden add further uncertainty to the enforceability and effectiveness of the transaction security.

**Risk related to structural subordination and insolvency of subsidiaries**

All assets of the Group are owned by, and all revenues are generated in, the subsidiaries of the Issuer. Restrictions such as limited funds, corporate policies, and legal barriers may prevent subsidiaries from making payments to the Issuer, impacting its ability to meet bond payment obligations and adversely affecting its business, financial position, earnings and results.

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In particular, the terms and conditions will allow the Group to incur certain debt at subsidiary level. The lenders of such debt would be structurally senior to the bondholders in an insolvency scenario with direct claims against the relevant subsidiaries of the Issuer. These claims could diminish the value available to bondholders in enforcement situations. Additionally, defaults or insolvency of subsidiaries could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross-defaults on certain borrowings of the Group.

**KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET**

**Under which conditions and timetable can I invest in this security?**

**Details of the admission to trading on Nasdaq Stockholm**

This Prospectus has been prepared for the admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm (or another Regulated Market). This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Bonds.

**Listing costs**

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 200,000.

**Expenses charged to the Bondholders by the Issuer**

No costs will be borne by the Bondholders.

**Why is this Prospectus being produced?**

**Reason for the admission to trading on a regulated Market**

This Prospectus has been prepared to enable the Bonds to be admitted to trading on the corporate bond list of Nasdaq Stockholm (or another Regulated Market) which is a requirement from the Bondholders and as set out in the Terms and Conditions.

**Use and net amount of proceeds**

The net amount of proceeds will be used to (i) finance the Permitted Recapitalisation, (ii) repay the Refinancing Debt (including accrued but unpaid interest and any applicable redemption premium), (iii) pay Transaction Costs, and (iii) finance general corporate purposes of the Group (including acquisitions and investments).

**Material conflicts**

The Sole Bookrunner and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of

the Sole Bookrunner and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

## RISK FACTORS

*The risk factors presented below are categorised as "RISKS RELATING TO THE GROUP" or "RISKS RELATING TO THE BONDS" on the basis of whether they pertain to the Group or to the Bonds. The risk factors categorised as "RISKS RELATING TO THE GROUP", are categorised as risk factors pertaining to the Group. The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of low, medium or high. The assessment of the materiality of the risk factors has been based on the probability of their occurrence and the expected magnitude of their adverse impact. The assessment of the materiality and probability for each risk factor has been made by the Issuer.*

### RISKS RELATING TO THE GROUP

#### Risks related to the Group's industry and market conditions

Medium level risk

***The Group is affected by macro-economic and geopolitical conditions***

The Group's business is based on producing high-quality cast ductile iron for all industries, especially for the agricultural machinery sector and the construction machinery sector. The Group mainly supplies customers in Europe but also in the United States of America and South America. Accordingly, the Group's business is to a large extent dependent on continued levels of demand in the agricultural machinery and construction machinery sector which is generally subject to, and affected by, the prevailing global economic climate, as well as local economic and political conditions in Europe, the United States of America and Asia, as well as the other markets in which the Group operates, including, *inter alia*, inflation, real disposable income changes, salaries, wage rates (including any increase as a result of payroll cost inflation or governmental action to increase minimum wages or contributions to pension provisions), semiconductor shortages, supply-chain disruptions, rising raw material and energy prices and interest rates. During the financial year ended 2024, approximately 90 per cent. of the Group's revenue derived from its European business and 51 per cent. of the Group's revenue derived from its DACH region business, making the Group especially dependent on the European market and in particular the DACH region market. Consequently, Russia's invasion of Ukraine has had an impact on the Group's business in these markets (as further stated in the paragraph below). Many of these factors are outside the Group's control and if any or a combination of these factors were to significantly deteriorate, demand for the Group's products could be reduced, and accordingly the Group's business, results of operations, financial condition and cash flows could be materially adversely affected.

Russia's invasion of Ukraine in February 2022, and the subsequent international sanctions imposed on Russia has had a significant geopolitical impact and consequences on the global economy. Consequently, disruption of global access to Russian mineral and natural resources utilised in global manufacturing places strain on the access to such resources. The Group is dependent on the supply and availability of scrap iron and pig iron to produce cast iron products. Although the Group does not currently source scrap metal and/or pig iron from Russia, there is a risk that current geopolitical conditions would decrease and/or that sanctions would be imposed on such raw materials, which could in turn, increase the demand for non-Russian raw materials and, thus, increase the Group's price for sourcing.

Furthermore, the Russian invasion has led to the current global trend towards increasing energy costs and inflation which has caused price increases for the Group's cost of supplies and production. Any continued or worsening increases in the inflation rate, including rises in energy prices, could potentially be materially adverse to the Group's financial position. In addition, the Group receives energy subsidies in the form of energy price compensation, SPK based on certain conditions. The SPK subsidies are being provided to specific industrial sectors and products for higher electricity prices due to carbon costs and to avoid indirect carbon leakage. During 2024 the Group received such SPK subsidies in an aggregate amount of EUR 6 million. Should the Group not be eligible for additional subsidies or should the base compensation be reduced, this could have an adverse affect on the Group's business, results of operations or financial condition.

In the event of financial turmoil affecting the banking system and financial markets, or in the event of additional consolidation of the financial services industry or significant failure of financial services institutions, there could be a tightening of the credit markets, decreased liquidity and extreme volatility in fixed income, credit, currency and equity markets. In addition, a recession in Western or global markets could have a significant impact on the Group's business, including potential restructurings, bankruptcies, liquidations and other unfavourable events for the Group's customers, suppliers, logistics providers, other service providers and the financial institutions that are counterparties to the Group's credit facilities and other derivative transactions. If third parties on which the Group relies for equipment, raw materials and services are unable to overcome financial difficulties resulting from a deterioration of global economic conditions or if the counterparties to the Group's credit facilities do not perform their obligations as intended, the Group's business, results of operations, financial condition and cash flows could be materially adversely affected.

Low level risk

***The Group is dependent on its ability to adapt to altered demand on the market and develop its product range and remaining competitive in pricing***

The Group's long-term success depends, among other things, on its ability to adapt to its customers' needs, changed industry requirements and consumer behaviour, and the introduction of new attractive product offerings and services, while at the same time retaining competitive on pricing. In order to maintain its competitiveness, the Group must foresee its existing customers' needs and possibly branch out to new business areas and segments where the Group's expertise in ductile iron castings and machining may translate into attractive product and service offerings. In addition, the Group is dependent on remaining competitive in pricing in comparison with competitors based on low cost markets such as, but not limited to, China, India and Turkey, in particular in relation to attracting new customers.

A failure to provide commercially successful services and products that continuously meet customer and business partner needs, particularly in relation to pricing, may have a material adverse impact on the Group's earnings, because of reduced demand for its services and products and consequently reduced sales.

## **Risks related to the Group**

Medium level risk

***Risks related to IT infrastructure***

The Group depends on information technology ("IT") to manage its business processes, including administrative functions. The Group uses IT systems primarily for internal purposes. Extensive downtime of network servers, regional electricity network disruption, attacks by IT-viruses (including, but not limited to, attacks on the Group's machine network and the production assets that are controlled by the machine network) or other disruptions or failures of information technology systems are possible and could have a negative impact on the Group's operations. Failure of the Group's IT systems could cause transaction errors and loss of sales and/or customers, and could have negative consequences for the Group, its employees, and those with whom the Group does business.

The Group's IT systems are dependent on servers which are mainly centralised in Germany, and while this may make it easier to protect the system from external risks, it means that any cyberattack that is successful or other failure in those servers would affect not only the Group's German operation, but their operations worldwide.

There may be unforeseen weaknesses in IT protection systems which could lead to successful cyber-attacks leading to disruptions of operations. Any weaknesses in the IT systems of the Group may mean that the Group cannot protect its systems or potentially operate its business as expected, and accordingly may have a material adverse effect on the Group's net sales, earnings and financial position.

Furthermore, the Group relies partially on third party suppliers for critical IT backup systems. Accordingly, in the event of a loss of data through outages or otherwise, the Group will rely on the support of those suppliers to continue to operate efficiently. Any failures in such backup systems when called on, through human error, negligence or otherwise at the third party supplier would be likely to have a significant adverse impact on the Group. Such suppliers may also suffer from financial or operational difficulties potentially resulting in a failure to provide sufficiently high quality services or any at all.

Medium level risk

***The Group depends on key customers and a significant adverse change in a customer relationship or in a customer's performance or financial position could harm the Group's business and financial condition***

As per the fiscal year ended 2024, the Group's five largest customers together represented approximately 75 per cent. of the Group's sales volume. To the extent these customers chooses to proceed with another supplier, a substantial portion of the Group's revenue could decrease and entail a considerable reduction of demand for the Group's products. The failure to develop or maintain relationships with these key customers could have an adverse effect on the Group's business. If the Group's key customers terminate their relationship, decrease their contracts or change their manner of doing business with the Group, on a temporary basis or permanently, due to technical problems, changes in applicable laws or regulations, political issues or any other reason, such as lack of competitive pricing, such actions could materially adversely affect the Group's business, results of operations, financial condition and cash flows.

Medium level risk

***Insurance risk***

The operation of the Group's business, i.e. producing high-quality cast ductile iron for all industries, especially for the agricultural machinery sector and the construction machinery sector, represents a potential risk of losses and liabilities, injury of persons and property damage caused by e.g. fire, mechanical failures, human error, and other circumstances or events. An accident involving any of the Group's production sites could result in loss of revenue, fines or penalties, higher insurance costs and damage to the Group's reputation. In the event of casualties, accidents or a catastrophic event, the Group will rely on its insurance programs with local insurance providers. There is a risk that the scope of the insurance coverage may not cover all risks that materialise within the Group's business. In such case, the total amount of the Group's losses would not be compensated by the relevant insurance company.

Further, certain types of losses are not possible to insure and will therefore not be covered by the Group's insurances. There is also the possibility that, in the future, the Group may be unable to procure adequate insurance coverage on favourable terms, or at all. Hence, there is a risk that the Group will be required to pay for any losses, damages and liabilities, which would have an adverse effect on the Group's business, financial position and results.

Medium level risk

***Any damage to the Group's production plants may impair the Group's ability to effectively conduct its business, increase its costs and damage the Group's reputation***

Damage to any of the Group's production plants and the products in stock due to, for example, fire, explosions, sabotage, large-scale theft, natural disasters or similar accidents, could have consequences for the Group's ability to fulfil its customer obligations and entail considerable losses for the Group. Damage to machinery, or otherwise unavailability of machinery, and inventory could lead to write-down and impairment losses for the Group and cause delivery disruptions. In turn, this may cause customers to instead choose a competitor to the Group, demand financial compensation from the Group and it may also cause damage to the Group's reputation. While the Group actively works with its insurance coverage, there may be instances where damages to production plants or products in stock may not be sufficiently covered by insurance or at all. If these risks were to materialise, it could adversely impact the Group's earnings, and, consequently, its financial position.

Low level risk

***The Group's future success depends on its ability to satisfy changing customer demand and respond to evolving market and technological trends with attractive and innovative product offerings, technologies and services on competitive terms***

The Group is heavily dependent on its core products that are important components in the agricultural machinery and construction machinery sector. Trends regarding such sectors may change to embrace new technologies or substitute products which would require the Group to react and adapt its product offering to such new trends, resulting in unexpected development costs, reduced demand while such products were being developed and potentially failure to produce sufficiently desirable products at all. Failure to develop a commercially successful product at a competitive price could have a significant effect on the Group's competitive

position, resulting in a lost sales volumes and potentially lost customers and thus could have an adverse impact on its revenues and financial position of the Group.

Furthermore, the Group is planning to broadening the industry spectrum by entering in new markets to ensure future growth, for example ductile iron castings of the electric truck market. While the Group's transition strategy aligns with strategy changes of its key customers, the Group may be unsuccessful in securing new orders due to potential difficulties with maintaining competitiveness in new product, service offerings and pricing. The implementation of new product lines may also entail increased research, engineering and production costs, which could adversely affect the Group's margins and results of operations. Furthermore, new product segments will require further investments into processes and regulatory aspects (e.g. TISAX for the on road segment) that can reduce margins on the short term).

The diversification to new markets and business segments may entail considerable costs in the establishment of new customer relationships, research, engineering and production as well as a need to comply with differing industry standards which could add an additional layer of complexity to the Group's operations and if the Group does not successfully penetrate such new markets and business segments may entail considerable sunk costs which could adversely affect the Group's results of operations.

Low level risk

***Legal and regulatory requirements, changes in and non-compliance with laws and regulations may have a material adverse effect on the Group's business operations***

The Group's business operations are subject to laws, regulations and regulatory requirements on national and international level. These laws include, among others, laws and regulations related to customer protection, labour, pensions, employment, health and safety, data protection, environmental, corporate as well as competition and tax laws. There can be no assurance that the operations of the Group fully comply with all relevant laws and regulations and their respective interpretations in all jurisdictions in which the Group operates. Local authorities may impose administrative fines or other sanctions on the Group, should it violate or otherwise fail to comply with applicable legislation. Also, changes in laws and regulations could require the Group to adapt, among others, its business operations or strategy, and therefore, result in significant costs in complying with new and potentially more stringent regulations. There can be no assurance that the Group's costs for compliance will not significantly increase in the future as a result of new or amended laws or regulations, or as a result of stricter interpretations or stricter enforcement of existing laws and regulations. The Group may also incur other costs related to potential non-compliance with applicable laws and regulations that could have a material adverse effect on the Group's results of operations. To the extent that the Group is unable to pass on the costs of compliance with stricter or changing requirements, taxes and duties to the Group's customers, the Group's profit margins may decline, which could have a material adverse effect on the Group's business, results of operations or financial condition. If the Group is unable to comply with the applicable laws and regulations, this may cause financial losses for the Group, significantly weaken its business opportunities and damage the Group's reputation.

Low level risk

***The Group is dependent upon senior management and other skilled personnel***

The Group's success depends, in part, on the efforts of its executive officers and other key employees. The Group has approximately ten to fifteen key employees, without contingency measures for potential replacements of some of these if required. The market for experienced personnel is competitive and the Group's future success will depend on its ability to attract and retain such personnel. The Group must review and, where necessary, strengthen its senior management as the needs of the business develop, including through internal promotion and external hires. However, there may be a limited number of persons available and the Group may not be able to locate or employ such experienced personnel on terms acceptable or at all. Therefore, the loss of one or more of the Group's directors or members of senior management or key members of the engineering team or production plant managers, or failure to attract and retain additional or replacement key personnel, could have a material adverse effect on the Group's business, results of operations and financial condition.

Low level risk

***The Group bears product liability and product liability claims may damage the Group's reputation***

The Group is a supplier for drive technology within all industries, but especially for the agricultural machinery and construction machinery sector, and is thus exposed to potential claims if the products sold by the Group fail to function as expected, prove to be defective or if use of the products causes, results in, or is alleged to have caused or resulted in, personal injury, property damage or other adverse consequences either through claims based on product liability regulations or on customary guarantees granted by the Group. Defects in products provided by the Group can result in the Group incurring significant costs, e.g. for liability damages. While the Group has relevant insurance in place relating to product liability claims, there is a risk that the Group's insurance would not cover such incidents (partially or at all). It may furthermore prove to be costly and time-consuming to defend against product liability claims, irrespective of whether they relate to personal injury or project delays or other damage, and such claims may potentially damage the Group's reputation and standing in the market, increase the Group's costs, and consequently have a material adverse impact on its financial position.

Low level risk

***The Group is subject to operational risks***

The Group's business is dependent on its ability to carry out its work in a timely fashion and to meet contractual deadlines, accordingly it is exposed to the operational risk that weaknesses or faults in the Group's processes or systems, as well as delay in completing orders due to significant break downs of machinery and other delays in just-in-time production schedules may lead to lost revenues or in serious cases termination of contracts as well as loss of existing customers, and any reputational damage that may result therefrom. Other operational risk include a lack of employees with sufficient technical skills, strike action by employees, workplace accidents or errors. Any such delays, strikes, missed deadlines, accidents or failure to provide sufficiently qualified operators may therefore result in lost revenues or unexpected costs relating to damage caused or restoration. The materialisation of any such operational risks could therefore have a significant impact on the Group's revenues and profitability.



Low level risk

***The Issuer is subject to environmental risks***

The Issuer is subject to environmental laws and regulations, including laws and regulations governing air emissions, and remediation of environmental damage. Compliance with environmental regulation is an on-going process and, as such, new legislation and regulations, the imposition of more stringent requirements, or more rigorous enforcement thereof, may require the Issuer to modify its operations, incur unbudgeted costs in order to comply, or incur fines or penalties for environmental violations. For example, regulations regarding the use of certain fuels or environmental standards for products may limit the Issuer's use of certain types of products or the operations of the Group's production plants in Elsterheide and St. Leon-Rot, Germany. There is a risk that any such additional expenditure or limitation of the Issuer's operations may have a material adverse effect on the Issuer's business, financial position and results and in turn the performance by the Issuer of its obligations under the Bonds.

Low level risk

***Health and safety risks***

The Group operates in an industry involving hazardous working conditions and heavy machinery. It is therefore subject to a broad range of health and safety laws and regulations in each of the jurisdictions in which it operates and these laws and regulations impose increasingly stringent health and safety protection standards. The costs of complying with, and the liabilities imposed pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the assessment of civil and criminal penalties, suspension of permits, temporary or permanent closure of production facilities, or claims or lawsuits by third parties. The Group is subject to the risk of industrial accidents that could lead to stoppages, the loss of key assets and employees (and those of sub-contractors and suppliers). Such injuries may lead to claims or lawsuits against the Group leading to the need to pay unforeseen fines or damages, as well as reputational damage. The occurrence of any of these events could have a material adverse effect on the Group's business and financial condition.

**Financial risks**

Low level risk

***The Group is potentially exposed to large capital expenditures***

The Group is reliant on keeping a state of the art machine park for its high precision manufacturing and has considerable tangible assets on its balance sheet. Any unplanned maintenance or replacement of machinery and thereby cause short or longer production stops could have a material adverse effect on the working capital, liquidity and financial position of the Group.

Low level risk

***The Group is exposed to liquidity risks***

In order to be able finance its operations and mitigate the effects of fluctuations in cash flows, the Group may have to ensure that adequate cash resources (i.e. cash and cash equivalents) are readily available by entering into financing arrangements. The Group will under the terms and conditions of the Bonds have the ability to retain and/or put in place local working capital facilities on subsidiary level to provide temporary liquidity. However, in case of a breach of the

terms and conditions of such arrangements, a lender may be entitled to cancel the entire or part of the commitment. Furthermore, if, for any reason or at any time, the Group cannot get access to liquidity on commercially acceptable terms and conditions or at all, the business, results of operations, financial condition and/or prospects of the Group may be materially adversely affected.

## **RISKS RELATING TO THE BONDS**

Medium level risk

### ***Risks relating to credit risks in respect to the Bonds and refinancing risk***

Bondholders will carry a credit risk towards the Issuer and the Guarantors. Bondholders' likelihood of receiving payment under the Bonds is therefore dependent upon the Issuer's and the Guarantors' ability to meet their respective payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The credit risk and the Group's financial position is affected by several factors of which some are mentioned above in the section "*Risks relating to the Group*" and also, as further described under section "*The Issuer's dependence on its subsidiaries and the Issuer's ability to service the debt*" below.

If the Issuer were to be unable to make repayment under the Bonds, there is a risk that the bondholders would find it difficult or impossible to recover the amounts owed to them under the Bonds. Furthermore, there is a risk that an increased credit risk will cause the market to charge the Bonds a higher premium, which will affect the value of the Bonds negatively.

Another aspect of credit risk is that a deteriorating financial position of the Group may force the Issuer to refinance the Bonds instead of redeeming the Bonds with cash generated by the Group's operations. The Issuers' ability to successfully refinance the Bonds and other existing external financing depends on, among other things, the conditions of debt capital markets and its financial condition at such time. Should the Issuer be unable to refinance its debt obligations on favourable terms, or at all, it would have a material adverse negative effect on the Group's business, financial position and its results, and in effect, on the bondholders' recovery under the Bonds.

Medium level risk

### ***Risks relating to the transaction security***

Although the Issuer's obligations towards the bondholders are secured by first priority pledges over the shares in the Issuer and certain Group companies, security over certain real property owned by the Group as well as security over certain material intragroup loans not subject to other permitted security, it is not certain that the proceeds of any enforcement over the secured assets would be sufficient to satisfy all amounts then owed to the bondholders.

The bondholders are represented by Nordic Trustee & Agency AB (publ) as security agent (the "**Security Agent**") in all matters relating to the transaction security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security.

As a consequence of such contractual provisions, bondholders will not be entitled to take enforcement action in respect of the transaction security, except through the Security Agent.

In certain jurisdictions, such as e.g. Germany, due to applicable laws and other jurisprudence governing the creation and perfection of security interests, the relevant transaction security will secure "parallel debt" (the "**Parallel Debt**") obligations created under the relevant Finance Documents (as defined in the Terms and Conditions) in favour of the Security Agent (and not the bondholders directly). Even though it is frequently seen in the market that a pledge is given to secure a parallel obligation, there is an argument that the pledges created pursuant to German pledge agreements to secure such Parallel Obligation could be seen as an instrument to avoid the accessory nature of a pledge and/ or that the Parallel Debt could be withdrawn (*kondiziert*) on the grounds of missing legal basis (*als rechtsgrundlos*). The concept of parallel obligation has not yet been tested in German courts. The relevant transaction security is subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability. To the extent the Parallel Debt construct is successfully challenged by other parties, the bondholders might not be entitled to receive any proceeds from the enforcement of the transaction security. In addition, the bondholders bear the risk associated with the possible insolvency or bankruptcy of the Security Agent or a breach of its obligations as Security Agent towards the secured creditors as further decided under section "*The rights of bondholders depend on the Agent's actions and financial standing*" below.

The Security Agent is entitled to enter into agreements with members of the Group or third parties or to take any other action necessary for the purpose of maintaining, releasing or enforcing the transaction security or for the purpose of settling, among other things, the bondholders' rights to the security.

Further, the transaction security is subject to certain hardening periods during which times the bondholders do not fully, or at all, benefit from the transaction security.

Medium level risk

***Risks relating to enforcement of the transaction security***

If a Group Company, the shares of which have been pledged in favour of the bondholders, is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such pledge may then have limited value because all of the subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for the bondholders. As a result, the bondholders may not recover the full value (or any value in the case of an enforcement sale) of the shares. In addition, the value of the shares subject to pledges may decline over time.

The value of any intra-group loan granted by the Issuer to any subsidiary, which is subject to security in favour of the bondholders, is largely dependent on such subsidiary's ability to repay its loan. Should such subsidiary be unable to repay its debt obligations upon an enforcement of a pledge over the intra-group loan, the bondholders may not recover the full or any value of the security granted over the intra-group loan.

If the proceeds of an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the bondholders will only have an unsecured claim against the Issuer and its remaining assets (if any) for the amounts which remain outstanding under or in respect of the Bonds.

Please also see section "*Corporate benefit limitations in providing guarantees and security to the bondholders*" below.

Medium level risk

***German Rules on capital maintenance***

Enforcement of a guarantee or the security provided in accordance with the Terms and Conditions may be limited beyond the express limitations contained in the relevant guarantee or security agreements by the capital maintenance rules (*Kapitalerhaltungsregeln*) imposed by Section 30 et seq. of the German Limited Liability Company Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*). The capital maintenance rules prohibit the direct and indirect repayment (such term to include payments pursuant to guarantees or security in favour of obligations of a direct or indirect shareholder) of registered share capital of a German limited liability company to its shareholders. Accordingly, enforcement may be limited if and to the extent that payments under or enforcement of the Transaction Documents would directly or indirectly cause the net assets (*Reinvermögen*) of a German Subsidiary to fall below the amount of its respective registered share capital.

In addition, German capital maintenance rules continue to be subject to evolving interpretation by the German courts. There can be no assurance that these court rulings or any future court rulings may not adversely affect the enforceability of the guarantee or security provided under the German guarantee or security agreements.

Medium level risk

***Corporate benefit limitations in providing guarantees and security to the bondholders***

In general, under Swedish law as well as foreign law, if a limited liability company provides security and/or guarantees for another party's obligations without deriving sufficient corporate benefit therefrom, the granting of security and/or guarantees will require the consent of all shareholders of the grantor and will only be valid up to the amount the company could have distributed as dividend to its shareholders at the time the security and/or guarantees were provided. If no corporate benefit is derived from the security and/or guarantees provided, the security and/or guarantees are limited in validity. Consequently, any security and/or guarantee granted by a subsidiary of the Issuer could therefore be limited which would have an adverse effect on the bondholders' security position.

Medium level risk

***The Issuer's dependence on its subsidiaries and the Issuer's ability to service the debt***

A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. Accordingly, the Issuer is dependent upon receipt of sufficient income and cash flow related to the operation of and the ownership in the subsidiaries to enable it to make payments under the Bonds. Consequently, the Issuer is dependent on the subsidiaries' availability of cash, and their legal ability to make dividends which may from time to time be limited by corporate restrictions and law. Should the Issuer not receive sufficient income from its subsidiaries, the bondholder's ability to receive payment under the Terms and Conditions may be adversely affected.

The Issuer's ability to service its debt under the Bonds will depend upon, among other things how the Group's future financial and operating performance will be affected by prevailing

economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all. This would have a negative effect on the Group's operations, earnings, results and financial position.

Medium level risk

***Subsidiaries, structural subordination and insolvency of subsidiaries***

All assets of the Group are owned by, and all revenues are generated in, the subsidiaries of the Issuer. The subsidiaries are legally distinct from the Issuer and have no obligation to make payments to the Issuer of any profits generated from their business. The ability of the subsidiaries to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and legal restrictions (e.g. limitations on value transfers).

If the Issuer is not able to receive funds by way of dividends or value transfer from one or more subsidiary, this could affect the Issuer's ability to service its payment obligations under the Bonds which would have a material adverse effect on the Issuer's business, financial position, earnings and result.

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In particular, the terms and conditions will allow the Group to incur certain debt at subsidiary level. The lenders of such debt would be structurally senior to the bondholders in an insolvency scenario with direct claims against the relevant subsidiaries of the Issuer. These claims could reduce the value of the subsidiaries available to repay the claims of the bondholders in an enforcement scenario.

In addition, defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group.

Medium level risk

***Security over assets granted to third parties***

Subject to certain limitations from time to time, the Issuer may incur additional financial indebtedness and provide additional security for such indebtedness. In particular, the terms and conditions of the bonds will permit subsidiaries of the Issuer to incur up to EUR 5,000,000 of debt at subsidiary level with separate security over the assets of the relevant subsidiary. Where security is granted in favour of a third party debt provider, the bondholders will, in the event of bankruptcy, re-organisation or winding-up of the Issuer, be subordinated in right of payment out of the assets being subject to security provided to such third party debt provider. In addition, if any such third party debt provider holding security provided by the Group were to enforce such security due to a default by any company within the Group under the relevant finance documents, such enforcement could have a material adverse effect on the Group's assets, operations and, ultimately, the financial position of the bondholders.

Medium level risk

***Interest rate risks***

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. The Bonds bear a floating rate interest of EURIBOR 3 months plus a margin of 7.00 per cent. and the interest rate of the Bonds. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that an increase of the general interest rate level will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the Swedish and the international financial development and is outside the Group's control.

Medium level risk

***Liquidity risks and secondary market***

The Bonds are listed on Frankfurt Stock Exchange Open Market and there is an obligation to list the Bonds on a regulated market within 12 months from the Issue Date. However, there is a risk that the Bonds will not be admitted to trading within the aforementioned time frame, or at all. If the Issuer fails to procure listing on a regulated market in time, bondholders who are holding Bonds on an investment savings account (Sw. *ISK* or *IS-konto*) will no longer be able to hold the Bonds on such account, thus affecting such bondholder's tax situation. However, in that situation the bondholders will have the option to require that the Issuer repurchase their Bonds at 101 per cent. of the nominal amount including accrued but unpaid interest (see "*Put Option*" below). Even if the Bonds are admitted to trading on the aforementioned market, active trading in the Bonds does not always occur and a liquid market for trading in the Bonds might not occur even if the Bonds are listed. This may result in that the bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market.

Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if the Bonds are admitted for trading on a regulated market. The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, general price and volume fluctuations on the financial markets, as well as other factors. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

Medium level risk

***Currency risks***

The Bonds are denominated and payable in EUR. If bondholders in the Bonds measure their investment return by reference to a currency other than EUR, an investment in the Bonds will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the EUR relative to the currency by reference to which bondholders measure the return on their investments. This could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss to bondholders when the return on the Bonds

is translated into the currency by reference to which the bondholders measure the return on their investments. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Bonds. As a result, there is a risk that bondholders may receive less interest or principal than expected, or no interest or principal.

Medium level risk

***Majority owner***

The Issuer is controlled by a majority shareholder whose interest may conflict with those of the bondholders, particularly if the Group encounters difficulties or is unable to pay its debts as they fall due. A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the board of directors. Furthermore, a majority shareholder may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, although such transactions might involve risks to the bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a material negative impact on the Group's operations, earnings and financial position. According to the Terms and Conditions, if a change of control event occurs, the bondholders have however a right of prepayment of the Bonds (put option). There is thus a risk that the Issuer does not have enough liquidity to repurchase the Bonds if the bondholders use its right of prepayment, see further under Section "*Put option*" below.

Low level risk

***Benchmark Regulation***

The process for determining EURIBOR and other interest-rate benchmarks is subject to a number of legislative acts and other regulations. Some of these acts and regulations have already been implemented whilst some are set to be implemented in the near future. The most extensive initiative in this respect is the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014).

The Benchmark Regulation came into force on the 1 January 2018. The Benchmark Regulation addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union. The effect of the Benchmark Regulation cannot yet be fully determined due, among other things, to the limited time period that the regulation has applied. However, there is a risk that the Benchmark Regulation will affect how certain benchmarks are determined and how they develop in the future. This could, for example, lead to increased volatility regarding some benchmarks. A further potential risk is that increased administrative requirements, and resulting regulatory risk, may discourage stakeholders from participating in the production of benchmarks, or that some benchmarks cease to be provided. If this would happen in respect of benchmark that is used for the Bonds, it could potentially have negative effects for the bondholders.

Low level risk

***Put option***

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder at 101 per cent. of the nominal amount of the Bonds plus accrued and unpaid interest if one or more persons, not being a Sponsor (or an Affiliate thereof), acting together, acquire control over the Issuer and where "control" means (i) acquiring or controlling, directly or indirectly, more than 50 per cent. of the shares of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer. There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all bondholders and not only those that choose to exercise the option.

Low level risk

***Risks related to early redemption***

Under the Terms and Conditions for the Bonds, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the holders of the Bonds have the right to receive an early redemption amount which exceeds the nominal amount in accordance with the Terms and Conditions for the Bonds. However, there is a risk that the market value of the Bonds is higher than the early redemption amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate. It is further possible that the Issuer will not have sufficient funds at the time of the mandatory prepayment to carry out the required redemption of Bonds.

Low level risk

***No action against the Issuer and bondholders' representation***

In accordance with the Terms and Conditions for the Bonds, the Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that an individual bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions for the Bonds), which could negatively impact an acceleration of the Bonds or other action against the Issuer.

To enable the Agent to represent bondholders in court, the bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions for the Bonds, the Agent will in some cases have the right to make decisions and take measures that bind all bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a bondholder's rights under the Terms and Conditions for the Bonds in a manner that is undesirable for some of the bondholders.



In addition, under German insolvency laws, the validity of an appointment of an agent for service of process granted by a German entity, such as the appointment by the Issuer of agents for service of process under e.g. Swedish law may be limited and the appointment may terminate in the case of an insolvency of the Issuer. As such, the ability of the Agent to bring suit against the Issuer or any guarantor in Sweden, on behalf of the bondholders, may be limited.

Low level risk

***The rights of bondholders depend on the Agent's and Security Agent's actions and financial standing***

By subscribing for, or accepting the assignment of, any Bond, each holder of a Bond will accept the appointment of the Agent and the Security Agent (being on the issue date Nordic Trustee & Agency AB (publ)) to act on its behalf and to perform administrative functions relating to the Bonds and to hold the transaction security on behalf of the bondholders. Each of the Agent and the Security Agent shall have, among other things, the right to represent the bondholders in all court and administrative proceedings in respect of the Bonds. However, the rights, duties and obligations of the Agent and the Security Agent as representative of the bondholders are subject to the provisions of the Finance Documents, and there is no specific legislation or market practice in Sweden (under which laws the terms and conditions for the Bonds are governed) which would govern the Agent's and the Security Agent's performances of their respective duties and obligations relating to the Bonds. There is a risk that a failure by the Agent or the Security Agent to perform its duties and obligations properly or at all will adversely affect the enforcement of the rights of the bondholders.

Both the Agent and the Security Agent may be replaced by a successor Agent or Security Agent (as applicable) in accordance with the Terms and Conditions for the Bonds. Generally, the successor Agent or Security Agent has the same rights and obligations as the retired Agent or Security Agent (as applicable). It may be difficult to find a successor Agent or Security Agent with commercially acceptable terms or at all. Further, there is a risk that the successor Agent or Security Agent would breach its obligations under the above documents or that insolvency proceedings would be initiated against it.

The materialisation of any of the above risks may have a material adverse effect on the enforcement of the rights of the holders of the Bonds and the rights of the holders of the Bonds to receive payments under the Bonds.

Low level risk

***Bondholders' meetings***

The Terms and Conditions for the Bonds include certain provisions regarding bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the bondholders' interests. The Terms and Conditions for the Bonds allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting. Consequently, there is a risk that the actions of the majority in such matters will impact a bondholder's rights in a manner that is undesirable for some of the bondholders.

## THE BONDS IN BRIEF

The following summary contains basic information about the Bonds. It is not intended to be complete and it is subject to important limitations and exceptions. Potential investors should therefore carefully consider this Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Bonds. For a more complete understanding of the Bonds, including certain definitions of terms used in this summary, see the Terms and Conditions.

Bonds issued under this Prospectus have three months EURIBOR plus 7.00 per cent. as interest rate. EURIBOR constitutes a benchmark according to the regulation (EU) 2016/1011 (the "**Benchmark Regulation**") and is a reference rate published by the European Money Markets Institute showing an average of the interest rate at which number of Eurozone banks are willing to lend another without collateral at different maturities. EURIBOR is administered by the European Money Markets Institute, which is included in ESMA's register of administrators under Article 36 of the Benchmark Regulation.

<b>Issuer</b>	SLR Group GmbH, business identity code HRB 750601.
<b>Bonds Offered</b>	At the date of this Prospectus, Bonds in an aggregate amount of EUR 75,000,000 has been issued on the First Issue Date. The aggregate amount of the bond loan will be an amount of up to a maximum of EUR 110,000,000 including any subsequent bonds. The Issuer may choose to issue the remaining amount of Bonds at one or more subsequent dates.
<b>Number of Bonds</b>	At the date of this Prospectus 75,000 (of 110,000) Bonds have been issued on the First Issue Date.
<b>ISIN</b>	NO0013177949.
<b>First Issue Date</b>	9 April 2024.
<b>Issue Price</b>	All bonds issued on the First Issue Date have been issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount. The issue price of the Subsequent Bonds may be at a discount or at a premium compared to the Nominal Amount.
<b>Interest Rates</b>	Interest on the Bonds will be paid at a floating rate of three-month EURIBOR plus 7.00 per cent. per annum.
<b>Use of benchmark</b>	Interest payable on the Bonds will be calculated by reference to EURIBOR. As at the date of this Prospectus, the administrator of EURIBOR is included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011.
<b>Interest Payment Dates</b>	9 January, 9 April, 9 July and 9 October of each year commencing on 9 July 2024. Interest will accrue from (and including) the First Issue Date.

<b>Nominal Amount</b>	<p>The Bonds will have a nominal amount of EUR 1,000 and the minimum permissible investment in the Bonds is EUR 100,000.</p>
<b>Status of the Bonds</b>	<p>The Bonds are denominated in EUR and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with the Terms and Conditions.</p> <p>The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer, and:</p> <ul style="list-style-type: none"> <li>• shall at all times rank at least <i>pari passu</i> with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer without any preference among them, except those obligations which are mandatorily preferred by law and the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement (if any);</li> <li>• are guaranteed by the Guarantors (as defined below);</li> <li>• are effectively subordinated to any existing or future indebtedness or obligation of the Issuer and its subsidiaries that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness; and</li> <li>• are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Issuer that are not Guarantors, including obligations to trade creditors.</li> </ul>
<b>Guarantees</b>	<p>The Issuer's obligations under the Bonds are jointly and severally guaranteed (the "<b>Guarantee</b>") by each of:</p> <ul style="list-style-type: none"> <li>• SLR Giesserei St. Leon-Rot GmbH (registered with the commercial register of Mannheim under reg. no. HRB 350486); and</li> <li>• SLR-Elsterheide GmbH (registered with the commercial register of Dresden under reg. no. HRB 26576).</li> </ul> <p>each a "<b>Guarantor</b>" and jointly the "<b>Guarantors</b>".</p> <p>See "<i>Description of Material Agreements – Guarantee Agreement</i>" for further details.</p>
<b>Ranking of the Guarantees</b>	<p>The Guarantee of each Guarantor is a general obligation of such Guarantor and:</p> <ul style="list-style-type: none"> <li>• ranks <i>pari passu</i> in right of payment with any existing and future indebtedness of such Guarantor that is not subordinated in right of payment to such Guarantee, including the indebtedness under the Super Senior Debt;</li> <li>• ranks senior in right of payment to any existing and future indebtedness of such Guarantor that is expressly subordinated in right of payment to such Guarantee; and</li> <li>• is effectively subordinated to any existing or future indebtedness or obligation of such Guarantor that is secured by</li> </ul>

property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness.

The Guarantees are subject to certain limitations under local law.

#### **Security**

The Bonds are secured by security interests granted on an equal and rateable first-priority basis over the share capital of certain Group Companies and other assets of the Group. See the definition of "Transaction Security Documents" in Clause 1.1 (*Definitions*) of the Terms and Conditions.

#### **Call Option**

The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with Clause 9.3 (*Voluntary Total Redemption (call option)*) of the Terms and Conditions.

#### **Voluntary partial redemption**

The Issuer may redeem the Bonds on one occasion per each twelve month period (without carry-back or carry forward) in a maximum aggregate amount not exceeding 10 per cent. of the amount of the total Initial Nominal Amount. The repayment must occur on an Interest Payment Date.

The repayment per Bond shall be equal to 102.00 per cent. of the Outstanding Nominal Amount (rounded down to the nearest EUR 1.00) redeemed together with accrued but unpaid interest on the redeemed amount. All outstanding Bonds shall be partially redeemed by way of pro rata payments to the Bondholders in accordance with the applicable regulations of the CSD.

#### **Mandatory partial redemption**

The Issuer shall partially repay the Bonds in an aggregate amount of five per cent. of the amount of the Initial Bond Issue (rounded down to the nearest EUR 1.00) on the Interest Payment Date falling on or around 18 months after the First Issue Date (the "**First Mandatory Redemption Date**") (and thereafter on each Interest Payment Date falling on or around each anniversary of the First Mandatory Redemption Date), or, in each case, to the extent such day is not a CSD Business Day, the first following day that is a CSD Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a CSD Business Day. Any Bonds subject to redemption pursuant to the above shall be redeemed at par and shall be partially redeemed by way of pro rata payments to the Bondholders in accordance with the applicable regulations of the CSD.

The repayment per Bond shall be rounded down to the nearest EUR 1.00 and be made at par.

#### **Call Option Amount**

Call Option Amount means:

- (a) any time from and including the First Issue Date to, but excluding, the First Call Date at an amount per Bond equal to

102.450 per cent. of the Nominal Amount plus the remaining interest payments to, but excluding, the First Call Date, together with accrued but unpaid Interest;

- (b) any time from and including the First Call Date, but excluding, the first CSD Business Day falling 27 months after the First Issue Date at an amount per Bond equal to 102.450 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) any time from and including the first CSD Business Day falling 27 months after the First Issue Date to, but excluding, the first CSD Business Day falling 30 months after the First Issue Date at an amount per Bond equal to 101.925 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (d) any time from and including the first CSD Business Day falling 30 months after the First Issue Date to, but excluding, the first CSD Business Day falling 33 months after the First Issue Date at an amount per Bond equal to 101.400 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (e) any time from and including the first CSD Business Day falling 33 months after the First Issue Date to, but excluding, the first CSD Business Day falling 36 months after the First Issue Date at an amount per Bond equal to 100.875 per cent. of the Nominal Amount, together with accrued but unpaid Interest; or
- (f) any time from and including the first CSD Business Day falling 36 months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.350 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

**First Call Date**

Means the date falling 24 months after the First Issue Date.

**Final Maturity Date**

Means 9 October 2027.

**Change of Control Event**

Means the occurrence of an event or series of events whereby one or more persons, not being a Sponsor (or an Affiliate thereof), acting together, acquire control over the Issuer and where "**control**" means (a) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

**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*:

- (a) restrictions on making any changes to the nature of their business;
- (b) a negative pledge, restricting the granting of security on Financial Indebtedness (as defined in the Terms and Conditions);

- (c) restrictions on the incurrence of Financial Indebtedness (as defined in the Terms and Conditions); and
- (d) limitations on the making of distributions and disposal of assets.

The Terms and Conditions contain incurrence covenants which govern the ability of the Issuer and the other Group Companies to incur additional debt, including, but not limited to (a) the possibility to provide, prolong and renew any Permitted Security and (b) the possibility for the Issuer to incur additional Financial Indebtedness if such Financial Indebtedness, (i) is incurred as a result of a Subsequent Bond Issue and meets the Incurrence Test on a pro forma basis, or (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, and (A) meets the Incurrence Test on a pro forma basis; (B) has a final maturity date or a final redemption date; and (C) when applicable, early redemption dates or instalment dates, in each case of (B) and (C) which occur on or after the Final Redemption Date.

The Maintenance Test is met if the Leverage Ratio is less than:

- (a) 4.50:1 from the First Issue Date until (and including) the date falling 12 months after the First Issue Date;
- (b) 4.25:1 from (but excluding) the date falling 12 months after the First Issue Date until (and including) the date falling 24 months after the First Issue Date;
- (c) 4.00:1 from (but excluding) the date falling 24 months after the First Issue Date until (and including) the date falling 36 months after the First Issue Date; and
- (d) 3.75:1 from (but excluding) the date falling 36 months after the First Issue Date until (and including) the Final Maturity Date.

The Incurrence Test is met if the Leverage Ratio is less than:

- (a) 3.00:1 from the First Issue Date until (and including) the date falling 12 months after the First Issue Date;
- (b) 2.75:1 from (but excluding) the date falling 12 months after the First Issue Date until (and including) the date falling 24 months after the First Issue Date;
- (c) 2.25:1 from (but excluding) the date falling 36 months after the First Issue Date until (and including) the Final Maturity Date; and
- (d) no Event of Default is continuing or would occur upon the relevant incurrence.

The Distribution Test is met if:

- (a) the Leverage Ratio is not greater than 2.50:1; and
- (b) no Event of Default is continuing or would occur upon making of a Restricted Payment.

Each of these covenants is subject to significant exceptions and qualifications, see the Terms and Conditions.

<b>Use of Proceeds</b>	<p>The proceeds from the Initial Bond Issue shall be used to:</p> <ul style="list-style-type: none"> <li>(a) finance the Permitted Recapitalisation;</li> <li>(b) repay the Refinancing Debt (including accrued but unpaid interest and any applicable redemption premium);</li> <li>(c) pay Transaction Costs; and</li> <li>(d) finance general corporate purposes of the Group (including investments and acquisitions).</li> </ul> <p>The proceeds from any Subsequent Bond Issue shall be used to finance Transaction Costs and general corporate purposes.</p>
<b>Transfer Restrictions</b>	<p>The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Neither the Issuer nor the Agent shall be responsible to ensure compliance with such laws and each Bondholder must ensure compliance with such restrictions at its own cost and expense.</p>
<b>Listing</b>	<p>Application has been made to list the 75,000 Bonds, issued on the First Issue Date, on Nasdaq Stockholm. The Issuer shall ensure that the Bonds are listed on Nasdaq Stockholm or another Regulated Market on or about 9 April 2025.</p>
<b>Agent</b>	<p>Nordic Trustee &amp; Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as Agent, in accordance with the Terms and Conditions.</p>
<b>Security Agent</b>	<p>Nordic Trustee &amp; Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as Agent, in accordance with the Terms and Conditions.</p>
<b>Sole Bookrunner</b>	<p>Pareto Securities AB, reg. no. 556206-8956, Berzelii park 9, 111 47 Stockholm.</p>
<b>Paying Agent</b>	<p>Nordic Trustee Services AS, reg. no. 916 482 574 Kronprinsesse Märthasplass 1, 0160 Oslo, Norway or another party replacing it, as Paying Agent, in accordance with the Terms and Conditions.</p>
<b>Governing Law of the Bonds</b>	<p>Swedish law.</p>
<b>Governing Law of the Guarantee Agreement</b>	<p>Swedish law.</p>
<b>Risk Factors</b>	<p>Investing in the Bonds involves substantial risks and prospective investors should refer to the section "<i>Risk Factors</i>" for a description</p>

of certain factors that they should carefully consider before deciding to invest in the Bonds.



## STATEMENT OF RESPONSIBILITY

The issuance of the Bonds was authorised by resolutions taken by the board of directors of the Issuer on 13 March 2024, and was subsequently issued by the Issuer on 9 April 2024. This Prospectus has been prepared in connection with the Issuer's application to list the Bonds on the corporate bond list of Nasdaq Stockholm, in accordance with the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council.

After the expiration date of this Prospectus, being 25 March 2026, the obligation to supplement the prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the prospectus is no longer valid.

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

25 March 2025

SLR Group GmbH

*The board of directors*

## DESCRIPTION OF MATERIAL AGREEMENTS

The following is a summary of the material terms of material agreements to which the Issuer is a party and considered as outside of the ordinary course of business. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements.

### Guarantee Agreement

The Guarantors and the Issuer have entered into a guarantee agreement with the Security Agent dated 26 April 2024 (the "**Guarantee Agreement**"), pursuant to which each Guarantor jointly and severally, irrevocably and unconditionally have agreed to as principal obligor and as for its own debt (Sw. *proprieborgen*), to each Secured Party in their successors and assignees the full and punctual payment and performance of all Secured Obligations, including the payment of principal and interest under the Senior Finance Documents (as defined in the Guarantee Agreement) when due, whether at maturity, by acceleration, by redemption or otherwise, and interest on any such obligation which is overdue, and of all other monetary obligations of the Issuer or Guarantors to the Secured Parties under the Senior Finance Documents.

Each Guarantor has further agreed that the Secured Obligations may be extended or renewed or refinanced, in whole or in part, without notice or further assent from such Guarantor and that such Guarantor shall remain bound under this Guarantee Agreement notwithstanding any extension or renewal or refinancing of any Secured Obligation.

The Guarantees are subject to certain limitations set out in Clause 9 (*Guarantee Limitations*) in the Guarantee Agreement.

### Subordination Agreement

The Issuer and Dilasso Holding 1 S. à r.l. (the "**Original Subordinated Lender**") have entered into a subordination agreement with the Security Agent dated 26 April 2024 (the "**Subordination Agreement**"). The Original Subordinated Lender has, as per the date of this Prospectus, granted Subordinated Debt to the Issuer in the form of a vendor loan note. In addition, the Original Subordinated Lender may grant further Subordinated Debt to the Issuer in the future.

In accordance with the Subordination Agreement, the Secured Creditors (as defined in the Terms and Conditions) and the Original Subordinated Lender agree that their respective claims against the Issuer shall rank in the following order of priority:

- i. first, the bond loan; and
- ii. second, the Subordinated Debt.

## DESCRIPTION OF THE ISSUER AND THE GROUP

### History and development

The Group belongs to the metal industry and produces high-quality spheroidal graphite cast iron for the construction machinery, agricultural machinery, commercial vehicle and hydraulics industries as well as for the wind power and rail technology sectors. The Group's business activities are centered into two iron foundries in Germany, SLR Gliesserei St. Leon-Rot GmbH, which is located in St. Leon-Rot near Heidelberg, and SLR-Elsterheide GmbH, which is located in Elsterheide near Dresden.

The Issuer, which is the parent company of the Group, was founded with articles of association dated 15 January and incorporated on 25 January 2024. With effect from 30 April 2024, it acquired all shares in Cast One GmbH and the SLR Group subsidiaries held by it (including SLR Gliesserei St. Leon-Rot GmbH and SLR-Elsterheide GmbH).

The Issuer is a German private limited liability company operating under the laws of Germany with reg. no. HRB 750601. The Issuer's legal entity identifier (LEI) is 529900WJI20NRS96C93.

The registered office of the Issuer is Am Bahnhof 16, 68789 St. Leon-Rot, Germany with telephone number (+49) 6227/527-0. The website of the Issuer is <https://www.slr-gruppe.de/>. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of the Company, adopted on 15 January 2024, and last amended on 22 February 2024, the objects of the Company are to manage its own assets and to acquire, hold and sell interests in companies of any legal form, particularly in the field of foundry operations.

### *The Guarantors*

#### SLR Gliesserei St. Leon-Rot GmbH

SLR Gliesserei St. Leon-Rot GmbH ("**SLR Gliesserei**") was incorporated on 15 April 1955 and is a German private limited liability company operating under the laws of Germany with reg. no. HRB 350486. SLR Gliesserei's legal entity identifier (LEI) is 529900ZHSL3WG1KUE38.

The registered office of SLR Gliesserei is Am Bahnhof 16, 68789 St. Leon-Rot, Germany with telephone number (+49) 6227/527-0. The website of SLR Gliesserei is <https://www.slr-gruppe.de/>. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of SLR Gliesserei, adopted on 25 July 2018, the objects of SLR Gliesserei are the operation of a foundry and the provision of related consulting, management and services as well as any activities that are conducive to the aforementioned purpose.

See "*Overview of Group structure*" for further details of the ownership structure.

## SLR-Elsterheide GmbH

SLR-Elsterheide GmbH ("**SLR-Elsterheide**") was incorporated on 16 April 2008 and is a German private limited liability company operating under the laws of Germany with reg. no. HRB 26576. SLR-Elsterheide's legal entity identifier (LEI) is 529900KCJIBNWB2BD522.

The registered office of SLR-Elsterheide is An der Siebanlage, 02979 Elsterheide, Germany with telephone number (+49) 6227/527-0. The website of SLR-Elsterheide is <https://www.slr-gruppe.de/>. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of SLR-Elsterheide, adopted on 6 February 2018, the objects of the SLR-Elsterheide are the operation of a foundry and the provision of related consulting, management and service.

See "*Overview of Group structure*" for further details of the ownership structure.

## **Business and operations**

The Group is a supplier of high-quality ductile iron components with its main focus on the agricultural and construction machinery industries. The production plants are located in Germany, Hungary and Czech Republic.

## **Brands and concepts**

The Group's philosophy emphasizes maximum process reliability in all manufacturing steps, from development and tool manufacturing to casting and machining. They aim to meet the high demands of their worldwide customers by ensuring reliable deliveries to all continents.

## **Business model and market overview**

The business model revolves producing approximately 100k to 140k tons of ductile iron parts annually, catering to various industries such as construction, commercial vehicles, agricultural, mechanical engineering, and hydraulics.

The Group has a significant presence in the industrial supplies and parts sector, with its headquarters located in St. Leon-Rot, Germany. The Group also has foundries and machining plants in various locations, including Hungary and the Czech Republic.

The Group's market strategy focuses on providing high-quality, reliable products to meet the demands of its worldwide customers. They emphasize collaboration between various departments, including marketing, IT, and customer service, to ensure reliable deliveries to all continents.

## **Share capital and ownership structure of the Issuer and the Guarantors**

### **The Issuer**

In terms of market overview, SLR Group GmbH is a privately held company backed by private equity, with ESSVP IV LP as a major shareholder. The shares of the Issuer are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As

of the date of this Prospectus, the Company had an issued share capital of EUR 100,000. The Company has issued a total of 100,000 shares.

All the shares in the Company are owned by SLR TopCo GmbH, a limited liability company operating under the laws of Germany with reg. no. HRB 290330 (the "**Parent**").

The following table sets forth the ownership structure in the Issuer as per the date of this Prospectus.

<i><b>Shareholder</b></i>	<i><b>No. of shares</b></i>	<i><b>Share capital</b></i>	<i><b>Voting Rights</b></i>
SLR TopCo GmbH	100,000	100 %	100 %
<b>Total</b>	<b>100,000</b>	<b>100.00 %</b>	<b>100.00 %</b>

The Parent is controlled, and the Issuer is consequently also controlled, by certain larger shareholders being the ESSVP IV LP (53.066%) and ESSVP IV Structured LP (20.106%) and Helius GmbH & Co. KG (14.475%), Silenos GmbH & CO. KG (5.878%) as well as other smaller investors (6.475%).

The Issuer has no beneficial owners and the management is therefore recognised as the beneficial owners. There are no other measures in place to ensure that such control is not abused

There are no arrangements known to the Issuer which may at a subsequent date result in a change in control of the Issuer.

#### **The Guarantors**

- SLR Giesserei St. Leon-Rot GmbH, incorporated in Germany with reg. no. HRB 350486. The shares of SLR Giesserei St. Leon-Rot GmbH are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, SLR Giesserei St. Leon-Rot GmbH had an issued share capital of EUR 1,535,000 divided into 1,535,000 shares. The share capital has been paid in full.
- SLR-Elsterheide GmbH, incorporated in Germany with reg. no. HRB 26576. The shares of SLR-Elsterheide GmbH are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, SLR-Elsterheide GmbH had an issued share capital of EUR 1,000,000 divided into 1,000,000 shares. The share capital has been paid in full.

#### **Shareholders' agreements**

The Issuer is not aware of the details of any provision in the arrangement between its shareholders, the operation of which may at a subsequent date result in a change in control of the Issuer.

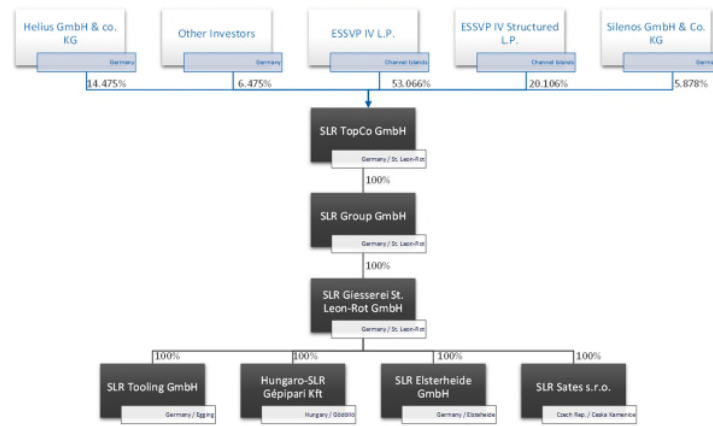
## **Overview of Group structure**

Operations are conducted by the subsidiaries and the Issuer is thus dependent on its subsidiaries to generate revenues and profit in order to be able to fulfil its payment obligations under the Bonds.

The group structure is set out in the following page.

## SLR Group

slr/group



09.03.2025

Org.Chart – SLR Group

### **Borrowing and funding structure**

The Issuer is mainly financed through equity, bond debt and factoring and the Issuer intends to finance its future operations through bond debt and factoring.

### **Recent events**

There has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Issuer's solvency.

### **Significant change, trend information and financial performance**

SLR Holding GmbH has merged into Cast Two GmbH, Cast Two GmbH has merged into Cast One GmbH, and Cast One GmbH has merged into the Issuer with effect on 17 February 2025.

Other than the above, there has been no material adverse change in the prospects of the Group since the date of its last audited annual accounts and no significant change in the financial or trading position of the Group or the Group's financial performance since the end of the last financial period for which audited financial information has been published to the date of this Prospectus.

Other than the above, there have been no material changes in the Group's borrowing and funding structure since the last financial period ending 30 June 2024.

### **Legal, governmental and arbitration proceedings**

Neither the Issuer nor the Group is, or has been over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

### **Information regarding taxation**

Tax legislation in the investor's home member state and the member state of the Issuer may affect any income from the Bonds.

### **Credit rating**

No credit rating has been assigned to the Issuer, or its debt securities.



## MANAGEMENT

### Management of the Issuer

On the date of this Prospectus the board of directors of the Issuer consisted of the sole board member who has been elected by the general meeting. The board of directors and the senior management can be contacted through the Issuer at its headquarters at Am Bahnhof 16, 68789 St. Leon-Rot, München, Germany. Further information on the members of the board of directors and the senior management is set forth below.

The below members of the board of directors are not shareholders in the Issuer or any Guarantor.

***Halden, Ralf Gunnar, CFO/Finance Manager since 2022***

**Education:** Master of Business Administration (Ger. *Diplom-Kaufmann*)  
**Current commitments:** –

***Rumikewitz, Jörg, CEO/Managing Director since 2022.***

**Education:** Master in Engineering (Ger. *Diplom-Ingenieur*)  
**Current commitments:** –

### Management of the Guarantors

The entities providing unconditional and irrevocable guarantees for the obligations under the Terms and Conditions are detailed below (save for the Issuer of which details are included above under section "*Board of Directors of the Issuer*"). Each Guarantor may be contacted through the address of the Issuer

**SLR Giesserei St. Leon-Rot GmbH**

**Scherz, Martin, COO since 2024 / Managing Director since 2017**

**Education:** Master of Business Administration (Ger. *Diplom-Kaufmann*)  
**Current commitments:** -

**Karlheinz Schwarzbach, Jürgen, CSO / Managing Director since 2006**

**Education:** PhD in Engineering  
**Current commitments:** Managing Director of EME GmbH

**Eymann, Jürgen, Managing Director since 2006**

**Education:** PhD in Engineering  
**Current commitments:** -

***Halden, Ralf Gunnar, CFO/Finance Manager since 2022***

**Education:** See above.  
**Current commitments:** -

**SLR-Elsterheide GmbH**

**Thieme, Stefan, CEO/Managing Director since 2021**

**Education:** Master of Business Administration (Ger. *Diplom-Kaufmann*)  
**Current commitments:** -

#### **Conflicts of interest within administrative, management and control bodies**

Karlheinz Schwarzbach, Jürgen, Managing Director of SLR Giesserei St. Leon-Rot GmbH is also Managing Director of EME GmbH, a company that manages real estates, out of which one real estate is an office and production area rented by the Issuer. To the extent that can be reasonably verified by the Company, no other conflict of interest exists regarding the private affairs, family relations, or any other kind, between members of the administrative and senior management bodies that might conflict with the Company's interests or prevent the aforementioned to faithfully execute their duties to the Company.

#### **Interest of natural and legal persons involved in the issue**

The Sole Bookrunner and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Lead Manager and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

## HISTORICAL FINANCIAL INFORMATION

### Historical financial information of the Issuer and the Group

Information from the Group's consolidated financial statements for the period from 25 January 2024 (when the Issuer was founded) to 30 June 2024 as set out below, is incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds, the prospectus regulation or is covered elsewhere in the Prospectus. All such information is available on the Issuer's website <https://www.slr-gruppe.de/en//investor-relations>

The Group's consolidated financial statements for the period from 25 January 2024 to 30 June 2024 has been prepared in accordance with the German Generally Accepted Accounting Principles ("**German GAAP**").

Other than the auditing of the Group's consolidated financial statements for the financial year ended period from 25 January 2024 to 30 June 2024, the Group's auditor has not audited or reviewed any part of this Prospectus.

The Group's consolidated financial statements for the period from 25 January 2024 to 30 June 2024 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 5;
- consolidated balance sheet, page 2 – 3;
- consolidated cash flow statement, page 7;
- consolidated statement of changes in equity, page 9;
- notes, pages 11 – 22; and
- the audit report, page 35 – 38.

### Historical financial information of SLR Holding GmbH

The Swedish Financial Supervisory Authority has on 13 March 2025 decided that the Issuer may omit historical financial information for each Guarantor in this Prospectus. The reasoning of the decision is, amongst other reasons, that the investors will be provided with a full and clear picture of the financial position and prospects of the Group and the Guarantors by the consolidated financial statements of SLR Holding GmbH from the financial years 2022/2023 and 2023/2024.

Information from SLR Holding GmbH's financial statements for the period from 1 July 2022 to 30 June 2023 and 1 July 2023 to 30 June 2024 as set out below, is incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by

the Issuer to be irrelevant for investors in the Bonds, the prospectus regulation or is covered elsewhere in the Prospectus. All such information is available on the Issuer's website <https://www.slr-gruppe.de/en//investor-relations>.

SLR Holding GmbH's financial statements for the period from 1 July 2022 to 30 June 2023 and 1 July 2023 to 30 June 2024 has been prepared in accordance with German GAAP.

Other than the auditing of the SLR Holding GmbH's financial statements for the financial year ended period from 1 July 2022 to 30 June 2023 and 1 July 2023 to 30 June 2024, the Group's auditor has not audited or reviewed any part of this Prospectus.

SLR Holding GmbH's consolidated financial statements for the period from 1 July 2022 to 30 June 2023 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 5;
- consolidated balance sheet, page 2 – 3;
- consolidated cash flow statement, page 7;
- consolidated statement of changes in equity, page 9;
- notes, pages 11 – 25; and
- the audit report, page 45 – 48.

SLR Holding GmbH's consolidated financial statements for the period from 1 July 2023 to 30 June 2024 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 5;
- consolidated balance sheet, page 2 – 3;
- consolidated cash flow statement, page 7;
- consolidated statement of changes in equity, page 9;
- notes, pages 11 – 25; and
- the audit report, page 43 – 46.

### **Auditing of the annual historical financial information**

The Issuer's and the Group's financial statements for the year 2023/2024, and SLR Holding GmbH's financial statements for the years 2022/2023 and 2023/2024, have been audited, as applicable, by KPMG AG Wirtschaftsprüfungsgesellschaft, Glücksteinallee 63 68163 Mannheim. Axel Isele and Marco Jürgens are the auditors who are responsible for the historical financial statements of the Issuer and the Group, and for SLR Holding GmbH. Isele and Jürgens are

authorised auditors and are members of the professional body German GAAP, the professional institute for the accountancy sector in Germany.

The auditing of the Issuer's, the Group's, and SLR Holding GmbH's financial statements were conducted in accordance with German GAAP and the audit reports were submitted without comment.

In March 2025, the Issuer and the Group, and SLR Holding GmbH, appointed Markus Kufner and Kai Führer at PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Monteverdistraße 2, 34131 Kassel, Germany, as new auditors.

### **Age of the most recent financial information**

The most recent financial information of the Issuer and the Group has been taken from the financial statements for the period from 1 July 2023 to 30 June 2024. The most recent financial information of SLR Holding GmbH has been taken from the financial statements for the period from 1 July 2022 to 30 June 2023 and 1 July 2023 to 30 June 2024.

## OTHER INFORMATION

### Approval of the Prospectus

This Prospectus has been approved by Finansinspektionen, as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council. Finansinspektionen only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of the European Parliament and of the Council. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this prospectus nor of the Issuer that is the subject of this prospectus and investors should make their own assessment as to the suitability of investing in the securities.

### Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of EUR 75,000,000 and the Issuer may, subject to certain conditions set out in the Terms and Conditions, issue additional Bonds in a maximum aggregate amount of EUR 110,000,000. Each Bond has a nominal amount of EUR 1,000. The ISIN for the Bonds is NO0013177949.

The Bonds have been issued in accordance with Swedish law. The Bonds are connected to the account-based system of Verdipapirsentralen ASA. No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Verdipapirsentralen ASA's book-entry system.

### Representation of the Bondholders

The Terms and Conditions stipulates the provisions for the Agent's representation of the Bondholders and can be accessed on the Issuer's website: <https://www.slr-gruppe.de/en//investor-relations>.

### The Guarantors

Information with respect to each Guarantor is set out below. Each Guarantor may be contacted through the address of the Company.

- SLR Giesserei St. Leon-Rot GmbH is a limited liability company incorporated in Germany since 1955. It is registered with the Commercial Register of the Local Court of Mannheim, reg. no. HRB 350486. Its registered address is Am Bahnhof 16, 68789 St. Leon-Rot, München, Germany.
- SLR-Elsterheide GmbH is a limited liability company incorporated in Germany since 2008. It is registered with the Commercial Register of the Local Court of Mannheim, reg. no. HRB 26576. Its registered address is Am Bahnhof 16, 68789 St. Leon-Rot, München, Germany.

## Material contracts

Other than as described under the section entitled "*Description of Material Agreements*" herein, the Group has not entered into any material contracts not in the ordinary course of its business and which may affect the Group's ability to fulfil its obligations under the Bonds.

## Documents incorporated by reference

This Prospectus is, in addition to this document, comprised of information from the following documents which are incorporated by reference and available in electronic format on the Issuer's website at <https://www.slr-gruppe.de/en//investor-relations>:

- the Group's consolidated financial statements and audit report for the financial period from 25 January 2024 to 30 June 2024; and
- SLR Holding GmbH's financial reports for the financial years 2022/2023 and 2023/2024.

## Documents available for inspection

The following documents are available at the Company's headquarters at Am Bahnhof 16, 68789 St. Leon-Rot, Germany, on weekdays during the Company's regular office hours throughout the period of validity of this Prospectus.

- the Company's articles of association;
- the Company's certificate of registration;
- the SLR Giesserei St. Leon-Rot GmbH's articles of association;
- the SLR Giesserei St. Leon-Rot GmbH's certificate of registration;
- the SLR-Elsterheide GmbH 's certificate of registration;
- the SLR-Elsterheide GmbH 's articles of association;
- the Terms and Conditions;
- the Subordination Agreement; and
- the Guarantee & Adherence Agreement.

The following documents are also available in electronic form on the Company's website <https://www.slr-gruppe.de/en//investor-relations>:

- the Company's articles of association;
- the Company's certificate of registration;
- the SLR Giesserei's articles of association;

- the SLR Giesserei's certificate of registration;
- the SLR-Elsterheide's certificate of registration;
- the SLR-Elsterheide's articles of association;
- the Terms and Conditions;
- the Subordination Agreement; and
- the Guarantee & Adherence Agreement.

### **Listing costs**

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 200,000.



## **TERMS AND CONDITIONS OF THE BONDS**



### **Terms and Conditions**

**SLR Group GmbH**

**Up to EUR 110,000,000**

**Senior Secured Callable Floating Rate Bonds**

**ISIN: NO0013177949**

**5 April 2024**

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

## PRIVACY NOTICE

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

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

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

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

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

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

The Issuer's, the Security Agent's, the Agent's and the Paying Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites [www.slr-gruppe.de/en/](http://www.slr-gruppe.de/en/) and [www.nordictrustee.com/about/governance/](http://www.nordictrustee.com/about/governance/).

## 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 relevant securities registration legislation and through which a Bondholder has opened a Securities Account in respect of its Bonds.

**"Accounting Principles"** means the generally accepted accounting principles, standards and practices in Germany (including IFRS) as applied by the Issuer in preparing its annual consolidated financial statements.

**"Additional Guarantor"** means each Material Group Company that has acceded to the Guarantee and Adherence Agreement as Guarantor pursuant to Clause 13.12 (*Guarantors*) (jointly, the "**Additional Guarantors**").

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

**"Advance Purchase Agreements"** means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the ordinary course of business with credit periods which are normal for the relevant type of contracts, or (b) any other trade credit incurred in the ordinary course of business.

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

**"Agency Agreement"** means the agency agreement entered into on or prior to the First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent.

**"Agent"** means Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as Agent, in accordance with these Terms and Conditions.

**"Base Rate"** means EURIBOR or any reference rate replacing EURIBOR in accordance with Clause 20 (*Replacement of Base Rate*).

**"Base Rate Administrator"** means European Money Markets Institute (EMMI) in relation to EURIBOR or any person replacing it as administrator of the Base Rate.

**"Bond"** means (a) the debt instrument issued by the Issuer pursuant to these Terms and Conditions, including any Subsequent Bonds, and (b) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

**"Bond Issue"** means the Initial Bond Issue and any Subsequent Bond Issue.

**"Bondholder"** means means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 6 (*Right to Act on Behalf of a Bondholder*).

**"Bondholders' Meeting"** means a meeting among the Bondholders held in accordance with Clause 17 (*Bondholders' Meeting*).

**"Business Day"** means a day in Sweden (other than a Sunday or other public holiday) and any banking days in jurisdictions applicable to any Guarantor. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

**"Business Day Convention"** means that if the last day of any Interest Period originally falls on a day that is not a CSD Business Day, the Interest Period will be extended to include the first following CSD Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding CSD Business Day (Modified Following).

**"Call Option Amount"** mean the amount set out in Clause 9.3 (*Voluntary total redemption (call option)*), as applicable.

**"Cash and Cash Equivalents"** means, at any time, (i) cash in hand held by the Issuer or with a reputable bank credited to an account in the name of the Issuer and in each case to which the Issuer is beneficially and legally entitled and which is immediately available to be applied in repayment or prepayment of the Bonds or payment of interest (for the avoidance of doubt, not including e.g. any cash subject to a pledge or similar arrangement (excluding legal right to set-off) or any amount standing on client accounts) and (ii) short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value of the Issuer.

**"Change of Control Event"** means the occurrence of an event or series of events whereby one or more persons, not being a Sponsor (or an Affiliate thereof), acting together, acquire control over the Issuer and where **"control"** means (a) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

"**Clean Down**" has the meaning set forth in Clause 13.8 (*Clean Down of Working Capital Facility and/or Super Senior RCF*).

"**Compliance Certificate**" means a certificate to the Agent, in the agreed form between the Agent and the Issuer, signed by the CFO, the CEO or an authorised signatory of the Issuer:

- (a) certifying that so far as it is aware no Event of Default is continuing or, if it is aware that an Event of Default is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if the Compliance Certificate is provided in connection with a Financial Report being made available, certifying that the Maintenance Test is met (including figures in respect of the Maintenance Test and the basis on which it has been calculated);
- (c) if the Compliance Certificate is provided in connection with an Incurrence Test or a Distribution Test, certifying that the Incurrence Test or Distribution Test (as applicable) is met (including figures in respect of the Incurrence Test and the basis on which it has been calculated);
- (d) if the Compliance Certificate is provided in connection with the audited consolidated annual financial statements of the Group being made available, specifying the Material Group Companies and confirming compliance with, or which Group Company/-ies that will accede as Guarantor(s) to the Guarantee and Adherence Agreement in order to ensure compliance with, Clause 13.14 (*Guarantor Coverage*); and
- (e) a Clean Down of the Working Capital Facility and/or Super Senior RCF (as applicable).

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Verdipapirsentralen ASA, Norwegian Reg. No. 985 140 421, Fred Olsens gate 1, NO-0152 Oslo, Norway.

"**CSD Business Day**" means a day on which the relevant CSD settlement system is open and the relevant Bond currency settlement system is open.

"**Disbursement Date**" means the date of disbursement of the Net Proceeds from the Escrow Account in accordance with Clause 4.1 (*Conditions Precedent Initial Bond Issue*).

"**Distribution Test**" means the incurrence test set out in Clause 12.4 (*Distribution Test*).

"**EBITDA**" means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting any Net Finance Charges;

- (c) before taking into account any extraordinary or non-recurring items provided that such in aggregate do not exceed 12.50 per cent. of EBITDA for the Reference Period;
- (d) not including any accrued interest owing to any Group Company;
- (e) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (f) 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 and any loss or gain arising from an upward or downward revaluation of any asset (in each case, other than in the ordinary course of trading);
- (g) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (h) plus or minus the Group's share of the profits or losses of entities which are not part of the Group;
- (i) after deducting any earnings of any entity acquired by the Group which are payable by the Group to the seller(s) of such entity;
- (j) after adding any amounts claimed and received under loss of profit or business interruption or equivalent insurance;
- (k) after adding back any amount attributable to the amortisation, depreciation, depletion or non-cash write-down of assets of members of the Group; and
- (l) before taking into account any Transaction Costs,

provided that any leasing liability shall, for the purpose of determining EBITDA, be treated in accordance with the Accounting Principles as in force on the First Issue Date.

**"Escrow Account"** means the account opened in the name of the Issuer by the Paying Agent into which the Net Proceeds from the Initial Bond Issue will be transferred, and which has been pledged in favour of the Agent and the bondholders (represented by the Agent) under the Escrow Account Pledge Agreement.

**"Escrow Account Pledge Agreement"** means the pledge agreement entered into between the Issuer, the Paying Agent and the Agent on or prior to the First Issue Date 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 Agent and the Bondholders (represented by the Agent).

**"Escrow Agreement"** shall have the meaning given to the term "Escrow Account Agreement" in the Escrow Account Pledge Agreement.

**"EURIBOR"** means:

- (a) the applicable percentage rate *per annum* displayed on Refinitiv screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period;
- (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Paying Agent by linear interpolation between the two closest rates for EURIBOR fixing, as displayed on page EURIBOR01 of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for Euro;
- (c) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Paying Agent at its request quoted by banks reasonably selected by the Paying Agent, for deposits of EUR 10,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and if no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Paying Agent best reflects the interest rate for deposits in Euro offered for the relevant period,

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

**"Euro"** and **"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.

**"Event of Default"** means an event or circumstance specified in any of the Clauses 14.1 (*Non-Payment*) to and including Clause 14.10 (*Continuation of the Business*).

**"Excluded Real Property"** means:

- (a) the real property owned by SLR Giesserei St. Leon-Rot GmbH registered with the land register (Ge. *Grundbuch*) of Rot at the local court of Mannheim, folio (Blatt) 2693, seq. no. 5 and 6 of the first department of the land register;
- (b) the real property owned by SLR-Elsterheide GmbH registered with the land register (Ge. *Grundbuch*) of Sabrodt at the local court of Hoyerswerda, folio (Blatt) 387, seq. no. 1, 2, 3, 4, 5 and 6 of the first department of the land register; and
- (c) the real property owned by SLR-Elsterheide GmbH registered with the land register (Ge. *Grundbuch*) of Bluno at the local court of Hoyerswerda, folio (Blatt) 693, seq. no. 1, 2, 3, 4 and 5 of the first department of the land register.

**"Final Maturity Date"** means 9 October 2027.

**"Finance Charges"** means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and

other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction Costs, any interest in respect of any loan owing to any member of the Group or capitalised interest in respect of any Subordinated Debt and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

**"Finance Documents"** means:

- (a) these Terms and Conditions;
- (b) the Agency Agreement;
- (c) the Escrow Account Pledge Agreement;
- (d) the Escrow Agreement;
- (e) the Security Documents;
- (f) the Guarantee and Adherence Agreement;
- (g) the Intercreditor Agreement (if any);
- (h) the Subordination Agreement; and
- (i) any other document designated by the Issuer and the Agent or the Security Agent as a Finance Document.

**"Finance Leases"** means any finance lease, to the extent the arrangement would have been treated as a finance or a capital lease in accordance with the accounting principles applicable to the Issuer on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the accounting principles as applicable to the Issuer on the First Issue Date shall not, regardless of any subsequent changes or amendments of the accounting principles, be considered as a finance lease.

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any Finance Lease;
- (c) receivables sold or discounted (other than receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of



any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);

- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a)-(f) above.

**"Financial Report"** means the Group's annual audited consolidated financial statements or the Group's quarterly interim unaudited reports, which shall be prepared and made available according to paragraphs (a)(i) and (a)(ii) of Clause 11.1 (*Information from the Issuer*).

**"First Call Date"** means the date falling 24 months after the First Issue Date.

**"First Issue Date"** means 9 April 2024.

**"Floating Rate Margin"** means 7.00 per cent. *per annum*.

**"Force Majeure Event"** has the meaning set forth in paragraph 27(a) of Clause 27 (*Force Majeure and Limitation of Liability*).

**"Group"** means the Issuer and each of its Subsidiaries from time to time and **"Group Company"** means any of them.

**"Guarantee and Adherence Agreement"** means the guarantee and adherence agreement pursuant to which the Guarantors shall, amongst other, (a) guarantee all amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, and (b) undertake to adhere to the terms of the Finance Documents.

**"Guarantees"** means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

**"Guarantor Coverage Ratios"** means (a) the ratio of the aggregate EBITDA of the Issuer and the Guarantors to the aggregate EBITDA of the Group, and (b) the ratio of the aggregate assets of the Issuer and the Guarantors to the aggregate Total Assets of the Group, in each case calculated on a consolidated basis.

**"Guarantors"** means any Initial Guarantor and any Additional Guarantor (each a **"Guarantor"**).

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

**"Incurrence Test"** means the incurrence test set out in Clause 12.3 (*Incurrence Test*).

**"Initial Bond Issue"** means the issuance of the Initial Bonds.

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

**"Initial Guarantors"** means SLR Giesserei St. Leon-Rot GmbH (registered with the commercial register of Mannheim under reg. no. HRB 350486) and SLR-Elsterheide GmbH (registered with the commercial register of Dresden under reg. no. HRB 26576) (each an **"Initial Guarantor"**).

**"Initial Nominal Amount"** has the meaning set forth in paragraph 2(c) of Clause 2 (*Status of the Bonds*).

**"Insolvent"** means, in respect of a relevant Person, that it is deemed to be insolvent, within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), admits inability to pay its debts as they fall due (or in respect of any Group Company incorporated Germany, is unable to pay debts as they fall due (Ge. *zahlungsunfähig*) within the meaning of section 17 of the German Insolvency Code Ge. (*Insolvenzordnung*) or is over-indebted (Ge. *überschuldet*) within the meaning of section 18 of the German Insolvency Code Ge. (*Insolvenzordnung*)), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*Lag (2022:964) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

**"Intercreditor Agreement"** means the intercreditor agreement which may be entered into between, amongst other, the Issuer, the super senior RCF creditors under the Super Senior RCF, the facility agent under the Super Senior RCF, certain hedging counterparties and the Agent (representing the Bondholders) on the principle terms set out in the Intercreditor Principles.

**"Intercreditor Principles"** means the intercreditor principles set out in Schedule 1 (*Intercreditor Principles*).

**"Interest"** means the interest on the Bonds calculated in accordance with paragraphs (a) to (c) of Clauses 8 (*Interest*).

**"Interest Payment Date"** means 9 January, 9 April, 9 July and 9 October each year. The first Interest Payment Date shall be 9 July 2024. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention.

**"Interest Period"** means in respect of (i) the first Interest Period, the period from (and including) the First Issue Date to (but excluding) the first Interest Payment Date, (ii) the first Interest Period for any Subsequent Bonds, the period from (and including) the Interest Payment Date falling immediately prior to the issuance of such Subsequent Bonds to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant) and (iii) any subsequent Interest Periods, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant).

**"Interest Rate"** means the Base Rate plus the Floating Rate Margin *per annum* as adjusted by any application of Clause 20 (*Replacement of Base Rate*).

**"Issuer"** means SLR Group GmbH, a limited liability company incorporated in Germany and registered with the commercial register of the local court Mannheim. under reg. no. HRB 750601.

**"Leverage Ratio"** means the ratio of Net Interest Bearing Debt to EBITDA.

**"Maintenance Test"** means the maintenance test set out in Clause 12.1 (*Maintenance Test*).

**"Market Loan"** means any loan or other indebtedness where an entity issues commercial paper, certificates, convertibles, subordinated debentures, bonds 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 a Market Place.

**"Market Place"** means a Regulated Market, an MTF or any recognised unregulated market place.

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

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

**"Material Group Company"** means each Guarantor and any other Group Company (other than the Issuer) with earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) or assets representing 10 per cent. or more of EBITDA (calculated on a consolidated basis according to the latest annual audited consolidated financial statements of the Group) or the Total Assets of the Group.

**"Material Intragroup Loan"** means any intra-group loan provided by the Issuer or a Guarantor to any Group Company where:

- (a) the term is at least twelve months; and
- (a) the principal amount, when aggregated with all other intra-group loans with a term of at least twelve months between the Issuer or the relevant Guarantor as creditor and the same Group Company as debtor, exceeds EUR 1,500,000 (or its equivalent in any other currency).

**"MTF"** means any multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments (MiFID II), as amended).

**"Net Finance Charges"** means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference

Period to any Group Company and any interest income relating to Cash and Cash Equivalents (and excluding any interest on Subordinated Debt).

**"Net Interest Bearing Debt"** means the aggregate interest bearing Financial Indebtedness less Cash and Cash Equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding guarantees, bank guarantees, Subordinated Debt, any claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing Financial Indebtedness borrowed from any Group Company, but including any cash readily available within 90 days of request).

**"Net Proceeds"** means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner (if the Sole Bookrunner has requested that its fees and costs shall be deducted) and the Paying Agent for the services provided in relation to the placement and issuance of the Bonds.

**"Nominal Amount"** means in respect of each Bond the Initial Nominal Amount, or any other amount following a split of Bonds pursuant to Clause 21.2(k) in accordance with the applicable regulations of the CSD (from time to time).

**"Obligors"** means the Issuer and each Guarantor.

**"Paying Agent"** means Nordic Trustee Services AS, reg. no. 916 482 574 Kronprinsesse Märthas plass 1, 0160 Oslo, Norway or another party replacing it, as Paying Agent, in accordance with these Terms and Conditions.

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

- (a) incurred under the Finance Documents (except for any Subsequent Bonds);
- (b) arising under any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (c) arising under a foreign exchange or interest rate hedging transaction or a commodity transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- (d) incurred in the ordinary course of business of the Group under an Advance Purchase Agreement;
- (e) incurred pursuant to any Finance Leases entered into in the ordinary course of the Group's business in a maximum aggregate amount of EUR 3,000,000;
- (f) until and including the Disbursement Date, the Refinancing Debt;

- (g) 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 Subsequent Bond Issue, or (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, and (A) has a final maturity date or a final redemption date; and (B) when applicable, early redemption dates or instalment dates, in each case which occur after the Final Maturity Date;
- (h) incurred as a result of any Group Company acquiring another entity which holds Financial Indebtedness, provided that (i) the Incurrence Test is met (calculated *pro forma* including the acquired entity's indebtedness) and (ii) such indebtedness is refinanced no later than six months, in each case from the completion date of the acquisition with Permitted Debt incurred by the Issuer;
- (i) taken up from a Group Company (including any cash pool arrangements);
- (j) related to any agreements under which a Group Company leases office space or other premises;
- (k) incurred under any Subordinated Debt;
- (l) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (m) under any pension liabilities;
- (n) incurred by the Issuer under, prior to the entering into of an Intercreditor Agreement, a Working Capital Facility, or, after the entering into of an Intercreditor Agreement, the Super Senior RCF (including Financial Indebtedness to the extent covered by a letter of credit, guarantee or indemnity issued under, or any ancillary facility relating to, such Working Capital Facility or Super Senior RCF (as applicable)), in each case in a maximum aggregate amount equal to the higher of (i) EUR 7,500,000 (or the equivalent thereof in any other currency) and (ii) ten per cent. of the aggregate Outstanding Nominal Amount of the Bonds; and
- (o) incurred pursuant to any debt not otherwise permitted by paragraphs (a) to (n) above, in a maximum aggregate amount of EUR 5,000,000 (or its equivalent in any other currency or currencies).

**"Permitted Recapitalisation"** means a distribution and/or payment by the Issuer or any other Group Company to a Sponsor, any of its respective Affiliates or any other direct or indirect shareholder of the Issuer on or about the First Issue Date in an aggregate amount equal to EUR 63,000,000 (including repayments of shareholder loans).

**"Permitted Restructuring"** means the solvent mergers of Cast One GmbH, Cast Two GmbH and SLR Holding GmbH and the Issuer or any other Group Company, provided in

each case, that the Issuer is the surviving entity (if part of such solvent merger) and that such mergers are made subject to Transaction Security.

**"Permitted Security"** means any Security:

- (a) provided under the Finance Documents and otherwise permitted pursuant to the Intercreditor Agreement (if any);
- (b) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;
- (d) until refinanced in full, provided for debt permitted under paragraph (h) of the definition of "Permitted Debt" but only over assets held, directly or indirectly, by such acquired entity;
- (e) provided in relation to any lease agreement entered into by a Group Company in the ordinary course of business and on normal commercial terms;
- (f) provided any non-recourse factoring entered into by the Group provided that such security is limited to bank accounts held by a member of the Group;
- (g) until repaid in full, provided in relation to the Refinancing Debt;
- (h) created for the benefit of the financing providers in relation to any Financial Indebtedness incurred in connection with a refinancing of the Bonds in full, permitted pursuant to paragraph (l) of the definition of "Permitted Debt", however provided always that any perfection requirements in relation thereto are satisfied after full repayment of the Bonds in full (other than with respect to an escrow account (if applicable) which may be perfected in connection with the incurrence of such debt); and
- (i) provided pursuant to items (c), (g), (h), subject to the terms of an Intercreditor Agreement, (n) or (o) of the definition of "Permitted Debt".

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

**"Quotation Day"** means, in relation to any period for which an interest rate is to be determined, two CSD Business Days before the first day of that period.

**"Record Date"** means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the rules of the CSD from time to time;
- (b) for the purpose of casting a vote with regard to Clause 16 (*Decisions by Bondholders*), the date falling on the immediate preceding CSD Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Agent; and
- (c) another relevant date, or in each case such other CSD Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).

**"Reference Date"** means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding.

**"Reference Period"** means each period of twelve consecutive calendar months ending on a Reference Date.

**"Refinancing Debt"** means the term loans provided under a term loan facilities agreement in an aggregate amount of approximately EUR 16,500,000 with Postbank and Raiffeisenlandesbank Oberösterreich as lenders and SLR Holding GmbH, SLR Giesserei St. Leon-Rot GmbH and SLR-Elsterheide GmbH as borrowers.

**"Regulated Market"** means any regulated market as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

**"Restricted Payment"** has the meaning set forth in paragraph (a) of Clause 13.2 (*Restricted Payments*).

**"Secured Obligations"** means (a) if no Intercreditor Agreement has been entered into, all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards the Secured Parties outstanding from time to time under the Finance Documents and (b) if the Intercreditor Agreement has been entered into, the meaning given thereto in the Intercreditor Agreement.

**"Secured Parties"** means (a) if no Intercreditor Agreement has been entered into, the Security Agent, the Bondholders and the Agent (including in its capacity as Agent under the Agency Agreement) and (b) if the Intercreditor Agreement has been entered into, the meaning given thereto in the Intercreditor Agreement.

**"Securities Account"** means the account for dematerialised securities maintained by the CSD pursuant to the relevant securities registration legislation 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 (a) if no Intercreditor Agreement has been entered into, the Agent as security agent or another party replacing it as Security Agent, in accordance with these Terms and Conditions and (ii) if the Intercreditor Agreement has been entered into, the security agent the security agent, appointed by the Secured Parties pursuant to the Intercreditor Agreement, holding the Transaction Security on behalf of the Secured Parties.

**"Security Documents"** means the security documents pursuant to which the Transaction Security is created and any other document designated as a Security Document by the Issuer and the Security Agent.

**"Sole Bookrunner"** means Pareto Securities AB.

**"Sponsor"** means each of ESSVP IV L.P., ESSVP IV (Structured) L.P. and Silenos GmbH & Co. KG.

**"Subordinated Debt"** means any loan made to the Issuer as debtor, if such loan:

- (a) is subordinated to the obligations of the Issuer under the Finance Documents pursuant to a subordination agreement or an Intercreditor Agreement (if any);
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
- (c) according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Final Maturity Date.

**"Subordination Agreement"** means the subordination agreement entered into between, amongst others, the Issuer, the Agent and any creditor providing Subordinated Debt.

**"Subsequent Bond Issue"** has the meaning set forth in paragraph 2(e) of Clause 2 (*Status of the Bonds*).

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

**"Subsidiary"** means, in respect of which such Person, directly or indirectly:

- (a) owns shares or ownership rights representing more than 50 per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than 50 per cent. of the total number of votes held by the owners; or



- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

**"Super Senior Debt"** shall have the meaning given thereto in the Intercreditor Principles.

**"Super Senior RCF"** shall have the meaning given thereto in the Intercreditor Principles.

**"Total Assets"** means by reference to the consolidated balance sheet of the Group, the book value of the total consolidated assets.

**"Total Nominal Amount"** means the total aggregate Nominal Amount of the Bonds 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 directly or indirectly in connection with (a) the Initial Bond Issue and any Subsequent Bond Issue, (b) the admission to trading of the Bonds, (c) the any acquisition of another entity or any disposal permitted pursuant to the Finance Documents, (d) the Permitted Recapitalisation, and (e) the Permitted Restructuring.

**"Transaction Security"** means the Security provided for the Secured Obligations pursuant to the Security Documents, initially being:

- (a) a pledge in respect of all shares in the Issuer and each Guarantor;
- (b) security assignment of any existing and future Material Intragroup Loans; and
- (c) security over any real property owned by the Issuer or a Guarantor other than any Excluded Real Property.

**"Working Capital Facility"** means any working capital facility or similar agreement providing financing for general corporate purposes of the Group (excluding acquisitions), with any Group Company being a borrower thereunder.

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18 (*Written Procedure*).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "assets" includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;

- (iii) a "regulation" includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
  - (iv) an Event of Default is continuing if it has not been remedied or waived;
  - (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) "the Security Agent" in Clause 20 (*Appointment and Replacement of the Agent and the Security Agent*), other than in Clause 20.1(a)(ii) and Clause 20.1(b), shall not be applicable after the entering into of the Intercreditor Agreement;
  - (vii) a time of day is a reference to Stockholm time; and
  - (viii) Bonds being "redeemed" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Terms and Conditions.
- (b) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous CSD Business Day, as published by the European Central Bank on its website [www.ecb.europa.eu](http://www.ecb.europa.eu). If no such rate is available, the most recently published rate shall be used instead.
  - (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
  - (d) No delay or omission of the Agent, the Security Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
  - (e) 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 Bondholders, the Security Agent, the Paying Agent and the Agent.

## 2. Status of the Bonds

- (a) The Bonds are denominated in Euro and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.

- (c) The initial nominal amount of each Initial Bond is EUR 1,000 (the "**Initial Nominal Amount**"). The Total Nominal Amount of the Initial Bonds is EUR 75,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Initial Nominal Amount. The minimum permissible investment in the Initial Bond Issue is EUR 100,000.
- (d) The ISIN of the Bonds is NO0013177949.
- (e) Provided that the Incurrence Test is met (tested on a *pro forma* basis), the Issuer may, on one or several occasions, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount, at par or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed EUR 110,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (f) The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except (A) those obligations which are mandatorily preferred by law and (B) the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement (if any).
- (g) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Neither the Issuer nor the Agent shall be responsible to ensure compliance with such laws and each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (h) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### 3. Use of Proceeds

The proceeds from the Initial Bond Issue shall be used to (a) finance the Permitted Recapitalisation, (b) repay the Refinancing Debt (including accrued but unpaid interest and any applicable redemption premium), (c) pay Transaction Costs, and (d) finance general corporate purposes of the Group (including investments and acquisitions).

The proceeds from any Subsequent Bond Issue shall be used to finance Transaction Costs and general corporate purposes (including investments and acquisitions).

## **4. Conditions Precedent**

### **4.1 Conditions Precedent Initial Bond Issue**

- (a) The payment of the Net Proceeds from the Initial Bond Issue to the Escrow Account is subject to the Agent having received documents and evidence of the Escrow Account Pledge Agreement and the Escrow Agreement being duly executed and perfected (as applicable).
- (b) The Issuer shall provide, or procure the provision of, to the Agent, these conditions precedent for disbursement:
  - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer and each other party to a Finance Document (other than the Agent or the Security Agent), together constituting evidence that the Finance Documents have been duly executed;
  - (ii) copies of the Finance Documents, duly executed;
  - (iii) copies of the relevant acquisition documents relating to the Issuer's acquisition of all shares in Cast One GmbH and evidence that the acquisition has been, or will immediately in conjunction with the Disbursement Date be, completed;
  - (iv) if required for the purpose of the providers of the Refinancing Debt to release any security over any assets which is to become subject to Transaction Security, evidence that the Refinancing Debt will be repaid and discharged (in the required amount for such release to be effected) no later than the Disbursement Date by way of a funds flow statement;
  - (v) evidence by way of a signed release letter that the security existing in favour of the Refinancing Debt will be released and discharged upon repayment (in full or in part) of the Refinancing Debt on the Disbursement Date;
  - (vi) evidence that the Transaction Security either has been or will be perfected in accordance with the terms of the Finance Documents;
  - (vii) an agreed form Compliance Certificate;
  - (viii) legal opinion(s) on the capacity and due execution, in respect of any non-Swedish entity being party to a Finance Document issued by a reputable law firm; and
  - (ix) legal opinion(s) on the validity and enforceability of any Finance Document not governed by Swedish law issued by a reputable law firm.

- (c) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.1(b) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4.1(b) above from a legal or commercial perspective of the Bondholders.
- (d) When the Agent is satisfied that the conditions precedent for disbursement set out in Clause 4.1(b) have been received (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Escrow Account) to transfer the funds from the Escrow Account for the purpose set out in Clause 3 (*Use of Proceeds*), and the Agent shall thereafter or in connection therewith release the pledge over the Escrow Account.
- (e) If the conditions precedent for disbursement set out in Clause 4.1(b) have not been received by the Agent (acting reasonably) within 60 Business Days from the First Issue Date, the Issuer shall redeem all Bonds at a price equal to 101 per cent. of the Initial Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with the Escrow Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4.1(e). Any shortfall shall be covered by the Issuer. The redemption date shall fall no later than 30 Business Days after the ending of the 60 Business Days period referred to above.

## **5. Bonds in Book-Entry Form**

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD. Registration requests relating to the Bonds shall be directed to the Paying Agent or an Account Operator.
- (b) In order to carry out its functions and obligations under these Terms and Conditions, the Agent will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD (subject to applicable law).
- (c) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds (subject to applicable law).

## **6. Right to Act on Behalf of a Bondholder**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents it must obtain proof of ownership of the Bonds, acceptable to the Agent.

- (b) A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) A Bondholder (whether registered as such or proven to the Agent's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Agent shall only have to examine the face of a power of attorney or other similar evidence of authorisation that has been provided to it pursuant to this paragraph (c) and may assume 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. Payments in Respect of the Bonds**

- (a) The Issuer will unconditionally make available to or to the order of the Agent and/or the Paying Agent all amounts due on each payment date pursuant to the terms of these Terms and Conditions at such times and to such accounts as specified by the Agent and/or the Paying Agent in advance of each payment date or when other payments are due and payable pursuant to these Terms and Conditions.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the relevant Record Date, by, if no specific order is made by the Agent, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Terms and Conditions will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a payment date to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary have been set out for such payment in the relevant Finance Document.
- (e) 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 without any default interest in accordance with Clause 8(d) during such postponement.

- (f) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount (unless the Issuer has actual knowledge of the fact that the payment was made to the wrong person).
- (g) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.
- (h) Notwithstanding anything to the contrary in these Terms and Conditions, the Bonds shall be subject to, and any payments made in relation thereto shall be made in accordance with, the rules and procedures of the CSD.

## 8. Interest

- (a) Each Initial Bond carries Interest at the Interest Rate from (and including) the First Issue Date up to (but excluding) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (and including) 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 (but excluding) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) 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). The Agent will notify the Issuer and the Paying Agent of the new Interest Rate and the actual number of calendar days for the next Interest Period on each Quotation Day.
- (d) If the Issuer fails to pay any amount payable by it on its due date under the Finance Documents ("**Overdue Amount**"), default interest shall accrue on the Overdue Amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is two per cent. higher than the Interest Rate. Default interest accrued on any Overdue Amount pursuant to this paragraph (d) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full. No default interest shall accrue where the failure to pay was solely attributable to the Agent, the Paying Agent or the CSD, in which case the Interest Rate shall apply instead. These Terms and Conditions apply with identical terms and conditions to (i) all Bonds issued under this ISIN and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time. Holders of Overdue Amounts related to interest claims will not have any other rights under these Terms and Conditions than their claim for payment of such interest claim which claim shall be subject to paragraph (g) of Clause 16.

## **9. Redemption and Repurchase of the Bonds**

### **9.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond 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.

### **9.2 Issuer's purchase of Bonds**

The Issuer and any Group Company may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer or any Group Company (including Bonds repurchased by the Issuer pursuant to Clause 9.6 (*Mandatory repurchase due to a Change of Control Event (put option)*)) may at the Issuer's or such Group Company's discretion be retained or sold, but not cancelled (other than in connection with a redemption or repurchase of the Bonds in full).

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

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full:
  - (i) any time from and including the First Issue Date to, but excluding, the First Call Date at an amount per Bond equal to 102.450 per cent. of the Nominal Amount plus the remaining interest payments to, but excluding, the First Call Date, together with accrued but unpaid Interest;
  - (ii) any time from and including the First Call Date, but excluding, the first CSD Business Day falling 27 months after the First Issue Date at an amount per Bond equal to 102.450 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iii) any time from and including the first CSD Business Day falling 27 months after the First Issue Date to, but excluding, the first CSD Business Day falling 30 months after the First Issue Date at an amount per Bond equal to 101.925 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iv) any time from and including the first CSD Business Day falling 30 months after the First Issue Date to, but excluding, the first CSD Business Day falling 33 months after the First Issue Date at an amount per Bond equal to 101.400 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (v) any time from and including the first CSD Business Day falling 33 months after the First Issue Date to, but excluding, the first CSD Business Day falling 36 months after the First Issue Date at an amount per Bond equal to 100.875 per cent. of the Nominal Amount, together with accrued but unpaid Interest; or



- (vi) any time from and including the first CSD Business Day falling 36 months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.350 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- (b) Redemption in accordance with paragraph (a) above shall be made by the Issuer giving not less than 10 Business Days' notice to the Bondholders and the Agent. Upon receipt of such notice, the Agent shall inform the Paying Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. The notice shall specify the relevant Redemption Date. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.
- (c) Unless the redemption price is set out in the written notice where the Issuer exercises its right to redemption in accordance with paragraph (a)(i), the Issuer shall publish the redemption price to the Bondholders as soon as possible and at the latest within three Business Days from the date of the notice.
- (d) For the purpose of calculating the remaining interest payments pursuant to paragraph (a)(i) above it shall be assumed that the Interest Rate for the period from the relevant Record Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant Record Date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

#### 9.4 Voluntary partial redemption

- (a) The Issuer may redeem the Bonds on one occasion per each twelve month period (without carry-back or carry forward) in a maximum aggregate amount not exceeding 10 per cent. of the amount of the total Initial Nominal Amount. The repayment must occur on an Interest Payment Date.
- (b) The repayment per Bond shall be equal to 102.00 per cent. of the Outstanding Nominal Amount (rounded down to the nearest EUR 1.00) redeemed together with accrued but unpaid interest on the redeemed amount. All outstanding Bonds shall be partially redeemed by way of *pro rata* payments to the Bondholders in accordance with the applicable regulations of the CSD.

#### 9.5 Mandatory partial redemption

- (a) The Issuer shall partially repay the Bonds in an aggregate amount of five per cent. of the amount of the Initial Bond Issue (rounded down to the nearest EUR 1.00) on the Interest Payment Date falling on or around 18 months after the First Issue Date (the "**First Mandatory Redemption Date**") (and thereafter on each Interest Payment Date falling on or around each anniversary of the First Mandatory Redemption Date), or, in each case, to the extent such day is not a CSD Business Day, the first following day that is a CSD Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a CSD Business Day. Any Bonds subject to redemption pursuant to the above shall be redeemed at par and shall be partially redeemed

by way of *pro rata* payments to the Bondholders in accordance with the applicable regulations of the CSD.

- (b) The repayment per Bond shall be rounded down to the nearest EUR 1.00 and be made at par.

#### **9.6 Mandatory repurchase due to a Change of Control Event (put option)**

- (a) Upon the occurrence of a Change of Control Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of 30 calendar days following a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1(d) (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- (b) The notice from the Issuer pursuant to Clause 11.1(d) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1(d). The repurchase date must fall no later than 20 CSD Business Days after the end of the period referred to in Clause 9.6(a).

### **10. Transaction Security and Guarantees**

- (a) Subject to the Intercreditor Agreement (if any), as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer, the Guarantors and each Group Company party to any Security Document and/or the Guarantee and Adherence Agreement grants the Transaction Security and the Guarantees (as applicable) to the Secured Parties as represented by the Security Agent on the terms set out in the Security Documents and the Guarantee and Adherence Agreement (as applicable).
- (b) The Security Agent shall hold the Transaction Security and the Guarantees on behalf of the Secured Parties in accordance with the Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement (if any) (as applicable). The Issuer shall, and shall procure that the Guarantors and each Group Company party to any Security Document and/or the Guarantee and Adherence Agreement (as applicable) will, enter into the Security Documents and/or the Guarantee and Adherence Agreement (as applicable) and perfect the Transaction Security in accordance with the Security Documents.
- (c) Unless and until the Security Agent has received instructions to the contrary in accordance with the Intercreditor Agreement or, if no Intercreditor Agreement is entered into, from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a

third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interest of the Bondholders.

- (d) The Security Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.
- (e) The Agent shall be entitled to give instructions relating to the Transaction Security and the Guarantees to the Security Agent in accordance with the Intercreditor Agreement (if any).

## **11. Information to Bondholders**

### **11.1 Information from the Issuer**

- (a) The Issuer shall make the following information available in the English language by publication on the website of the Group:
  - (i) as soon as the same become available, but in any event within four months after the end of each financial year, the annual audited consolidated financial statements of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's management board (*Ge. Geschäftsführung*);
  - (ii) as soon as the same become available, but in any event within two months after the end of each quarter of its financial year, the quarterly unaudited consolidated reports or the year-end report (as applicable) of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's management board (*Ge. Geschäftsführung*); and
  - (iii) any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:528) om värdepappersmarknaden*) or the rules and regulations of the Market Place on which the Bonds are admitted to trading.
- (b) When the Bonds have been listed on a Regulated Market:
  - (i) the information set out in paragraph (a) above shall also be made available by way of press release; and
  - (ii) the reports referred to in paragraph (a)(i) and (a)(ii) above shall be prepared in accordance with IFRS (provided that the Bonds were listed on a Regulated Market on the relevant balance sheet date).

- (c) When the financial statements and other information are made available to the Bondholders pursuant to paragraph (a) above, the Issuer shall send copies of such financial statements and other information to the Agent.
- (d) The Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- (e) The Issuer shall promptly 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.
- (f) The Issuer shall submit a duly executed Compliance Certificate to the Agent:
  - (i) in connection with the testing of the Incurrence Test and/or the Distribution Test (as applicable);
  - (ii) in respect of the Clean Down of the Working Capital Facility and/or the Super Senior RCF (as applicable) pursuant to Clause 13.8 (*Clean Down of Working Capital Facility and/or Super Senior RCF*); and
  - (iii) in connection with a Financial Report being made available pursuant to paragraphs (a)(i) and (a)(ii) above.
- (g) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph (f) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
- (h) The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Market Place. If such a conflict would exist pursuant to the listing contract with the Market Place or otherwise, the Issuer shall however be obliged to either seek approval from the Market Place or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.

## 11.2 Information from the Agent

- (a) Subject to applicable laws, regulations and the restrictions of a non-disclosure agreement entered into by the Agent in accordance with paragraph (b) below, the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default shall be dealt with in accordance with Clauses 14.11(c) and 14.11(d)).
- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), 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 Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

## 11.3 Publication of Finance Documents

- (a) The latest version of these Terms and Conditions (including any documents amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.
- (b) The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

## 12. Financial Undertakings

### 12.1 Maintenance Test

The Maintenance Test is met if the Leverage Ratio is less than:

- (a) 4.50:1 from the First Issue Date until (and including) the date falling 12 months after the First Issue Date;
- (b) 4.25:1 from (but excluding) the date falling 12 months after the First Issue Date until (and including) the date falling 24 months after the First Issue Date;
- (c) 4.00:1 from (but excluding) the date falling 24 months after the First Issue Date until (and including) the date falling 36 months after the First Issue Date; and
- (d) 3.75:1 from (but excluding) the date falling 36 months after the First Issue Date until (and including) the Final Maturity Date.

## 12.2 Testing of Maintenance Test

The Maintenance Test shall be calculated in accordance with the Accounting Principles and tested on each Reference Date by reference to the Financial Reports ending on the relevant Reference Date with respect to the Reference Period ending on such Reference Date. The first test date shall be 30 June 2024.

## 12.3 Incurrence Test

The Incurrence Test is met if:

- (a) the Leverage Ratio is less than:
  - (i) 3.00:1 from the First Issue Date until (and including) the date falling 12 months after the First Issue Date;
  - (ii) 2.75:1 from (but excluding) the date falling 12 months after the First Issue Date until (and including) the date falling 24 months after the First Issue Date; and
  - (iii) 2.25:1 from (but excluding) the date falling 36 months after the First Issue Date until (and including) the Final Maturity Date; and
- (b) no Event of Default is continuing or would occur upon the relevant incurrence.

## 12.4 Distribution Test

The Distribution Test is met if:

- (a) the Leverage Ratio not greater than 2.50:1: and
- (b) no Event of Default is continuing or would occur upon making of a Restricted Payment.

## 12.5 Testing of the Incurrence Test and the Distribution Test

The Leverage Ratio for purpose of the Incurrence Test and the Distribution Test shall be calculated as follows:

- (a) a testing date determined by the Issuer, falling no more than three months prior to the incurrence of the new Financial Indebtedness or the making of a Restricted Payment (as applicable); and
- (b) the Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include any new Financial Indebtedness and exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred (however, any cash balance resulting from the incurrence of any new Financial Indebtedness shall not reduce the Net Interest Bearing Debt).

## 12.6 Calculation Adjustments

The figures for EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Maintenance Test, the Incurrence Test and the Distribution Test, but adjusted so that:

- (a) entities or businesses acquired by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included, *pro forma*, for the entire Reference Period;
- (b) entities or businesses disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be excluded, *pro forma*, for the entire Reference Period; and
- (c) any entity or business to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period.

## 13. General Undertakings

### 13.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will and shall procure that each Obligor (pursuant to the Guarantee and Adherence Agreement) undertakes to) comply with the undertakings set out in this Clause 13 for as long as any Bonds remain outstanding.

### 13.2 Restricted Payments

- (a) No Obligor shall, and shall procure that none of its Subsidiaries will:
  - (i) pay any dividend on its shares (other than to the Issuer or a direct or indirect Subsidiary of the Issuer and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, such payment is made on a *pro rata* basis);
  - (ii) repurchase or redeem any of its own shares;
  - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders;
  - (iv) grant any loans other than as set out under Clause 13.6 (*Loans Out*);
  - (v) repay any Subordinated Debt or pay capitalised or accrued interest thereunder; or
  - (vi) make any other similar distribution or transfers of value to the direct or indirect shareholders of the Issuer, or any Affiliates of the Issuer (other than any wholly owned Group Companies),

with paragraphs (i) to (vi) above together and individually referred to as a "**Restricted Payment**".

- (b) Notwithstanding the above, a Restricted Payment may be made by the Issuer to a Sponsor, its respective Affiliates and/or any other shareholder of the Issuer if:
  - (i) such Restricted Payment constitutes a Permitted Recapitalisation provided that such Restricted Payment is completed within 3 months of the First Issue Date; or
  - (ii) the Distribution Test is met and the amount of such Restricted Payment does not exceed (when aggregated with other Restricted Payments during the relevant period on which the Distribution Test is tested) the aggregate amount of any voluntary partial redemption made by the Issuer pursuant to Clause 9.4 (*Voluntary partial redemption*) and repurchases of Bonds on the open market provided that such Bonds are held by the Issuer until the Final Redemption Date (as confirmed to the Agent in writing).
- (c) Notwithstanding paragraphs (a) and (b) above, the Issuer may make a Restricted Payment to a Sponsor and its respective Affiliates for advisory fees and holding company costs, in an aggregate amount not exceeding EUR 400,000 in any calendar year provided that no Event of Default is continuing or would occur due to such payment.

### 13.3 Listing:

- (a) The Issuer shall ensure that:
  - (i) the Initial Bonds are listed on the corporate bond list of Nasdaq Stockholm or another Regulated Market within twelve months after the First Issue Date;
  - (ii) any Subsequent Bonds are listed on the relevant Regulated Market within 60 days after the issuance of such Subsequent Bonds (unless the Subsequent Bonds are issued before the Initial Bonds are listed on a Regulated Market in which case such Subsequent Bonds shall be listed within twelve months after the First Issue Date); and
  - (iii) once admitted to trading on a Regulated Market, continue to be listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).
- (b) The Issuer shall ensure that the Initial Bonds and any Subsequent Bonds are admitted to trading on the Open Market of the Frankfurt Stock Exchange or another MTF within 60 calendar days after the relevant issue date with an intention to complete such admission to trading within 30 calendar days after the relevant issue date and remain admitted to trading on such exchange until the Initial Bonds have been admitted to trading on the corporate bond list of Nasdaq Stockholm or another Regulated Market.



### **13.4 Nature of Business**

Each Obligor shall procure that no substantial change is made to the general nature of the business carried on by the Group as of the First Issue Date if such substantial change would have a Material Adverse Effect.

### **13.5 Financial Indebtedness**

No Obligor shall, and shall procure that no other Group Company will, incur, prolong, renew or extend any Financial Indebtedness, other than Permitted Debt.

### **13.6 Loans Out**

No Obligor shall, and shall procure that no other Group Company will, extend any loans in any form to any other party, save for (i) to other Group Companies, or (ii) in the ordinary course of business of the relevant Group Company.

### **13.7 Disposal of Assets**

- (a) No Obligor shall, and shall procure that no other Group Company, sell or otherwise dispose of shares in any Group Company or of all or substantially all of its or that Group Company's assets other than:
  - (i) to the Issuer or any of its wholly-owned Subsidiaries; or
  - (ii) if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.
- (b) No asset that is subject to Transaction Security may be disposed of other than in accordance with the terms of the Intercreditor Agreement (if any).

### **13.8 Clean Down of Working Capital Facility and/or Super Senior RCF**

The Issuer shall procure that, during each calendar year, there shall be a period of five consecutive days during which the amount outstanding under the Working Capital Facility and/or Super Senior RCF (as applicable) (excluding any non-cash elements of ancillary facilities), less Cash and Cash Equivalents of the Group, amounts to zero or less. Not less than six months shall elapse between two such periods (the "**Clean Down**"). Each Clean Down shall be confirmed in a Compliance Certificate to the Agent within ten Business Days from the completion of each Clean Down.

### **13.9 Negative Pledge**

No Obligor shall, and shall procure that no other Group Company will, provide, prolong or renew any security over any of its/their assets (present or future), provided however that the Group shall have a right to provide, retain, prolong or renew, any Permitted Security.

### **13.10 Dealings at arm's length terms**

Each Obligor shall, and shall procure that each other Group Company will, conduct all dealings with their direct and indirect shareholders and/or any Affiliates of such direct and indirect shareholders (excluding in each case the Issuer and any wholly owned Group Company) on arm's length terms.

### **13.11 Compliance with laws and authorisations**

Each Obligor shall, and shall make sure that each other Group Company will (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, registration or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

### **13.12 Guarantors**

The Issuer shall, within 60 days from the delivery of the Compliance Certificate delivered in connection with the Group's annual audited consolidated financial statements (or from the date such Compliance Certificate should have been delivered) ensure that each Group Company which is nominated in the Compliance Certificate as a Material Group Company (or otherwise required to comply with Clause 13.14 (*Guarantor Coverage*)) accedes to the Guarantee and Adherence Agreement and that the shares of such Material Group Company or Group Company (as applicable) are pledged in favour of the Bondholders (subject to customary financial assistance, capital maintenance and corporate benefit limitations), to the extent that such Group Companies are not already Guarantors. The Issuer shall procure that relevant corporate authorisation documents, customary conditions precedent (including accession letters to the Intercreditor Agreement (if any)) and legal opinion(s) on the capacity and due execution in relation to any party not incorporated in Sweden and the validity and enforceability of any Security Documents not governed by Swedish law, in each case issued by a reputable law firm (if applicable) are delivered to the Agent in connection with such accession and the granting of such share pledge (or other equivalent security interest).

### **13.13 Additional Security**

The Issuer shall ensure that each Guarantor, as security for the Secured Obligations:

- (a) simultaneously with becoming a Guarantor grants Transaction Security over any existing Material Intragroup Loan and, to the extent possible in the relevant jurisdiction, any future Material Intragroup Loans;
- (b) within 60 days upon extending a Material Intragroup Loan which is not subject to Transaction Security under paragraph (a) above, grants Transaction Security over that Material Intragroup Loan and, to the extent possible in the relevant jurisdiction, any future Material Intragroup Loans;

and that customary conditions precedent and legal opinion(s) (if the relevant Group Company is a non-Swedish entity) are delivered to the Agent's satisfaction (acting reasonably).

### **13.14 Guarantor Coverage**

The Issuer shall, within 60 days from the delivery of the Compliance Certificate delivered in connection with the Group's annual audited consolidated financial statements, ensure that the Guarantor Coverage Ratios are at least 85 per cent.

## **14. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.11 (*Acceleration of the Bonds*)) is an Event of Default.

### **14.1 Non-Payment**

The Issuer or a Guarantor fails to pay an amount on the date it is due in accordance with the Finance Documents unless:

- (a) its failure to pay is caused by administrative or technical error and
- (b) payment is made within five Business Days (or the following CSD Business Day if the fifth Business Day is not a CSD Business Day) of the due date.

### **14.2 Maintenance Test**

The Issuer has failed to comply with the Maintenance Test.

### **14.3 Other Obligations**

A party (other than the Agent) does not comply with its obligations under the Finance Documents, in any other way than as set out in Clauses 14.1 (*Non-Payment*) and 14.2 (*Maintenance Test*), provided that no Event of Default will occur if the failure to comply is capable of being remedied and the Issuer or that party has remedied the failure within 20 Business Days from a request in writing by the Agent to remedy such failure or from such party becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds due and payable without such prior written request).

### **14.4 Cross payment default and Cross-acceleration**

Any Financial Indebtedness of a Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 14.4 if the aggregate amount of Financial Indebtedness that has fallen due is less than EUR 5,000,000 (or the equivalent thereof in any other currency) and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

## 14.5 Insolvency

- (a) The Issuer, any Guarantor or any Material Group Company 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 (except for Bondholders) with a view to rescheduling its Financial Indebtedness.
- (b) A moratorium is declared in respect of the Financial Indebtedness of the Issuer, any Guarantor or any Material Group Company.

## 14.6 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 Business Days of commencement or, if earlier, the date on which it is advertised, (ii) proceedings or petitions concerning a claim which is less than EUR 5,000,000 (or the equivalent thereof in any other currency), and (iii), in relation to Subsidiaries, solvent liquidations) in relation to:

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

## 14.7 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of the Issuer, any Guarantor or any Material Group Company having an aggregate value of an amount equal to or exceeding EUR 5,000,000 (or the equivalent thereof in any other currency) and is not discharged within 30 Business Days.

## 14.8 Mergers and demergers

A decision is made that any Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger subject to existing security between Subsidiaries only or between the Issuer and a Subsidiary, where the Issuer is the surviving entity, shall not be an Event of Default and a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

#### **14.9 Impossibility or Illegality**

It is or becomes impossible or unlawful for the Issuer or any Group Company to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable, provided that it has a Material Adverse Effect.

#### **14.10 Continuation of the Business**

The Issuer or any other Group Company ceases to carry on its business and such discontinuation is likely to have a Material Adverse Effect.

#### **14.11 Acceleration of the Bonds**

- (a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall following an instruction given pursuant to Clause 14.11(e), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds 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.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 14.11(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five 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 Clause 14.11(d) below for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- (d) The Agent shall, within 20 Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (e) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds 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 Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.

- (f) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (g) Subject to the Intercreditor Agreement (if any), in the event of an acceleration of the Bonds in accordance with this Clause 14.11, the Issuer shall up to, but excluding, the First Call Date redeem all Bonds at an amount per Bond equal to the Call Option Amount set out in Clause 9.3(a)(ii) and thereafter, as applicable considering when the acceleration occurs, redeem all Bonds at an amount per Bond equal to the Call Option Amount for the relevant period.

## 15. Distribution of Proceeds

- (a) Subject to paragraph (b) below, if no Intercreditor Agreement has been entered into, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the below) shall be distributed in the following order of priority:
  - (i) *first*, in or towards payment *pro rata* of:
    - (A) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
    - (B) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the Guarantees or the protection of the Bondholders' rights as may have been incurred by the Agent;
    - (C) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with paragraph (g) of Clause 21.2 (*Duties of the Agent and the Security Agent*); and
    - (D) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with paragraph (n) of Clause 16 (*Decisions by Bondholders*);
  - (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);

- (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (i) to (iv) above shall be paid to the Issuer (or the Guarantors, as applicable).

- (b) Notwithstanding paragraph (a) above, if an Intercreditor Agreement has been entered into, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the Secured Obligations) shall be distributed in accordance with the Intercreditor Agreement.
- (c) If no Intercreditor Agreement has been entered into, funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantees constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable. Following the entering into of an Intercreditor Agreement, funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantees constitute escrow funds (Sw. *redovisningsmedel*) and must be promptly turned over to the Security Agent to be applied in accordance with the Intercreditor Agreement.
- (d) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 1515(a)(i), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 1515(a)(i).
- (e) If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least 15 Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in paragraph (a) of Clause 7 (*Payments in Respect of the Bonds*) shall apply and for any partial redemption in accordance with Clause 9.4 (*Voluntary partial redemption*), Clause 9.5 (*Mandatory partial redemption*) and/or Clause 9.6 (*Mandatory repurchase due to a Change of Control Event (put option)*) due but not made, the Record Date specified in Clause 9.4, Clause 9.5 and/or Clause 9.6 (as applicable) shall apply.

## 16. Decisions by Bondholders

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if:
  - (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given; or
  - (ii) the suggested decision is not in accordance with applicable regulations.
- (d) Only a Person who is, or who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a Person who is, registered as a Bondholder:
  - (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) on the Record Date specified in the communication pursuant to paragraph 18(c) of Clause 18 (*Written Procedure*), in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to paragraph 18(c) of Clause 18 (*Written Procedure*):



- (i) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, EUR 110,000,000 (for the avoidance of doubt, for which consent shall be required on each occasion such Subsequent Bonds are issued);
  - (ii) a change to the terms of any of paragraphs (a) and 2(f) to 2(h) of Clause 2 (*Status of the Bonds*);
  - (iii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);
  - (iv) a change to the Interest Rate (other than as a result of an application of Clause 20 (*Replacement of Base Rate*)) or the Nominal Amount (other than as a result of an application of Clause 9.4 (*Voluntary partial redemption*), Clause 9.5 (*Mandatory partial redemption*) and/or Clause 9.6 (*Mandatory repurchase due to a Change of Control Event (put option)*));
  - (v) waive a breach of or amend an undertaking set out in Clause 13 (*General Undertakings*);
  - (vi) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of Proceeds*);
  - (vii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16;
  - (viii) reduce the principal amount, interest rate or interest amount which shall be paid by the Issuer;
  - (ix) amend any payment day for principal or interest amount or waive any breach of a payment undertaking;
  - (x) a release of the Transaction Security or the Guarantees , except in accordance with the terms of the Security Documents and/or the Guarantee and Adherence Agreement (as applicable);
  - (xi) a mandatory exchange of the Bonds for other securities; and
  - (xii) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- (f) Any matter not covered by paragraph 16(e) above shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to paragraph 18(c) of Clause 18 (*Written Procedure*).

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 paragraph (a)(i) or (a)(ii) of Clause 19 (*Amendments and Waivers*), an acceleration of the Bonds, or the enforcement of any Transaction Security or Guarantees.

- (g) Neither a Bondholders' Meeting nor a Written Procedure can resolve that any overdue payment of any instalment shall be reduced unless there is a *pro rata* reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (h) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least 20 per cent. of the Adjusted Nominal Amount:
  - (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.

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

- (i) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with paragraph (a) of Clause 17 (*Bondholders' Meeting*)) or initiate a second Written Procedure (in accordance with paragraph (a) of Clause 18 (*Written Procedure*)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in paragraph (i) of Clause 16 (*Decisions by Bondholders*) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (j) 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.
- (k) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (l) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration

to be payable or the time period for replies in the Written Procedure, as the case may be.

- (m) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (n) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (o) If a decision shall be taken by the Bondholders 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 Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (p) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Group and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **17. Bondholders' Meeting**

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with paragraph 17(a) above with a copy to the Agent. After a request from the Bondholders pursuant to paragraph (c) of Clause 21.4 (*Replacement of the Agent and the Security Agent*), the Issuer shall no later than five Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with paragraph 17(a) above.
- (c) The notice pursuant to paragraph 17(a) above shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders), (iv) a form of power of attorney, (v) any applicable conditions precedent and conditions subsequent, (vi) the reasons for, and contents of, each proposal, (vii) if the proposal concerns an amendment

to any Finance Document, the details of such proposed amendment, (viii) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement and (ix) information on where additional information (if any) will be published. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

- (d) The Bondholders' Meeting shall be held no earlier than ten Business Days and no later than 30 Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **18. Written Procedure**

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically) no later than five Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each Bondholder through the CSD.
- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with paragraph 18(a) above to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to paragraph 18(a) above shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be a Bondholder (whether registered or a beneficial owner with proof of ownership in accordance with Clause 6 (*Right to Act on Behalf of a Bondholder*)) in order to be entitled to exercise voting rights, (iv) 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, (v) any applicable conditions precedent and conditions subsequent, (vi) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment, (vii) if the voting is to be made electronically, the instructions for such voting, (viii) information on where additional information (if any) will be published and (ix) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten Business Days from the communication pursuant to paragraph 18(a) above). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to paragraphs 16(e) and 16(g) of Clause 16 (*Decisions by Bondholders*) have been received in a Written Procedure, the relevant decision shall be

deemed to be adopted pursuant to paragraph 16(e) or 16(g) of Clause 16 (*Decisions by Bondholders*), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

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

## 19. Amendments and Waivers

- (a) The Issuer, any Guarantor (if applicable) and the Agent and/or the Security Agent (as applicable) (in each case acting on behalf of the Bondholders) may (subject to the terms of the Intercreditor Agreement (if any)) agree to amend the Finance Documents or waive any provision in a Finance Document, provided that the Agent is satisfied that:
  - (i) such amendment or waiver is not detrimental to the interest of the Bondholders as a group, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*); or
  - (iv) is made pursuant to Clause 20 (*Replacement of Base Rate*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with paragraph 19(a) above, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible with the rules of the relevant CSD.
- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## 20. Replacement of Base Rate

### 20.1 General

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

### 20.2 Definitions

In this Clause 20:

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

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

**"Base Rate Amendments"** has the meaning set forth in Clause 20.3(d).

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

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

- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Paying Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*) or the equivalent entity with insolvency or resolution powers over the Base Rate Administrator, containing the information referred to in paragraph (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in paragraphs (b) to (e) above will occur within six months.

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

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

**"Relevant Nominating Body"** means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Board or any part thereof.

**"Successor Base Rate"** means:

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

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

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

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

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

#### 20.4 Interim measures

- (a) If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:
  - (i) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
  - (ii) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.



- (b) For the avoidance of doubt, paragraph (a) above shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 20. This will however not limit the application of paragraph (a) above for any subsequent Interest Periods, should all relevant actions provided in this Clause 20 have been taken, but without success.

## **20.5 Notices etc.**

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Paying Agent and the Bondholders in accordance with Clause 26 (*Notices and Press Releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Bonds are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

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

- (a) No later than giving the Agent notice pursuant to Clause 20.5 (*Notices etc.*), the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 20.3(c)) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 20. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Paying Agent and the Bondholders.
- (b) Subject to receipt by the Agent of the certificate referred to in paragraph (a) above, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 20.
- (c) The Agent and the Paying Agent shall always be entitled to consult with external experts prior to amendments are affected pursuant to this Clause 20. Neither the Agent nor the Paying Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Paying Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Paying Agent in the Finance Documents.

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

Any Independent Adviser appointed pursuant to Clause 20.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross

negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

## **21. Appointment and Replacement of the Agent and the Security Agent**

### **21.1 Appointment of Agent and the Security Agent**

- (a) By subscribing for Bonds, each initial Bondholder:
  - (i) appoints the Agent and the Security Agent to act as its agent and security agent (as applicable) in all matters relating to the Bonds and the Finance Documents, and authorises each of the Agent and the Security Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees;
  - (ii) appoints the Security Agent to act as its agent in all matters relating to the Transaction Security, the Security Documents, the Subordination Agreement, the Guarantees and the Guarantee and Adherence Agreement, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees;
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 21.1(a).
- (c) Each Bondholder shall immediately upon request provide the Agent and the Security Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. Neither the Agent nor the Security Agent is under any obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Agent and the Security Agent with any documents and other assistance (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) Each of the Agent and the Security Agent is entitled to fees for its respective work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's and the Security Agent's respective obligations as Agent and Security Agent (as applicable) under the Finance

Documents are conditioned upon the due payment of such fees and indemnifications.

- (f) Each of the Agent and the Security Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **21.2 Duties of the Agent and the Security Agent**

- (a) Each of the Agent and the Security Agent shall represent the Bondholders subject to and in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents and the Guarantees pursuant to the Guarantee and Adherence Agreement on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. Neither the Agent nor the Security Agent is responsible for the content, valid execution, legal validity or enforceability of the Finance Documents or the perfection of the Transaction Security.
- (b) When acting in accordance with the Finance Documents, each of the Agent and the Security Agent is always acting with binding effect on behalf of the Bondholders. Each of the Agent and the Security Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) Each of the Agent's and the Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent and the Security Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, neither the Agent nor the Security Agent is acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.
- (d) Neither the Agent nor the Security Agent is obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, each of the Agent and the Security Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) Each of the Agent and the Security Agent is entitled to delegate its duties to other professional parties, but each of them shall remain liable for the actions of such parties under the Finance Documents.
- (f) Each of the Agent and the Security Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders 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.

- (g) Each of the Agent and the Security Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent and/or the Security Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer or the Transaction Security which the Agent and/or the Security Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents, (iii) in connection with any Bondholder's Meeting or Written Procedure, in connection with any amendment or waiver request under the Finance Documents or (iv) as otherwise agreed between the Agent and/or the Security Agent and the Issuer. Any compensation for damages or other recoveries received by the Agent and/or the Security Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, neither the Agent nor the Security Agent is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Agent's or Security Agent's (as applicable) reasonable opinion the cost, loss or liability which it may incur (including its respective reasonable fees) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent or the Security Agent (as applicable) 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.
- (j) Unless it has actual knowledge to the contrary, each of the Agent and the Security Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) The Agent may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.
- (l) Each of the Agent and the Security Agent shall give a notice to the Bondholders (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 or the Security Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 21.2(i).
- (m) In particular, and for the avoidance of doubt, nothing in these Terms and Conditions or any other Finance Document shall be construed so as to constitute an obligation of the Security Agent to perform any services which it would not be entitled to render pursuant to the provisions of the German Act on Rendering Legal Services (*Rechtsdienstleistungsgesetz*) or pursuant to the provisions of the

German Tax Advisory Act (*Steuerberatungsgesetz*) or any other services that require an express official approval, licence or registration, unless the Security Agent holds the required approval, licence or registration.

### **21.3 Limited liability for the Agent and the Security Agent**

- (a) Neither the Agent nor the Security Agent will be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. Neither the Agent nor the Security Agent shall be responsible for indirect loss.
- (b) Neither the Agent nor the Security Agent shall be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if it has acted with reasonable care in a situation when it considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) Neither the Agent nor the Security Agent shall 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 it to the Bondholders, provided that it 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 it for that purpose.
- (d) Neither the Agent nor the Security Agent shall have any liability to the Bondholders for damage caused by it acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the Agent or the Security Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or any other Person.

### **21.4 Replacement of the Agent and the Security Agent**

- (a) Subject to Clause 21.4(f), each of the Agent and the Security Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent and/or the Security Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 21.4(f), if the Agent and/or the Security Agent is Insolvent, the Agent and/or the Security Agent (as applicable) shall be deemed to resign as Agent and/or the Security Agent (as applicable) and the Issuer shall within ten Business Days appoint a successor Agent and/or a successor Security Agent (as

applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- (c) A Bondholder (or Bondholders) representing at least ten per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and/or the Security Agent and appointing a new Agent and/or the new Security Agent (as applicable). The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent and/or the Security Agent be dismissed and a new Agent and/or a new Security Agent (as applicable) be appointed.
- (d) If the Bondholders have not appointed a successor Agent and/or successor Security Agent within 90 days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent and/or the Security Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent and/or successor Security Agent (as applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent and/or the retiring Security Agent (as applicable) shall, at its own cost, make available to the successor Agent and/or the successor Security Agent (as applicable) such documents and records and provide such assistance as the successor Agent and/or successor Security Agent may reasonably request for the purposes of performing its functions as Agent and/or the Security Agent (as applicable) under the Finance Documents.
- (f) The Agent's and the Security Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and/or the successor Security Agent (as applicable) and acceptance by such successor Agent and/or the successor Security Agent (as applicable) of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent and/or the retiring Security Agent (as applicable).
- (g) Upon the appointment of a successor, the retiring Agent and/or the retiring Security 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 and/or the Security Agent (as applicable). Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent and/or the Security Agent.
- (h) In the event that there is a change of the Agent and/or the Security Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent and/or the new Security Agent may

reasonably require for the purpose of vesting in such new Agent and/or the new Security Agent (as applicable) the rights, powers and obligation of the Agent and/or the Security Agent and releasing the retiring Agent and/or the retiring Security Agent (as applicable) from its respective further obligations under the Finance Documents. Unless the Issuer and the new Agent and/or the new Security Agent agree otherwise, the new Agent and/or the new Security Agent shall be entitled to the same fees and the same indemnities as the retiring Agent and/or the retiring Security Agent (as applicable).

## **22. Appointment and Replacement of the CSD**

- (a) The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD regulations and the other regulations applicable to the Bonds.
- (b) The CSD may be dismissed by the Issuer provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorized to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorized as a central securities depository in accordance with any applicable securities legislation.

## **23. Appointment and Replacement of the Paying Agent**

- (a) The Issuer appoints the Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Paying Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Paying Agent at the same time as the old Paying Agent retires or is dismissed. If the Paying Agent is Insolvent, the Issuer shall immediately appoint a new Paying Agent, which shall replace the old Paying Agent as paying agent in accordance with these Terms and Conditions.

## **24. No Direct Actions by Bondholders**

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security or the Guarantees to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Paragraph 24(a) above shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions

but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with paragraph (c) of Clause 21.1 (*Appointment of Agent and the Security Agent*)), 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 by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 21.2(i), such failure must continue for at least 40 Business Days after notice pursuant to Clause 21.2(l) before a Bondholder may take any action referred to in paragraph 24(a) above.

- (c) The provisions of paragraph 24(a) above shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.6 (*Mandatory repurchase due to a Change of Control Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## 25. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- (b) If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new limitation period of ten years with respect to the right to receive repayment of the principal of the Bonds, and of three 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.

## 26. Notices and Press Releases

### 26.1 Notices

- (a) Written notices to the Bondholders made by the Agent will be sent to the Bondholders via the CSD. Any such notice or communication will be deemed to be given or made via the CSD when sent from the CSD.
- (b) Unless otherwise specifically provided, any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;



- (ii) if to the Issuer, shall be given at the address registered with German Companies Registration Office 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
  - (iii) if to the Bondholders, pursuant to paragraph (a) above. A notice to the Bondholders shall also be published on the websites of the Group and the Agent.
- (c) Unless otherwise specifically provided, 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:
  - (i) in case of courier or personal delivery, when it has been left at the address specified in paragraph (b) above;
  - (ii) in case of letter, three Business Days after being deposited postage prepaid in an envelope addressed to the address specified in paragraph (b) above; or
  - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.
- (d) Any notice which shall be provided to the Bondholders in physical form pursuant to these Terms and Conditions may, at the discretion of the Agent, be limited to:
  - (i) a cover letter, which shall include:
    - (A) all information needed in order for Bondholders to exercise their rights under the Finance Documents;
    - (B) details of where Bondholders can retrieve additional information;
    - (C) contact details to the Agent; and
    - (D) an instruction to contact the Agent should any Bondholder wish to receive the additional information by regular mail; and
  - (ii) copies of any document needed in order for Bondholder to exercise their rights under the Finance Documents.
- (e) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

## 26.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses Clause 9.4 (*Voluntary partial redemption*), Clause 9.5 (*Mandatory partial redemption*) and/or Clause 9.6 (*Mandatory repurchase due to a Change of Control Event (put option)*), 1616(q), 1717(a), 1818(a) and 1919(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to paragraph (a) above, if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## 27. Force Majeure and Limitation of Liability

- (a) None of the Agent, the Security Agent or the Paying 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 or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent, the Security Agent or the Paying Agent itself takes such measures, or is subject to such measures.
- (b) The Paying Agent shall have no liability to the Bondholders if it has observed reasonable care. The Paying Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent, the Security Agent or the Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the applicable securities registration legislation which provisions shall take precedence.

## 28. Governing Law and Jurisdiction

- (a) 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.
- (b) The Issuer submits to the non-exclusive jurisdiction of the District Court of Stockholm (Sw. *Stockholms tingsrätt*).

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*[Signature page follows]*

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

**SLR Group GmbH**

as Issuer

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Name:

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

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

as Agent and Security Agent

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Name:

## SCHEDULE 1

## INTERCREDITOR PRINCIPLES

## 1. Principal Definitions

**"Final Discharge Date"** means the date when all principal, interest and any other costs or outstanding amounts under the Senior Finance Documents have been unconditionally and irrevocably paid and discharged in full and all commitments of the Secured Parties under the Senior Finance Documents have expired, been cancelled or terminated.

**"Hedge Counterparty"** means any person who is or becomes a hedge counterparty pursuant to any Hedging Agreement and that has acceded to the Intercreditor Agreement as a Hedge Counterparty in accordance with the terms of the Intercreditor Agreement.

**"Hedging Agreements"** means any agreement documenting a Super Senior Hedge.

**"ICA Group Companies"** means any Group Companies which has acceded to the Intercreditor Agreement as an ICA Group Company in accordance with the terms of the Intercreditor Agreement.

**"Intercompany Debt"** means any loan made or credit granted by an ICA Group Company to any Group Company or any loan made or credit granted to an ICA Group Company from any Group Company (other than loans that are subject to Transaction Security).

**"Representatives"** means the Super Senior Representative and the Senior Representative.

**"Secured Obligations"** means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards the Secured Parties outstanding from time to time under the Senior Finance Documents.

**"Secured Parties"** means the creditors under the Senior Finance Documents but only if such creditor (or, in the case of a Bondholder, its Representative) is a Party or has acceded to the Intercreditor Agreement in the appropriate capacity pursuant to the terms of the Intercreditor Agreement, the Agent, the Facility Agent and the Security Agent.

**"Senior Creditor"** means the Bondholders and the Agent.

**"Senior Debt"** means all indebtedness outstanding under the Finance Documents.

**"Senior Finance Documents"** means the Finance Documents, the Super Senior RCF Documents and the Hedging Agreements.

**"Senior Representative"** means, at any time, the representative of, the Senior Creditors.

**"Subordinated Creditor"** means any direct or indirect shareholder of the Issuer in its capacity as creditor in respect of Subordinated Debt which has acceded to the Intercreditor Agreement as a Subordinated Creditor in accordance with the terms of the Intercreditor Agreement.

**"Subordinated Debt"** means all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Issuer to any Subordinated Creditor, including any dividends and any advisory, monitoring or management fee.

**"Super Senior Creditors"** means the Super Senior RCF Creditors and the Hedge Counterparty.

**"Super Senior Debt"** means all indebtedness to the Super Senior Creditors outstanding under the Super Senior RCF Documents and the Hedging Agreements.

**"Super Senior Hedges"** means hedging transactions entered into by a Group Company in respect of payments to be made under the Bonds or the Super Senior RCF or for hedging exposures (including hedging exposures in relation to fluctuation in currency rates) arising in the ordinary course of business, but not for speculative or investment purposes, to the extent the hedging counterparty has acceded to the Intercreditor Agreement (if any).

**"Super Senior RCF"** means any working capital facility or similar agreement providing financing for general corporate purposes of the Group (excluding acquisitions) between any Group Company and a Super Senior RCF Creditor.

**"Super Senior RCF Creditor"** means any person who is or becomes a lender under a Super Senior RCF.

**"Super Senior RCF Documents"** means (i) the Super Senior RCF, (ii) the Intercreditor Agreement, (iii) the Guarantee and Adherence Agreement and (iv) the Security Documents.

**"Super Senior Representative"** means, at any time, the representative of the Super Senior RCF Creditor.

## 2. Security

The Security securing the Secured Obligations will be a single security package which will be held pursuant to Swedish and other relevant law and subject to the Intercreditor Agreement, and the Security Agent will be appointed as initial security agent to hold the security on behalf of each of the secured creditor classes.

## 3. Ranking

- (a) The liabilities raised in the form of Super Senior Debt shall rank in right and priority of payment *pari passu* and without any preference between them, unless otherwise agreed between the Super Senior RCF Creditor and the Hedge Counterparties.
- (b) The liabilities raised in the form of Senior Debt shall rank in right and priority of payment *pari passu* and without any preference between them, unless otherwise agreed between the Trustee (acting on behalf of the Bondholders) and any New Creditor.
- (c) The Senior Creditors will receive proceeds with respect to any proceeds from an enforcement of the Transaction Security, payments under any guarantee or proceeds from any other enforcement action only after the Super Senior Creditors have been paid in full.

- (d) Any liabilities raised in the form of Intercompany Debt or Subordinated Debt shall be subordinated in relation to the Secured Obligations.

#### **4. Payment block**

- (a) Following a written notice from the Super Senior Representative to the Issuer (with a copy to the Security Agent and the Agent) of (i) acceleration or (ii) that a material event of default (for the avoidance of doubt, after the expiry of any applicable grace period in respect of the default giving rise to the event of default) under the Super Senior RCF has occurred (a "**Payment Block Event**") and for as long as it is continuing, then no payments of principal or interest may be made under the Finance Documents. For the avoidance of doubt, interest shall continue to accrue during such period and the failure to timely make any payments due under such Senior Debt shall constitute an Event of Default and the unpaid amount shall carry default interest.
- (b) Upon the occurrence of a Payment Block Event, any amounts paid under the Senior Debt (despite the Payment Block Event) shall be applied in accordance with the Application of Proceeds.

#### **5. Prepayments**

##### **5.1 Voluntary prepayments**

Any voluntary prepayments shall be applied in accordance with the relevant Senior Finance Document and the consent of any other Party shall not be required for that application.

##### **5.2 Prepayment upon disposals**

If any disposal proceeds are required to be applied in mandatory prepayment of the Super Senior Debt or the Senior Debt then those disposal proceeds shall be applied in accordance with the Senior Finance Documents and the consent of any other Party shall not be required for that application.

#### **6. Cancellation of the Super Senior RCF**

If agreed between the Issuer and the Super Senior RCF Creditor, to the extent the Issuer repurchases, amortises or otherwise repays the Bonds whereby the aggregate amount of the Senior Debt outstanding falls a threshold of the aggregate initial amount of Senior Debt as specified by the Super Senior RCF Creditor, the debt outstanding under the Super Senior RCF shall be repaid and cancelled *pro rata* with such repurchase, amortisation or other repayment.

#### **7. Enforcement**

If either the Super Senior Creditors or the Senior Creditors wish to issue instructions for enforcement, the Representative representing the Super Senior Creditors or the Senior Creditors (as the case may be) shall deliver a copy of those proposed enforcement instructions (an "**Initial Enforcement Notice**") to the Security Agent and the Security

Agent shall promptly forward such Initial Enforcement Notice to each Representative which did not deliver such Initial Enforcement Notice.

Following an Initial Enforcement Notice and subject to paragraphs (a), (b) and (c) below, the Security Agent will act in accordance with Enforcement Instructions received from the Senior Creditors.

- (a) If the Senior Creditors have not (i) made a determination as to the method of Enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) within three months of the date of the Initial Enforcement Notice or (ii) the Super Senior Debt has not been discharged in full within six months of the date of the Initial Enforcement Notice, then the Security Agent will act in accordance with enforcement instructions received from the Super Senior Creditors until the Super Senior Debt has been discharged in full.
- (b) If an insolvency event (other than an insolvency event directly caused by any enforcement action taken by or at the request or direction of the Senior Creditors) is continuing with respect to a debtor then the Security Agent will, to the extent the Super Senior Creditors elect to provide such enforcement instructions, act in accordance with the enforcement instructions received from the Super Senior Creditors until the Super Senior Debt has been discharged in full.
- (c) If the Senior Creditors have not made a determination as to the method of Enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) and the Super Senior Creditors:
  - (i) determine in good faith (and notify the other Representatives, the Hedge Counterparties and the Security Agent) that a delay in issuing enforcement instructions could reasonably be expected to have a material adverse effect on the ability to enforce the Transaction Security or the expected enforcement proceeds from an enforcement action; and
  - (ii) deliver enforcement instructions which they reasonably believe to be necessary or advisable before the Security Agent has received any enforcement instructions from the Senior Creditors,
- (d) then the Security Agent will act in accordance with the enforcement instructions received from the Super Senior Creditors until the Super Senior Debt has been discharged in full.

## **8. Application**

The proceeds of any enforcement action (including but not limited to any proceeds received from any direct or indirect realisation or sale by the Security Agent of any assets being subject to Transaction Security, payments under any guarantees or proceeds received in connection with bankruptcy or other insolvency proceedings) shall be paid



to the Security Agent or as the Security Agent may direct for application in the following order (subject to applicable mandatory laws):

- (a) *first*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by the Obligors to the Security Agent;
- (b) *secondly*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by the Obligors to the Issuing Agent and the Representatives;
- (c) *thirdly*, towards payment *pro rata* of accrued interest unpaid under the Super Senior RCF Documents;
- (d) *fourthly*, towards payment *pro rata* of principal under the Super Senior RCF and any other costs or outstanding amounts under the Super Senior RCF Documents, and any close out amount and any other outstanding amounts under the Hedging Obligations;
- (e) *fifthly*, towards payment *pro rata* of accrued interest unpaid under the Senior Debt (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);
- (f) *sixthly*, towards payment *pro rata* of principal under the Senior Debt;
- (g) *seventhly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Terms and Conditions and any Senior Finance Documents;
- (h) *eighthly*, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under the Intercompany Debt; and
- (i) *ninthly*, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under the Subordinated Debt; and
- (j) *tenthly*, after the Final Discharge Date, in payment of the surplus (if any) to the relevant Obligor or other person entitled to it.

## **9. Release of Transaction Security and guarantees**

- (a) The Security Agent may at any time, acting in its sole discretion, or if in respect of release and granting of Security upon disposals, acting on instructions of the Super Senior Representative, release the Transaction Security and the guarantees in accordance with the terms of the Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement in connection with any transaction which is permitted under the Senior Finance Documents or otherwise approved by the Secured Parties.
- (b) The Intercreditor Agreement will enable a release of Transaction Security in connection with disposals for the purpose of:

- (i) enabling a Group Company to dispose of shares in a Group Company that is subject to Transaction Security provided that Transaction Security is provided over (A) a substitute Group Company or (B) the bank account where the cash purchase price following such disposal is deposited or a vendor note; and
- (ii) enabling intra-group restructurings, provided that the disposal is made subject to the Transaction Security or, in relation to a merger, that it constitutes a permitted merger under the Senior Finance Documents.

## **10. New security**

Any new Security created (and guarantees and indemnities granted) in respect of any Secured Obligation shall be extended to and shared between the Secured Parties on a *pro rata* basis and in accordance with the ranking and priority set forth above.

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