

This Base Prospectus was approved by the Swedish Financial Supervisory Authority on 14 May 2025. This Base Prospectus is valid for twelve (12) months after the date of its approval provided that the Base Prospectus is supplemented in accordance with article 23 of the Prospectus Regulation. The obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Base Prospectus is no longer valid.



**Arjo AB (publ)**  
Base prospectus for  
Medium Term Note Programme

**Arranger**

Danske Bank A/S, Danmark, Sverige Filial

**Dealers**

Danske Bank A/S, Danmark, Sverige Filial

Skandinaviska Enskilda Banken AB (publ)

## IMPORTANT INFORMATION

In this base prospectus, the “**Issuer**” means Arjo AB (publ). The “**Group**” means the Issuer with all its subsidiaries from time to time (each a “**Group Company**”). “**Arjo**” means, depending on the context, the Issuer or Group. “**Euroclear Sweden**” refers to Euroclear Sweden AB. “**Nasdaq Stockholm**” refers to Nasdaq Stockholm AB. “**SEK**” refers to Swedish kronor 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. “**M**” refers to million(s) and “**K**” refers to thousand(s).

Words and expressions defined in the general terms and conditions for medium term notes (the “**General Terms and Conditions**”) beginning on page 19, and, as the case may be, in the final terms, the form of which beginning on page 36 (the “**Final Terms**”) have the same meanings when used in this Base Prospectus, unless expressly stated or the context requires otherwise. Any recipients of this Base Prospectus and/or Final Terms must make their own assessment of the Issuer and the Group and this Base Prospectus shall be read in conjunction with any documents incorporated by reference, the applicable Final Terms and any supplements to this Base Prospectus.

### Notice to investors

This Base Prospectus has been prepared by the Issuer and contains information about its programme for medium term notes (the “**Programme**”). The Programme has been established by the Issuer to constitute a framework under which the Issuer from time to time may issue medium term notes (“**MTN**”) in SEK or EUR in a minimum Nominal Amount corresponding to an amount of EUR 100,000, and with a minimum term of one year. The Issuer has undertaken towards the Dealers that the total outstanding Nominal Amount of MTN under the Programme shall not exceed an amount corresponding to an amount of SEK 5,000,000,000 at any time. The Issuer and the Dealers may agree to increase or decrease such amount. This Base Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell MTN.

The Base Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFSA**”) pursuant to Article 20 in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”) and is valid for a period of twelve months from the day of approval.

This Base Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Base Prospectus.

This Base Prospectus may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Base Prospectus may come are required to inform themselves about, and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or the securities laws of any state or other jurisdiction outside Sweden. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to applicable exemptions. Accordingly, the Issuer is offering the Notes only (1) to Qualified Institutional Buyers within the meaning of Rule 144A under the U.S. Securities Act and (2) outside the United States to non-U.S. persons in reliance on Regulation S under the U.S. Securities Act.

No person has been authorised to provide any information or make any statements other than those contained in this Base Prospectus. Should such information or statements nevertheless be furnished, it/they must not be relied upon as having been authorised or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. Neither the publication of this Base Prospectus nor the offering, sale or delivery of any Note implies that the information in this Base Prospectus is correct and current as at any date other than the date of this Base Prospectus or that there have not been any changes in the Issuer’s or the Group’s business since the date of this Base Prospectus. If the information in this Base Prospectus becomes subject to any material change, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Prospectus Regulation. Each potential investor in the MTN must in light of its own circumstances determine the suitability of the investment.

The Final Terms in respect of any Notes will include the target market assessment in respect of the MTN and appropriate channels for distribution of the Notes. Any person subsequently offering, selling or recommending the MTN (a “**distributor**”) should take into consideration the target market assessment. However, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the MTN (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

For the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), a determination will be made in relation to each issue about whether the Arranger or any Dealer participating in the issue of the Notes is a manufacturer in respect of such MTN. Neither the Arranger nor the Dealers nor any of their respective affiliates that do not participate in an issue will be a manufacturer for the purpose of the MiFID Product Governance Rules.

### Forward-looking statements

The Base Prospectus contains certain forward-looking statements that reflect the Issuer’s current views or expectations with respect to future events and financial and operational performance. The words “intend”, “estimate”, “expect”, “may”, “plan”, “anticipate” or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialise. Because these forward-looking statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statement.

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## DESCRIPTION OF THE PROGRAMME

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*The following is a description of the Programme and is qualified in its entirety by the full conditions included in the sections “General Terms and Conditions” and “Form of Final Terms”.*

### General

The Programme has been established by Arjo for the issuance of medium term notes in SEK or EUR. A MTN may be issued in a minimum Nominal Amount of EUR 100,000 (or the equivalent in SEK) and with a minimum term of one year. The Issuer has undertaken towards the Dealers that the total outstanding Nominal Amount of MTN under the Programme shall not exceed SEK 5,000,000,000 at any time. The Issuer and the Dealers may agree to increase or decrease such amount.

The Issuer has appointed Danske Bank A/S, Danmark, Sverige Filial as Arranger and Danske Bank A/S, Danmark, Sverige Filial and Skandinaviska Enskilda Banken AB (publ) as Dealers, in respect of the Programme. Further Dealers may be appointed.

### General Terms and Conditions and Final Terms

MTN issued under the Programme will be governed by the General Terms and Conditions as well as the applicable Final Terms. The General Terms and Conditions are standardised and apply to all MTN issued under the Programme. For each Loan, Final Terms are prepared that include supplementary terms and conditions for the relevant Loan. Applicable Final Terms must therefore be read in conjunction with the General Terms and Conditions. The Final Terms will be submitted to the SFSA and published on the webpage of the Issuer. Any amendments (other than adjustments to clear and obvious errors and amendments made in accordance with Section 14 (*Replacement of Base Rate*) in the General Terms and Conditions) to the General Terms and Conditions will not be effective to MTN issued prior to such amendment, unless a Noteholders’ Meeting resolves otherwise.

### Form of the MTN

The MTN will be issued in dematerialised book-entry form and registered on a Securities Account (maintained with Euroclear Sweden) on behalf of the relevant Noteholder. Hence, no physical notes will be issued. MTN will be registered in accordance with the Swedish Financial Instruments Accounts Act (*lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

### Status of the MTN

Upon issuance, MTN will constitute direct, unconditional, unsubordinated and unsecured debt obligations of the Issuer and rank *pari passu* and without any preference among themselves and shall rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations (except those obligations preferred by law) of the Issuer.

### Pricing and interest

The pricing of MTN cannot be established in advance but is set in connection with the relevant issue on the bases of the prevailing market conditions. MTN may be issued at a price below or exceeding the relevant Nominal Amount. The interest (if any) applicable to MTN depends on several factors, one of which is the interest applicable to other investments with a corresponding term. Interest (if any) may be set at a floating interest rate based on STIBOR or EURIBOR, plus a margin, or at a fixed interest rate.

### Admission to trading

MTN issued may be listed on a Regulated Market. If relevant, any intended listing of MTN will be set out in the applicable Final Terms. The estimated costs associated with such listing will also be set out in the applicable Final Terms. Although the Issuer has undertaken to apply for registration on a Regulated Market for Loans which according to the Final Terms must be admitted to trading on a Regulated Market, and, as long as permitted under applicable laws and regulations, to take any measures that may be required to maintain the admission as long as the relevant Loan is outstanding, there is no assurance that such application will be accepted, that MTN will be so admitted or that an active trading market will develop.

## **Time-bar**

Claims for the repayment of the principal of MTN will be time-barred and become void ten (10) years after the Maturity Date. Claims for the payment of interest will be time-barred and become void three (3) years from the relevant Interest Payment Date. Upon time-bar, the Issuer will be entitled to keep any funds that may have been reserved for such payments.

If the time-bar period is duly interrupted in accordance with the Swedish Limitations Act (*preskriptionslagen (1981:130)*) a new time-bar period of ten years will commence for claims in respect of principal and three years for claims in respect of interest amounts, in both cases calculated from the day indicated by provisions laid down in the Swedish Limitations Act concerning the effect of an interruption in the limitation period.

## **Governing law**

The Loan Terms and Conditions and any non-contractual obligations issues which arise in connection therewith, shall be governed by the laws of Sweden. Disputes shall be settled by Swedish courts. The Stockholm District Court (*Stockholms tingsrätt*) shall be the court of first instance.

## **Product description**

### **Interest structures**

MTN issued under the Programme may have a fixed or floating interest rate or have Zero Coupon. The interest structure applicable to a specific Loan will be stated in the Final Terms. Below is a short description of the available interest structures.

#### **Fixed interest rate**

If the relevant Final Terms of a Loan specify fixed interest rate as applicable to it, the Loan shall bear interest according to the Interest Rate in respect of Loans issued in SEK and EUR, from, but excluding, the Interest Commencement Date up to and including the Maturity Date.

Interest is calculated using the Day-Count Convention set out in the relevant Final Terms.

#### **Floating interest rate (FRN)**

If a Loan is specified as a Loan with Floating Rate, the Loan will bear interest at the Interest Rate, in respect of Loans issued in SEK or EUR, from, but excluding, the Loan Date up to and including the Maturity Date. The Interest Rate for the relevant Interest Period shall be calculated by the Administrative Agent on the respective Interest Determination Date and is the sum of the Base Rate and the Margin for the relevant period, adjusted for the application of Section 14 (*Replacement of Base Rate*).

Interest is calculated using the Day Count Convention set out in the relevant Final Terms.

#### **Zero Coupon**

If the Loan is specified as a Zero Coupon it bears no interest. Loans with Zero Coupon may be issued at a discount, par or premium.

## **European Benchmarks Regulation**

Interest payable for MTN issued under the Programme may be calculated by reference to certain benchmarks, being EURIBOR and STIBOR, as defined in the General Terms and Conditions. The benchmarks are provided by European Money Market Institute (“**EMMI**”) and the Swedish Financial Benchmark Facility AB (“**SFBF**”), respectively. EMMI and SFBF is registered in the register of administrators provided by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmarks Regulation**”).

## **Repayment of Loans and payment of interest**

### **Repayment at maturity**

Each Loan shall be redeemed on its Maturity Date in an amount equal to its Nominal Amount (or such other amount specified in the relevant Final Terms), together with accrued but unpaid interest. If the Maturity Date is not a Business Day, redemption shall occur on this first following Business Day.]

### **Repurchase of MTN by the Issuer**

The Issuer may repurchase MTN at any time and at any price in the open market or otherwise provided that repurchase is in compliance with applicable law. Notes owned by the Issuer may, in the discretion of the Issuer, be retained, resold or cancelled.

### **Voluntary redemption of Notes**

The Final Terms for a Loan may specify a right for the Issuer to redeem all, but not only some, of the outstanding MTN under that Loan in full on any Business Day prior to the Maturity Date for such Loan. Such MTN shall be redeemed at the time and to the price specified in such Final Terms together with any accrued but unpaid interest.

### **Repurchase upon change of control**

Each Noteholder is entitled to demand repurchase of all, or some, of the MTN held by the Noteholder, if:

- (a) the shares in the Issuer cease to be listed on Nasdaq Stockholm; or
- (b) any person (other than the Significant Shareholder) or group of persons (not including the Significant Shareholder) acting in concert, gains control, directly or indirectly, of the Issuer.

As soon as the Issuer becomes aware of such an event, it is the Issuer's responsibility to notify the Noteholders of such event through a press release published on the Issuer's website and in accordance with the General Terms and Conditions. The notification must include instructions regarding how a Noteholder that wishes to have MTN repurchased should act, as well as specifying the repurchase date.

The repurchase date shall occur no earlier than twenty (20) and no later than forty (40) Business Days after the notification of the change of ownership has been sent to Noteholders in accordance with the General Terms and Conditions. However, in the event the repurchase date is not a Business Day, the repurchase date shall be deemed to be the Business Day immediately following.

Where a right to repurchase exists, the Issuer shall, upon demand by a Noteholder, repurchase the relevant MTN on the repurchase date at the price per MTN that would have been repaid on the Maturity Date, together with accrued interest (if any). For MTN with Zero Coupon, an amount per MTN calculated in accordance with the General Terms and Conditions shall be paid instead.

Notices from Noteholders regarding demands for repurchase of MTN shall be drafted in accordance with the instructions set forth in the notice provided to the Noteholders in accordance with the General Terms and Conditions. The notice from the Noteholder must be received by the Issuer at least ten (10) Business Days before the repurchase date.

## RISK FACTORS

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*In this section, material risk factors are illustrated and discussed, including risks related to Arjo's market and industry, risks associated with Arjo's operations, legal risks, financial risks and risks relating to the MTNs. The Issuer's assessment of the materiality of each risk factor is based on its assessment of the probability of their occurrence and the expected magnitude of their negative impact. The description of the risk factors below is based on information available and estimates made on the date of this Base Prospectus. The risk factors are presented in categories and where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor. The most material risk factors in a category is presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence.*

### Risks related to the market and industry

#### Arjo is exposed to changes in general economic and political conditions

Arjo is a global supplier of medical devices, services and solutions that improve quality of life for people with reduced mobility and age-related health challenges. Arjo's main customers are private and public institutions within acute care and long-term care. Its offering includes products and solutions for patient handling, hygiene, disinfection, medical beds, pressure injury prevention, venous thromboembolism (VTE) prevention and diagnostics. Since Arjo operates in several parts of the world it is affected by general global economic, financial and political conditions.

Arjo's sales is reported on the basis of three segments, Global sales (Europe, Asia, South America, Africa and Oceania), North America (the US and Canada) and Other (consists of the Group's diagnostics business). North America constitutes 39 percent of the total net sales, which during 2024 amounted to SEK 4,415 M. The US was the largest market based on where the customers are localised, with SEK 3,390 M in net sales, followed by the UK and France. As a result of Arjo's geographical spread, the demand for its medical devices and solutions, is highly influenced by macroeconomic factors, including the general economic climate and the global growth rate, regional trends and uncertainty in the financial market. Significant macroeconomic changes leading to a deteriorating economic climate and thus reduced purchasing power of Arjo's customers could adversely affect customers' ability to purchase Arjo's products and solutions, which would adversely affect Arjo's operations, financial position and results.

Furthermore, changes in the political situation in a region or country, or political decisions affecting an industry or country to which Arjo has significant sales, could also have a material impact on the sales of Arjo's products. For example, a considerable share of Arjo's revenue derives from sales of products to public sector entities, and political decisions such as government cost-cutting measures could have an adverse effect on the ability of public hospitals, organisations and healthcare facilities to purchase Arjo's products. In addition, Arjo's geographical spread also exposes the Issuer to risks related to geopolitical instability or regional or national events resulting from, for example, diplomatic crises, war, regional and/or cross-border crises, natural disasters, epidemics, pandemics or strikes, and if such conditions particularly affect one or more of the regions in which Arjo operates, it may have a significant impact on the Group's operations, financial position and results. For example, Russia's invasion of Ukraine in 2022, and the sanctions imposed as a result, have had a significant impact on the financial markets and the global economy. Similarly, the conflict between Hamas and Israel has led to further regional conflicts resulting in a significant disruption in global shipping routes, and the heightened risk of a broader conflict in the Middle East. The trade conflict and tensions between the US and China have also, or in recent years have had, a direct and material impact on the global economy and on supply chains worldwide. The US market constitutes the Group's largest market (representing approximately 30 percent of the total sales for 2024) and one of Arjo's five production units is located in China, why the ongoing tensions between the two countries may have an adverse impact on the Group. The heightened uncertainty and general declining economic outlook is having and is expected to continue to have adverse effects on global markets. At present, it is difficult to assess or quantify the future consequences of the conflicts and its impact on the Group, but the financial and operational consequences of macroeconomic and political factors risk having a material adverse effect on Arjo's operations. Furthermore, given the size of the US market, as the Group's largest market, the recent change in government in the US may have an impact on Arjo's operations as, for example, the change in government risks leading to deteriorating relations between the US and the EU due to announced potential tariffs and duties on goods from Europe. The US has also announced potential tariffs and duties on goods from Canada, where one of Arjo's five

production units is located. Such tariffs and duties may cause Arjo to be less competitive compared to local competitors and may adversely affect Arjo's operations, financial position and results.

The degree to which unfavorable developments in general global economic or political conditions may affect Arjo is uncertain, and presents a highly significant risk to the demand for Arjo's products and solutions, and thus ultimately to its operations and results.

#### **Risks relating to competition and lack of ability to understand customers' needs**

Arjo is exposed to competition from healthcare players such as Baxter, Stryker, Joerns, Agiliti, Linet and Savaria within different product categories in various markets. The healthcare industry has undergone major changes in the past decade, partly as a result of increased digitalisation but also increased consolidation entailing fewer and larger healthcare players with purchasing increasingly controlled by central purchasing departments. In turn, this is leading to greater price pressure on suppliers and difficulties for smaller players to offer the extensive portfolio of products and services that are in demand. Should Arjo's competitors continue to streamline their production and thereby enhance their possibilities to further price-cutting, this would result in Arjo also being forced to reduce its prices in order to remain competitive. As of December 31, 2024, a +/- 1 percent change in Arjo's prices, would affect Arjo's profit before tax by SEK 110 M. Accordingly, increased competition and reduced prices may adversely affect the Group's sales revenues and product margins, as well as eventually harming Arjo's market position.

Arjo's future growth is also dependent on the continued establishment of new product segments and new product types in existing product segments, which in turn requires the Group to influence, predict, identify and respond to changing customer preferences and needs. Hence, an in-depth understanding of the customer and customer needs is the foundation of all research and development at Arjo. There is a risk that new products from Arjo will not achieve the same degree of success as in the past, and there is also a risk that Arjo will not succeed in predicting or identifying trends in customer preferences and needs, or that Arjo will identify them later than its competitors. These risks may result in Arjo losing its market or competitive position in various product categories in different markets, or that Arjo's current or future products become obsolete and/or uneconomical, causing Arjo to lose market shares and thereby adversely affecting Arjo's profitability. Such a loss of market shares would have a negative impact on Arjo, which is why Arjo make significant investments in research and development. In 2024, Arjo's investments in research and development amounted to SEK 319 M, which is approximately 2.7 percent of net sales. Against this background, research and development is essential for Arjo's continued success.

The degree to which increasing competition, Arjo's ability to understand customers' needs and the outcome of future procurements may affect the Group is uncertain, and presents a significant risk to Arjo's market position, profitability and financial position.

#### **Risks relating to customers and healthcare reimbursement systems**

A considerable share of Arjo's revenue is derived from sales of products to public sector entities. Arjo's ability to commercialise its products is therefore dependent on countries' healthcare budgets and reimbursement systems for healthcare providers. Specific political discussions are taking place in certain countries concerning whether private healthcare providers should be able to offer publicly financed healthcare services. From time to time, political parties in different countries have proposed limitations on publicly financed healthcare services performed by private healthcare players, as well as limitations on the ability of these players to operate on a for-profit basis. Proposals of this type may also be made in the future. There is a risk that authorities in countries where Arjo operates will decide to limit or completely discontinue public financing of private healthcare, which would affect the establishment of new hospitals and other healthcare facilities and their purchase of healthcare products, such as Arjo's acute and long-term care products.

Sales of the Group's products are also dependent on different reimbursement systems in each of Arjo's markets. In many of Arjo's markets, such as the US, it is often the patient's insurance company that – within the framework of the existing political reimbursement system – funds or subsidises products for the patient's acute or long-term care. The success in sales of Arjo's products in markets with such or similar reimbursement systems partly depends on whether Arjo's products have been approved for reimbursement under the different reimbursement systems. A development with eliminated or reduced reimbursement levels for some of the Group's products in these markets would adversely affect the demand for Arjo's products. For example, the inflation and change in interest rates during the past few years, and its impact on the global economy, could theoretically affect the reimbursement

systems. Arjo's ability to influence and anticipate such changes is limited and represents a significant risk for its operations, financial position and results.

### **Arjo is dependent on the outcome of procurements and relies on assumptions or estimates when bidding on contracts**

Arjo enters into agreements subsequent to procurements with numerous players ranging from local and regional public hospitals, healthcare facilities and private hospitals to large organisations, such as integrated delivery networks (IDN:s) and standalone group purchasing organisations (GPO:s), who purchase and deliver hospital equipment to several hospitals and private procurers. A significant part of Arjo's revenue derives from contracts won through procurements, and when such contracts expire, the sales of relevant products and solutions are usually subject to a new procurement procedure, where Arjo is subject to competition to renew the contract. In procurement procedures, Arjo primarily competes on the basis of price and quality in order to win or renew contracts, but procurement procedures may also include other considerations, such as the competitive situation in the market or sustainability requirements. Certain procurers, such as UGAP, who is the largest public-sector procurer in the French healthcare market, and the NHS, who is the largest public-sector procurer in the UK healthcare market, procure all of its products within a program that stipulates certain fundamental requirements for companies that want to participate in procurements within the program. There is a risk that Arjo will not be able to qualify to participate in procurement programs, renew its contracts or win new procurements on acceptable terms or at all, or that Arjo fails to offset reduced prices with higher productivity, which would have an adverse effect on Arjo's operations, financial position and results.

Furthermore, the contracts on which Arjo bids generally contain provisions concerning the scope, number of products and services to be provided. However, it is possible that certain parts of the contract may be unspecified, or that it may be difficult for Arjo to estimate future costs. This uncertainty may affect the accuracy and reliability of the Group's assumptions and estimates concerning cost components in connection with the Group's fulfilment of the contract, and thereby the pricing terms agreed to by the Group. For example, in certain projects where Arjo's products are to be incorporated as part of a larger reconstruction, i.e. where Arjo is dependent on other parties' performance, delays in other parts of the project beyond Arjo's control may increase Arjo's costs by more than was estimated. There is also a risk that some procurement procedures may be inadequately prepared, and that Arjo could base, or have based, its offering on assumptions which are erroneous or too optimistic. This could lead to Arjo in the future entering into contracts where the costs ultimately exceed the revenues under the contract, which may adversely affect the Group's margin and profitability.

The degree to which incorrect or inappropriate assumptions or estimates in relation to bidding on contracts may affect the Group is uncertain, and presents a highly significant risk to Arjo's operations, financial position and results.

## **Risks related to the operations**

### **Risks relating to disruptions in Arjo's production or otherwise in the Group's internal systems**

Arjo's production consists of processes where interruptions or disruptions, for example as a result of fire, equipment breakdown, disruptions to Arjo's IT systems, conflict with labour organisations, severe weather conditions or natural disasters, could adversely impact Arjo's ability to fulfil its obligations to its customers. The occurrence of such events, as well as an anticipated risk of such events, risks causing customers to choose other suppliers. Arjo's manufacturing takes place in five production units located in the Dominican Republic, Canada, China, Poland and in the UK, at which Arjo manufactures products and where relatively advanced equipment is used. In the event of a disruption, production cannot easily be moved to another temporary facility and a certain amount of time may be required to replace or repair non-working equipment. The risk that disruptions in the production affect Arjo's operations is particularly eminent if the production unit in Poland is affected, where the majority of Arjo's products are manufactured. Furthermore, Arjo could relocate certain production between the production units in the future, and there is a risk that problems emerge in connection to such a relocation that could lead to interruptions or disruptions in the production. Disruptions and damage in production risk making it more difficult for Arjo to fulfil its obligations to its customers and may thereby adversely affect Arjo's operations and results. Furthermore, there is a risk that Arjo's employees at the production units may be harmed due to external shocks, such as geopolitical risks, natural disasters, terrorism and pandemics.

In addition, Arjo relies on IT systems (including the Group's accounting and logistics systems) in its operating activities and there is also a risk that the Group's IT systems will be affected in the future by operational disruptions or interruptions for various reasons, such as if the Group were to be subject to hacking, or if the systems prove to be defective and that the back-up systems do not provide desired functionality in connection with operational disruptions. As a result of the increased reliance on IT systems, both internally and in relation to customers, the risk of data breaches or other errors leading to information leakage also increases. Data breaches could also result in unauthorised persons gaining access to confidential information about Arjo and its customers, such as personal data, which could result in significant fines. Legal requirements in this area have increased in recent years, such as GDPR in the EU and CCPA and HIPAA in the US, and legislation in this area is constantly evolving, which means that Arjo must increasingly comply with these laws and regulations. In addition, data breaches could have a negative impact on Arjo's reputation and ability to sell products connected to IT systems, which in turn would have a material adverse effect on Arjo's business.

The degree to which disruptions in Arjo's production or otherwise in the Group's internal or IT systems may affect the Group is uncertain, and presents a significant risk to the Group's operations, financial position and results.

### **Arjo depends on a small number of suppliers for certain critical components in its production**

In the manufacture of its products, Arjo primarily uses materials such as steel, aluminium and petroleum based products such as plastics. Additionally, different kinds of components, such as engines and controls for hospital beds, are purchased from suppliers. Arjo uses a large number of suppliers but depends on a small number of them for delivery of certain critical raw materials and components for the manufacturing of certain products. There is a risk that such suppliers will raise their prices or change their terms, or that difficulties in delivery will occur due to reasons such as fire, a strike, financial difficulties or bankruptcy, a shortage of raw materials or other circumstances attributable to the contracted supplier. For example, as a result of the COVID-19 pandemic and the current geopolitical instability, there have been logistical and temporary supply chain challenges due to component shortages. Furthermore, the price and availability of components are affected by factors such as export restrictions, the level of import duties and trade barriers such as tariffs. For example, with regards to the recent statement on potential tariffs by the US, significant increases in tariffs could significantly increase, *inter alia*, component and raw material prices. In the cases mentioned above, it may also be difficult for Arjo to find a new supplier that meets the Group's quality requirements, and at essentially the same cost as before. Hence, there is a risk that Arjo's suppliers will not supply critical components on time, at a reasonable cost or at all. This, in turn, may prevent Arjo from producing and marketing one or more of its products at a reasonable cost or at all. By way of example, as per December 31, 2024, a +/- 1 percent change in Arjo's cost of goods sold, would affect Arjo's profit before tax by SEK 65 M. In accordance with the above, dependence on a small number of suppliers for certain critical components in its production presents a highly significant risk to Arjo and may negatively affect the Group's operations and results.

In addition, Arjo is dependent on its suppliers to be able to meet its set climate targets, approved by the Science Based Targets Initiative ('SBTi') in 2024. Arjo's analysis has shown that the majority of its emissions originate from the purchased goods and services, upstream transport and distribution, and the use of sold products, meaning that Arjo does not have full control over its emissions and therefore cannot directly influence their reduction. Arjo's ability to meet the set climate targets is therefore dependent, among other things, on close cooperation with suppliers. If Arjo does not meet its climate targets, it could have a significant negative impact on the Group's reputation and operations, in addition to a negative impact on the climate.

### **Part of Arjo's growth strategy is based on expanding the business through the acquisition and integration of suitable businesses, as well as being able to dispose of other parts that do not fit into Arjo's strategy**

As described above in the risk factor "*Risks relating to competition and lack of ability to understand customers' needs*", the healthcare industry has undergone major changes in the past decade, partly as a result of increased consolidation entailing fewer and larger healthcare players with purchasing increasingly controlled by central purchasing departments. Mergers and acquisitions have therefore gained importance for medical device companies, since consolidation can generate considerable cost and revenue synergies. As part of its growth strategy, Arjo intends to further expand its business through acquisitions of businesses that improve and complement the Group's existing operations, both in existing and potential new markets. An example of Arjo's growth strategy is the acquisitions in 2024 of Tech Med, a French company that operates as a supplier within the diagnostics business, and GerroMed, a German company that provides rental solutions in pressure ulcer prevention. On the acquisition date, Tech Med's and GerroMed's annual sales amounted to SEK 25 M and

SEK 30 M, respectively. Acquisition related costs amounted to SEK 3 M. Arjo depends on several factors to be able to complete future acquisitions. For example, the Group must find suitable acquisition targets at the right price, negotiate acceptable purchase terms, finance the acquisitions and obtain necessary permits from regulatory authorities. When it comes to acquisitions on new geographic markets, the Group also depends on its knowledge of and ability to adapt to prevailing market practice. Consequently, there is a risk that the Group's future potential acquisitions cannot be completed at advantageous terms or at all, which could limit the Group's growth.

There are several operational and financial risks associated with acquisitions, especially in relation to how new operations are to be integrated into Arjo's existing operations. Integration presumes that it is possible to use the existing structure in an optimal manner, that the operations in the acquired business can be changed, that necessary reconstruction measures can be implemented and that there is sufficient access to staff with necessary expertise, and there is a risk that one or more factors will impede efficient integration of the new business. For example, the acquired company's relations with customers, suppliers and key personnel may be adversely affected by the acquisition. In addition to integration risk, other risks include exposure to unknown liabilities, acquisition and expansion costs being higher than expected, and problems with obtaining necessary permits to conduct operations. There is a risk that the Group's assessments and assumptions concerning the potential for acquisitions or expansion or concerning acquired businesses may prove to be incorrect, or that liabilities, unforeseen events or other risks previously unknown to the Group may occur. There is also a risk that Arjo will fail to integrate acquired businesses, and that the expected synergies from the acquisition will thus not be realised. In addition, an acquisition of a company that is not conducted in a sustainable manner or in accordance with Arjo's Code of Conduct may have a negative impact on Arjo's reputation.

Arjo may also wish to dispose of operations and facilities that no longer fit into the Group's strategy. In 2018, the Group divested its low-specification medical beds business Acare in order to improve profitability in the product category of medical beds. The divestment involved a production and sales unit in China, with 186 employees and sales of about SEK 80 M in 2017. There is a risk that the Group will not be able to dispose of operations or assets at all in the future, or that such disposals will not be able to take place on favourable terms. Should any of the above mentioned risks materialise, it may adversely affect Arjo's operations, future growth and results.

#### **Arjo runs the risk of being subject to claims relating to product liability, product recalls and other legal claims**

As a medical device supplier, Arjo risks being subject to claims relating to product liability, product recalls and other legal claims in the event that the use of Arjo's products cause, or is alleged to cause, personal injury or property damage. Such claims may involve substantial financial amounts and significant legal expenses, particularly in view of the far-reaching warranties and other obligations generally expected to be granted by suppliers in the industries where Arjo operates. The Group provides training and instructions for the correct use of its products, but Arjo has no control over how the products are actually used, and customers may use the products in a way that causes personal injury or property damage.

There is also a risk of defects in the Group's products, or that improper use of the products, could lead to product liability, which in turn may result in significant financial undertakings, as well as negative publicity damaging the Group's reputation. Even if a product liability claim is unsuccessful or is not pursued, the negative publicity from a product recall or a claim that Arjo's products caused personal injury or property damage could still significantly harm the Group's brand and reputation, which (as described in the risk factor "*If Arjo's reputation is impaired, this could result in the loss of sales and growth opportunities for Arjo*") would adversely affect Arjo's operations, financial position and results. Arjo carries customary indemnity and product liability insurance, but there is a risk that any protection Arjo receives through its insurance policies is limited or insufficient for reasons such as amount limits and requirements to pay deductibles.

The degree to which legal claims may affect the Group's is uncertain, and presents a highly significant risk to its operations, financial position and results.

#### **If Arjo's reputation is impaired, this could result in the loss of sales and growth opportunities for Arjo**

Arjo's reputation is important to both its new and existing customers and partners when choosing a supplier or partner within the healthcare industry. For example, quality problems, operational or logistical problems or the loss of a well-known existing customer or supplier could result in impairment of Arjo's reputation, thereby resulting in difficulties in retaining existing customers or partners or attracting new ones. Impairment to Arjo's

reputation could particularly limit Arjo's ability to win procurements from hospitals and other healthcare facilities in both the private and public sectors. Additionally, an impaired reputation, unfounded or otherwise, for one or several of Arjo's large customers or partners may have an adverse effect on Arjo's reputation. This may ultimately have an adverse effect on procurement processes, other customers' purchases of Arjo's products and the willingness of potential or existing partners to collaborate with Arjo. The Group is also exposed to the risk that its employees or other persons associated with Arjo take actions that are unethical, criminal (including but not limited to violations of applicable anti-corruption or bribery laws) or in violation of Arjo's internal guidelines and policies, which would risk impairing Arjo's reputation.

The degree to which an impaired reputation may affect Arjo is uncertain, and presents a significant risk to the Group's sales and growth opportunities.

## **Legal risks**

### **Arjo is exposed to risks relating to insufficient protection of the Group's intellectual property rights and potential claims concerning infringement of intellectual property rights**

Arjo invests in research and development (SEK 319 M during 2024, corresponding to 2,7 percent of net sales) and is continuously developing new products and technical solutions. To secure revenues from these investments, new products and technologies must be protected from unlawful use by competitors. If possible and appropriate, Arjo protects its intellectual property rights through patents, copyrights and trademark registrations. The position of the Group in many of the product areas in which it operates is based on such intellectual property rights. The Group is also dependent upon know-how and trade secrets that cannot be protected under intellectual property law. Arjo's most important intellectual property rights includes brands, patents and design protections.

There is a risk that Arjo's patents, other intellectual property assets or similar rights, may not provide Arjo with sufficient protection, or that Arjo's rights cannot be upheld. There is also a risk that new products and new technologies may circumvent or replace Arjo's intellectual property rights, or that Arjo's competitors develop equivalent know-how. Any failure to obtain, renew or adequately protect Arjo's intellectual property rights would negatively affect its competitiveness.

Additionally, a third party may, founded or unfounded, bring action for infringement of intellectual property rights or initiate legal proceedings which seek to declare Arjo's intellectual property rights invalid. If Arjo is found guilty of infringement, Arjo may be forced to enter into licensing agreements, pay damages or royalties or restrict its product or service offerings. Furthermore, there is a risk that companies in the Group may infringe, now or in the future, the intellectual property rights of third parties. Provisions are made in the Group's accounts when there is a probable and quantifiable risk of liability, but the outcome of these types of complex disputes and legal proceedings concerning infringements can be difficult to predict and may be costly and time-consuming. Since competition in the markets where Arjo is operating is increasing, there is a risk that claims for damages associated with intellectual property rights will increase.

The degree to which insufficient protection of Arjo's intellectual property rights and potential claims concerning infringement of intellectual property rights may affect Arjo is uncertain, and presents a significant risk to Arjo's operations, competitiveness, financial position and results.

### **Arjo operates in a global environment and is therefore exposed to local business risks in many countries, such as corruption and restrictions on trade**

Arjo sells products and services in more than 100 countries and has more than 6,900 employees worldwide. Hence, Arjo operates in a global environment and is therefore subject to various local business related risks. For example, misconduct, fraud, violations of applicable laws and regulations, or other improper actions by Arjo's employees, representatives or distributors could have an adverse effect on Arjo's business and reputation. Such actions could entail breaches of applicable rules concerning public procurement, confidentiality, prohibitions on bribery and other types of corruption, rules concerning remuneration of employees and other contractual costs, rules concerning lobbying or similar activities, rules concerning internal control over financial reporting, laws and regulations concerning environment, trade, competition and prevention of monopolies, and other applicable laws and regulations. Arjo has prepared internal guidelines and policies for the Issuer's employees, but there is a risk that, for example, the anti-corruption policy introduced by Arjo or other measures taken against corruption do not prevent corrupt behaviour. If Arjo were to breach applicable laws and regulations, or make any other error, the

Group could be subject to penalty fees and other sanctions under public law, as well as termination or exclusion from contracts, which could impair the Group's ability to win procurements and future contracts and result in lower revenues and profits. There is also a risk that third parties with whom Arjo is engaged act improperly, for example, by committing or attempting to commit theft, fraud or extortion against Arjo or Arjo's employees, which could have an adverse effect on Arjo's business and reputation.

Moreover, various types of trade restrictions implemented by means of laws, policies, actions, controls or other public levies in countries where Arjo is active, or countries in which Arjo may conduct operations in the future, as well as export controls and economic sanctions or other measures imposed by institutions, associations and countries, such as the UN, EU and the US, could adversely affect the Group's operations, delay or impede planned investments or in some other manner have an adverse effect on Arjo and its financial results. In addition, if Arjo, intentionally or by mistake, were to violate applicable sanction programs or other trade restrictions, there is a risk that Arjo will lose, completely or partially, its financing or face other remedies.

There is a risk that Arjo will not be able to develop, implement and maintain systems, policies and approaches to manage these risks or comply with applicable regulations in their entirety without incurring additional costs, which would adversely affect Arjo's reputation, operations, financial position and results.

**Arjo's product range, as well as its production, is subject to laws and regulations concerning, among other things, the environment and health and safety**

The healthcare market is highly regulated in all of the countries where Arjo operates, and both Arjo's product range and its production are subject to laws and regulations, including EU regulations, the US Food and Drug Administration's (the "FDA") and the Canadian governmental body Health Canada's regulatory schemes and corresponding demands of quality systems, which stipulate requirements in respect of significant evaluation, quality control and documentation of products. The procedure to obtain approval to market acute and long-term care products from authorities may be expensive and time-consuming in certain countries, and approvals may be delayed. Also, laws and regulations applicable to Arjo's production contain increasingly strict requirements for the protection of the environment and health and safety. For example, when it comes to different beds within the product range Medical beds, there is a number of various local regulations, such as regulations covering requirements for machinery, weighing equipment, and restricted substances, which affects the possibility of having a unified global product and means that the Group must devote resources to ensure compliance with specific local regulations. Another example is the product range Hygiene & Disinfection, where disinfection requirements and various national plumbing regulations affect the Bathing portfolio.

New laws or regulations may be adopted that would require manufacturers, hospitals, healthcare facilities and other players to adapt their products and care methods. Such regulations may limit the Group's sales opportunities or cause the Group's products to become obsolete or unusable. For example, the new EU regulations for medical devices (MDR) affecting Arjo's operations became applicable in May 2021 and replaced the medical devices directive (MDD) previously in force. The regulation aims, among other things, to promote patient safety and place increased demands on medical device manufacturers. Consequences of the regulation include that Arjo will have to include more detailed information on how safety and performance requirements are met in the technical documentation of its medical devices, plan for and do regular updates based on collected post market clinical data, supply its medical devices with a Unique Device Identifier (UDI) and register itself and the products it sells within the EU in a central European database (EUDAMED). Furthermore, the new regulation has a broader scope of application than the directive and products that previously were not categorised as having a medical purpose may therefore also be subject to the regulations. The implementation of new, or amendments of existing, such regulations may place additional administrative burden on Arjo and thus increase its compliance and other costs.

In addition, regulatory authorities, such as the FDA, perform regular inspections in order to monitor regulatory compliance, and if the Group does not comply with applicable laws or regulations, this could lead to regulatory sanctions such as fines, product confiscation, revocation of approval, exclusion from future procurements or other remedies. Incompliance with relevant laws and regulations may also entitle the Group's counterparties to terminate or amend contracts they have entered into with the Group. The failure to comply with relevant laws and regulations relating to Arjo's production may result in Arjo being subject to sanctions under civil and criminal law, revocation of permits, temporary or permanent closure of production facilities and claims or lawsuits by third parties.

In addition, the scope of regulations related to sustainability is increasing. As a result of new laws and regulations in the area of sustainability, the demands and expectations on Arjo are rapidly increasing. If Arjo fails to meet the

ever-increasing expectations regarding environmental, social and governance aspects, this could have a negative impact on the Group's reputation, its ability to recruit and retain personnel and risk disqualifying Arjo from participating in procurements with specific requirements. Furthermore, sustainability issues have gained an even clearer focus from Arjo's stakeholders. Investors, customers and other stakeholders are increasingly aware of sustainability-related risks in the supply chain, within their own operations and in the distribution and user chains, which is fundamental to managing and applying controls to address them. There is a transition risk linked to sustainability-related legal requirements and regulations, as well as increased focus from investors, customers and other stakeholders on Arjo's management of brand risks. These sustainability-related risks are not only associated with reputational risks but also financial and operational risks in the entire value chain.

The degree to which applicable laws and regulations and future changes to these may affect the Group is uncertain, and presents a highly significant risk to the Group's operations, financial position and results.

**Arjo's interpretation and application of existing tax regulations, tax agreements and other provisions could be incorrect, and the Group's tax position or regulations could change**

Arjo operates through companies in a large number of countries around the world. Arjo recognised tax expenses amounting to SEK 187 M during 2024, corresponding to 27 percent of profit before tax. There is a risk that Arjo's interpretation of applicable tax regulations, tax agreements and tax provisions, or of relevant authorities' interpretations and applications of such regulations, or of administrative practice, may not be entirely correct, or that such rules will be amended, possibly with retroactive effect. For example, some of the companies in the Group have been subject to a tax audit with, among other things, a main focus on the Issuer's pricing of intra-group transactions. In 2019, a tax audit was performed in the German organisation, which resulted in Arjo being forced to do minor adjustments. Transfer pricing is a central matter for Arjo since many intra-group transactions take place. Future tax audits of companies within the Group may result in pricing adjustments, deemed to be required from a transfer pricing perspective. Arjo's tax position could thus change through a decision by relevant authorities regarding this, as well as other tax matters, which would have an adverse effect on Arjo's financial position and results.

## **Financial risks**

**Arjo is exposed to credit and counterparty risks, including the risk of future impairments of accounts receivables**

Arjo is exposed to credit and counterparty risks, which includes the risk that Arjo's customers or counterparties do not fulfil their commitments against Arjo, for example their obligations regarding payment of accounts receivables due to financial difficulties. Arjo's credit and counterparty risks also include exposure to financial counterparties through its financial transactions in derivative instruments, lease transactions and other financial investments and arrangements. At December 31, 2024, the total counterparty exposure in derivative instruments was SEK 4 M.

Arjo routinely estimates its customers' solvency by requesting credit reports from credit bureaus and through continuous follow-up of credit limits, but there is a risk that these measures will not provide sufficient protection against the risk of default in payment. Accounts receivables net, after provisions for doubtful receivables, theoretically constitute the maximum exposure for the calculated risk of losses and comprised. As of December 31, 2024, accounts receivables constitutes a significant area in the Group's financial reports as they were equivalent to approximately 11 percent of the Group's total assets. The Group conducts business operations with both private and public players in a number of different regions and countries where the payment of customer invoices takes a long time after delivery to the customers. As of December 31, 2024, accounts receivables matured more than 90 days amounted to SEK 120 M, which was equivalent to approximately 6 percent of total (gross) accounts receivables as per the balance sheet date.

The valuation of these, and other matured, or yet to mature, accounts receivables, is based on management's assessment of the customer's future payment capacity. Should such assessments turn out to be incorrect, Arjo's accounts receivables risk being subject to impairments.

**Arjo is exposed to interest rate risk**

Arjo is exposed to interest rate risk, defined as the risk of changed market interest rates impacting the Group's net interest. In addition to the level of interest-bearing liabilities, the main factors affecting interest expenses are the

level of current market interest rates and the margins offered by financial institutions, as well as the Group's strategy for the duration of interest rates. At 31 December 2024, the Group's total external funding amounted to SEK 4,139 M, of which SEK 1,223 M had a fixed interest rate and the remainder a variable interest rate. Based on Arjo's external funding at December 31, 2024, a momentary change in average interest rates of +/- 1 percentage point for the currencies represented in the Group's external bank loan financing (EUR and SEK) would entail changed interest expenses of +/- SEK 28 M on an annual basis.

Changes in interest rates may also adversely affect the Group's cash flows and/or the fair value of its financial assets and liabilities.

**Exchange rate fluctuations presents a significant risk to the Group's financial position and results**

Arjo has significant exposure to exchange rate fluctuations due to its international operations and structure. This applies both in connection with payments in foreign currency (*transaction exposure*) and when translating foreign subsidiaries' balance sheets and income statements into SEK (*translation exposure*). The Group's payment flows in foreign currencies consist mainly of the income generated by export sales. The most important currencies are USD, EUR, GBP, CAD, PLN, CNY and AUD. During 2024, invoiced sales in foreign currencies amounted to approximately 99,5 percent of the Group's total invoiced sales. Moreover, as per December 31, 2024, a +/- 10 percent fluctuation of USD, EUR, GBP, CAD, PLN, CNY and AUD, respectively, would affect Arjo's net profit for the year by +/- SEK 5 M, SEK 3 M, SEK 14 M, SEK 21 M, SEK 1 M, SEK 2 M and SEK 3 M, respectively. Accordingly, exchange rate fluctuations presents a significant risk to the Group's financial position and results.

**The value of Arjo's goodwill and other intangible assets, as well as inventories, may be impaired**

As per December 31, 2024, Arjo's goodwill and other intangible assets with an indefinite useful life amounted to SEK 7,651 M, representing approximately 67 percent of Arjo's total assets. Arjo performs an annual impairment test, which is based on a high degree of judgments and assumptions regarding future cash flows, and records such impairments in the income statement as soon as there are indications that the asset in question has declined in value. Furthermore, Arjo routinely follows up on relevant circumstances (such as growth rate and discount factor, i.e. cost of capital) that affect the Group's operations and Arjo's general financial position, as well as any effect that such circumstances could have on the valuation of Arjo's goodwill and other intangible assets. Changes in relevant circumstances for any of the assumptions used by Arjo in its valuation of goodwill or other intangible assets, or any error in the annual impairment tests performed by Arjo, may in the future force Arjo to record impairments, which may have a significant adverse effect on the Group's financial position and results.

Furthermore, Arjo keeps a relatively extensive inventory of spare parts for the products, which has been built up over time. As per December 31, 2024, Arjo's inventories amounted to SEK 1,388 M in total, representing approximately 12 percent of the Group's total assets. There is an inherent risk of inventory losing value and/or becoming obsolete which risk causing the Group's inventories to become subject to impairments and thereby affecting the Group's financial position and results.

**Arjo could experience difficulties in the future in obtaining financing at reasonable terms and conditions, or at all**

In addition to Arjo's own cash flow and equity, the Group's operations are financed through loans from external lenders. As of December 31, 2024, the Group's current and non-current interest bearing liabilities totalled SEK 4,139 M. There is a risk that future financing cannot be obtained at a given time, that such financing can only be obtained at higher costs or that creditors face difficulties in fulfilling their financing commitments (i.e. refinancing risk). The Group's refinancing risk is accentuated should the existing credit facilities mature for early payment, in full or in part, by reason of, among other things, non-payment of amounts due, non-compliance with financial covenants, terminations of the Group's other financing agreement (cross default) and the insolvency of Arjo or some of Arjo's subsidiaries.

Hence, Arjo's financing and, in turn, its development and launch of new products and entry into new markets may be delayed or subject to unforeseen or higher costs due to factors within or beyond the Group's control. If such circumstances occur, this could mean that projects cannot be completed before the loans become due, that such higher costs are not covered by existing credit facilities, and that cash flow is adversely affected, resulting in an increased need of external financing. If the Group would be unable to obtain financing for acquisitions, development and production, extension, expansion or refinancing of existing financing, or if it would only be able

to obtain such financing on unfavourable terms, this would adversely affect the Group's growth, market position, operations, financial position and results.

**Costs related to pension benefit plans may increase, which would risk having an adverse effect on Arjo's operations, financial position and results**

Arjo has both contribution-based and benefit-based pension plans. The Group's benefit-based plans are either unfunded or funded by an external party. Allocations in the balance sheet for benefit-based plans are constituted of the current value of the benefit-based obligations with deductions for any plan assets. For funded plans, the plans' assets are separated into externally managed funds. For the benefit-based plans, the pension is based on the salary of the employee as well as the number of years in employment. Pension commitments in the Swedish ITP plans are funded through insurance premiums to Alecta. In accordance with current accounting rules, benefit-based plans that encompasses several employers are reported as contribution-based plans. Arjo also has unfunded benefit-based plans in Sweden (FPG/PRI debt) for which there are no equivalent plan assets. Moreover there are benefit-based plans (for previous employees in management positions) that are secured through an endowment insurance. As of December 31, 2024 Arjo's benefit-based pension commitments amounted to SEK 1,623 M, whereof SEK 1,540 M was attributable to the UK. The Group's net provision in the balance sheet amounted to SEK 193 M (after deducting the fair value of plan assets of SEK 1,816 M).

Arjo is exposed to various risks related to the benefit-based plans, which are not insured on a collective basis, including the risk that the costs for the promised payments will be higher than estimated, the risk of actual investment returns being less than assumed rates of return and the risk of results deviating from actuarial assumptions for areas such as life expectancy of plan participants, inflation and future salary adjustments. Arjo insures parts of the risks related to benefit-based pension plans in certain countries but there is a risk that Arjo's costs for insuring obligations related to benefit-based plans will increase due to the reasons mentioned above or to other reasons. All of these risks, if materialised, may have an adverse effect on Arjo's financial position and results.

**Risks relating to the MTN**

**The MTN are structurally subordinated to the claims of creditors of the Group Companies**

The Issuer is dependent on other Group Companies to make payments under the MTNs. Therefore, in order for the Issuer to be able to meet its payment obligations under the MTNs, it is necessary for the Group Companies to be able to provide loans or pay dividends to the Issuer. The bankruptcy, liquidation or reorganisation of a Group Company could thus have an adverse effect on the financial position of the Issuer. The Group Companies are legally independent entities that will not guarantee payment obligations under the MTNs. As the Group Companies will have liabilities to other creditors, which may be secured, the Issuer (as a direct or indirect shareholder of the Group Companies) will only be entitled to payment of any remaining funds in the event of the Group Company's bankruptcy. In the event of the Issuer's bankruptcy, its secured creditors will be entitled to payment from the collateral prior to the Noteholders.

Hence, there is a risk that a Noteholder may lose part of or its entire investment in the MTN, should Arjo, or any other Group Company, experience difficulties with meeting its financial obligations due to insolvency, bankruptcy, liquidation, reorganisation, dissolution or winding up of the business.

**Credit risk**

An investor in MTNs issued by the Issuer bears a credit risk towards Arjo. The investor's ability to receive payment under the MTNs is therefore dependent on the Issuer's ability to meet its payment obligations, which in turn is largely dependent on the development of the Issuer's business and its ongoing financial position. If the Issuer's financial position deteriorates, it is likely that the credit risk associated with the MTNs will increase as there would be an increased risk that the Issuer would not be able to meet its obligations under such MTNs. Increased credit risk could adversely affect the value of the MTNs. Another aspect of credit risk is that a deterioration in the Issuer's financial condition may result in a lower credit rating, which may affect the Issuer's ability to refinance the MTNs and other existing debt, which in turn may affect the Issuer's operations and financial condition.

**Arjo may provide collateral for other debt**

Arjo's financing needs are covered by various syndicated and bilateral loan agreements in addition to the MTNs. Furthermore, Arjo is not prevented by the General Terms and Conditions from raising additional debt or providing

security for other debt (with the exception that the Issuer may not secure Market Loans). There is therefore a risk for Noteholders holding MTNs that the Issuer will provide security for debt, which means that additional creditors will be added whose right to payment may take precedence over the Noteholders' claims in the event of the Issuer's insolvency, as the Noteholders have no security over the Issuer's assets. Therefore, in the event of Arjo's liquidation, reorganisation or bankruptcy, Noteholders will be unsecured creditors and there is a risk that there may not be sufficient funds to repay the Noteholders.

#### **Risks relating to the secondary market**

There is normally no significant real time trading in MTN on a Regulated Market on which the MTNs may be admitted to trading. Trading conducted in MTN is normally conducted outside the trading venue through so-called Over-The-Counter (OTC) trading. This can apply throughout its duration, and there is therefore a risk that a functioning secondary market for MTN will not arise or persist. If a secondary market for MTN does not develop, liquidity may be low. As a result, rapidly selling an MTN or obtaining a price may be associated with difficulties compared to similar investment that have a liquid secondary market. In addition, the transparency of the bond market, primarily the OTC transactions, is called into question, as it is mainly based on the financial institutions involved in OTC trading reporting this correctly. The SFSA has in a 2019 supervisory report, FI Supervision No. 15 – New rules resulted in reduced transparency on the Swedish Bond markets, noted that information about transactions on the bond market is sometimes so difficult to find that it can be uncertain as to whether this is because it has never been published or whether it is simply very difficult to access, which is contributing to the low level of transparency. For Noteholders, there is consequently a risk that the secondary market will not give an accurate picture of the market value of the MTN.

#### **Risks relating to interest rate constructions**

MTN with a fixed interest rate bear interest at a fixed rate until the Maturity Date for such MTN. The value of such MTN is highly influenced by the market interest rate level. As the market interest rate level changes, the value of the MTN with a fixed interest rate typically changes in the opposite direction, i.e. if the market interest rate level increases, the market value of such MTN falls and if the general interest rate level falls, the market value of such MTN increases. Since the price of MTN is adversely affected by changes in the market interest rate level, there is a risk that Noteholders may lose all or a significant part of their investment in such MTN.

MTN with a floating interest rate bear interest with a floating rate until the Maturity Date for such MTN. A decrease in the general interest rate level generally means that the return of MTN bearing floating interest rate may decrease. Investments in MTN with floating interest can be subject to fast and substantial interest rate variations. There is a risk that the Base Rate decreases during the term of the MTN, whereby the Interest Rate will decrease or even be zero. Such a decrease of the Interest Rate presents a significant risk to the return on a Noteholder's investment.

MTN with zero coupon bears no interest and may be issued at a discount, par or premium. The price is normally determined by the market interest rate level. When there is a positive market interest rate, the MTN with zero coupon are normally issued at a discount. The market value of such MTN may be adversely affected by changes in the market interest rate level. If the market interest rate level increases in relation to the level at the issue date, the market value of zero coupon MTN will typically decrease. Hence, there is a risk that changes in the market interest rate will result in Noteholders losing all or a significant part of their investment in such MTN. MTN issued at a discount or premium tend to fluctuate more as a result of a change in the market interest rate than MTN issued at par.

#### **Risks relating to the regulation and reform of benchmarks, including STIBOR and EURIBOR**

In order to ensure the reliability of reference rates, legislative action at EU level has been taken. Hence, the Regulation (EU) no 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**") which regulates the provision of reference values, reporting of data bases for reference values and use of reference values within the EU. There is a risk that the Benchmark Regulation may affect how certain reference rates are calculated. These reforms may cause STIBOR and/or EURIBOR to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. If this would be the case for STIBOR or EURIBOR, and e.g. the relevant fallback solution evident from the General Terms and Conditions should not work properly or negatively for either or both of Arjo or the Noteholders, this may lead to difficulties with determination and calculating interest which in turn risks leading to costly and time consuming discussions

(and maybe even disputes) in respect of the matter, which in each case risks having an adverse effect on Arjo and/or the Noteholders.

**Credit rating of MTN may not reflect all risks**

One or more credit rating agencies may rate Loans issued under the Programme, which will be specified in the Final Terms. There is a risk that such a rating has not factored in all the risks associated with investment in the Loan. A credit rating is therefore not a recommendation to buy, sell or hold securities, and can be changed or revoked by the credit rating agencies at any time. Credit ratings that Arjo has been awarded may differ from the credit rating obtained for a Loan, which is why an investor cannot rely exclusively on the credit rating provided. In the event a credit rating is provided for the MTN in the Final Terms, a deterioration in the Group's creditworthiness may have a negative impact on the credit rating awarded for the MTN, while a poorer credit rating from a credit rating agency may adversely affect the value of the MTN.

**Early redemption of the MTN**

Under the Final Terms for a Loan, the Issuer may have the option to redeem all, but not some only, of the outstanding MTN under a Loan in full prior to the stated Maturity Date. There is a risk that Noteholders may not be able to reinvest the amount received upon redemption at a rate that will provide the same rate of return as their investments in the MTN.

## GENERAL TERMS AND CONDITIONS

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The following general terms and conditions (the “**General Terms and Conditions**”) shall apply to loans that Arjo AB (publ) (Swedish Reg. No. 559092-8064) (the “**Issuer**”) issues on the capital market under an agreement that has been entered into on 14 May 2025 between the Issuer, Danske Bank A/S, Danmark, Sverige filial and Skandinaviska Enskilda Banken AB (publ) regarding the MTN programme (the “**MTN Programme**”) by issuing notes in SEK or EUR with varying maturities, although not less than one (1) year, known as Medium Term Notes.

### 1. DEFINITIONS AND CONSTRUCTION

#### 1.1 Definitions

In addition to the definitions set out above, the following terms will have the meaning set out below.

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator (*kontoförande institut*) pursuant to the Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) and through which a Noteholder has opened a Securities Account in respect of its MTN.

“**Adjusted Loan Amount**” means the Loan Amount less the amount of MTN owned by the Issuer, or a Group Company, regardless of whether such Group Company is directly registered as the owner of such MTN or not.

“**Administrative Agent**” means:

- (a) if a Loan has been issued through two or more Issuing Agents, the Issuing Agent designated by the Issuer as being responsible for certain administrative tasks relating to the Loan according to the Final Terms; and
- (b) if a Loan has been issued through only one Issuing Agent, the Issuing Agent for that Loan.

“**Arranger**” means Danske Bank A/S, Danmark, Sverige filial or any Dealer replacing it as Arranger.

“**Base Rate**” means, with respect to Loans with Floating Rate, the base rate STIBOR or EURIBOR as specified in the Final Terms for such Loans or any reference rate replacing STIBOR or EURIBOR in accordance with Section 14 (*Replacement of Base Rate*).

“**Business Day**” means a day that is not a Sunday or other public holiday in Sweden or that, in respect of the payment of promissory notes, is not equated with a public holiday in Sweden. Saturdays, Midsummer’s Eve (*midsommarafton*), Christmas Eve (*julafton*) and New Year’s Eve (*nyårsafton*) will be considered to be equated to public holidays for this definition.

“**Currency**” has the meaning set out in the Final Terms.

“**Day Count Convention**” means, when calculating an amount for a particular calculation period, the calculation method specified in the Final Terms.

- (a) If the calculation method “**30/360**” is specified as applicable, the amount must be calculated for a year with 360 days, consisting of twelve months each of 30 days, and during the broken month the actual number of days that have elapsed in the month;
- (b) if the calculation method “**Actual/360**” is specified as applicable, the amount must be calculated using the actual number of days in the relevant period divided by 360; or
- (c) any other method of calculation as is applied for the relevant Base Rate.

“**Dealers**” means Danske Bank A/S, Danmark, Sverige filial and Skandinaviska Enskilda Banken AB (publ) as well as any other dealer (*emissionsinstitut*) that has been specifically authorised by Euroclear

Sweden to handle and register issues in the VPC system, and which accedes to this MTN Programme, although only provided such institution has not ceased to act as a dealer.

“**Debt Register**” means the register (*skuldbok*) kept by Euroclear Sweden in respect of MTN in which a Noteholder is registered.

“**EURIBOR**” means:

- (a) the interest rate as displayed as of or around 11.00 a.m. on the relevant day on page EURIBOR01 of the LSEG’s screen (or through such other system or on such other page as replacing the said system or page) for EUR for a period comparable to the relevant Interest Period; or
- (b) if no such interest rate is available for the relevant Interest Period as described in paragraph (a), the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by the European Reference Banks for deposits of EUR 10,000,000 for the relevant Interest Period; or
- (c) if no interest rate as described in paragraph (a) and (b) is available, the interest rate which, according to the reasonable assessment of the Administrative Agent, best reflects the interest rate for deposits in EUR offered for the relevant Interest Period.

“**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.

“**Euroclear Sweden**” means Euroclear Sweden AB (Swedish Corporate ID. no. 556112-8074).

“**European Reference Banks**” means four major commercial banks which, at the current time, are quoting EURIBOR and are appointed by the Administrative Agent.

“**Final Terms**” means the Final Terms established for a particular Loan under this MTN Programme in accordance with the form of Final Terms under the section “*Form of Final Terms*” below (with the additions and amendments that may be made from time to time).

“**Group**” means the corporate group in which the Issuer is the parent company (the terms group and parent company refer to that which is specified in the Swedish Companies Act (*Aktiebolagslagen (2005:551)*) as amended from time to time).

“**Group Company**” means any legal entity that, from time to time, forms part of the Group.

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

“**Interest Commencement Date**” means, according to the Final Terms, the date from which interest (where applicable) begins to accrue.

“**Issuing Agent**” means, according to the Final Terms, the Dealer(s) under this MTN Programme through which a particular Loan has been carried out.

“**Loan**” means any loan from a particular series, encompassing one or more MTN with the same ISIN code, which the Issuer issues under this MTN Programme.

“**Loan Amount**” means the aggregate outstanding Nominal Amount of MTN in respect of a particular Loan, although less any repaid amount.

“**Loan Date**” means the date specified as such in the Final Terms.

“**Loan Terms and Conditions**” means for a particular Loan, these General Terms and Conditions as well as the Final Terms for said Loan.

“**Market Loans**” means certificates, commercial papers, bonds, notes or other debt securities (however defined and including loans under this MTN Programme or other market loan programmes), which are sold, brokered or invested in an organised form and which are or may be traded on a Regulated Market.

“**Material Group Companies**” means the Issuer and each Group Company whose total assets (calculated on an unconsolidated basis and excluding intra-Group items) or sales (calculated on an unconsolidated basis) exceed five (5) per cent of the total assets or consolidated sales of the Group (as applicable)(to be determined by reference to the latest annual financial statements of each Group Company and the consolidated annual statements of the Group).

“**Maturity Date**” means, according to the Final Terms, the date on which an MTN is to be repaid.

“**MTN**” means an unilateral debt obligation regarding a Nominal Amount that has been registered in accordance with the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*), and which forms part of a Loan issued by the Issuer under this MTN Programme.

“**Nominal Amount**” means the amount for each MTN specified in the Final Terms in respect of a Loan.

“**Noteholder**” means the party listed on the Securities Account as the directly registered owner (*direktregistrerad ägare*) or nominee (*förvaltare*) of an MTN.

“**Noteholders’ Meeting**” means a meeting with the Noteholders in accordance with Section 13 (*Noteholders’ Meeting*).

“**Record Date**” means the fifth Business Day prior to (or another Business Day prior to the relevant date that is market practice on the Swedish bond market) (i) the due date for interest or the principal under the Loan Terms and Conditions, (ii) another date on which payment is to be made to Noteholders, (iii) the date of the Noteholders’ Meeting, (iv) the date on which the notification is dispatched, or (v) another relevant date.

“**Reference Banks**” means the Dealers appointed under this MTN Programme or if none, or only one of the Dealers provide a quotation for STIBOR, such replacement banks which, at the relevant time, provide a quotation for STIBOR and which are designated by the Administrative Agent.

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

“**Securities Account**” means the account for dematerialised securities (*avstämningsregister*) maintained by the Euroclear Sweden pursuant to the Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) in which (i) an owner of such security is directly registered as the owner of securities or (ii) an owner’s holding of securities is registered in the name of a nominee.

“**Settlement Date**” means the date on which, according to the Final Terms, the issue proceeds for MTN are to be paid.

“**Significant Shareholder**” means Mr Carl Bennet, together with:

- (a) any person (other than an individual) directly or indirectly controlled by Mr Carl Bennet; and

- (b) any spouse, child, parent, brother or sister of Mr Carl Bennet.

“**STIBOR**” means:

- (a) the interest rate administered, calculated and distributed by the Swedish Financial Benchmark Facility AB (or the replacing administrator or calculation agent) for the relevant day and published on the information system LSEG’s page “STIBOR=” (or through such other system or on such other page as replaces the said system or page) for SEK for a period comparable to the relevant Interest Period; or
- (b) if no such interest rate is available for the relevant Interest Period as described in paragraph (a), the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by the Reference Banks for deposits of SEK 100,000,000 for the relevant Interest Period; or
- (c) if no such interest rate as described in paragraph (a) and (b) is available, the interest rate which, according to the reasonable estimate of the Administrative Agent, best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant Interest Period.

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

- 1.2 Additional definitions, such as Interest Rate Structure, Interest Rate, Base Rate Margin, Interest Determination Date, Interest Payment Date(s), Interest Period and Currency can be found (where applicable) in the Final Terms.
- 1.3 When calculating whether a limit or threshold described in Swedish Kronor has been reached or exceeded, an amount in another currency shall be calculated on the basis of the exchange rate that applied on the Business Day immediately prior to the relevant time and that is published on LSEG’s website “SEKFIX=” (or through such other system or on such other website that replaces said system or website respectively) or, if no such exchange rate is published, the exchange rate for such currency against Swedish Kronor the mentioned date as published by the Swedish Central Bank (*Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)).

## 2. **ISSUANCE OF LOANS**

- 2.1 Under this MTN Programme, the Issuer may issue MTN in Swedish Kronor or Euros with a maturity of at least one year. Under a Loan, MTN may be issued in multiple tranches without the approval of any Noteholder under the relevant Loan, provided that the terms of such tranches are identical with the exception of Loan Date, Loan Amount, price per MTN and Issuing Agent.
- 2.2 By subscribing for MTN, each initial Noteholder accepts that its MTN will have the rights and be subject to the terms and conditions arising from the Loan Terms and Conditions. By acquiring MTN, each new Noteholder confirms such acceptance.
- 2.3 The Issuer undertakes to make payments in respect of issued MTN, as well as to comply in other respects with the Loan Terms and Conditions for the Loans issued under this MTN Programme.
- 2.4 If the Issuer wishes to issue MTN under this MTN Programme, the Issuer must enter into a separate agreement for this purpose with one or more Dealers, which will be the Issuing Agent(s) for said Loan.
- 2.5 Final Terms shall be established in relation to each particular Loan which together with these General Terms and Conditions shall constitute the complete Loan Terms and Conditions.

### **3. REGISTRATION OF MTN**

- 3.1 MTN will be registered in a Securities Account on behalf of Noteholders, and accordingly no physical securities will be issued. Any request for a particular registration measure in respect of MTN must be addressed to the Account Operator.
- 3.2 Anyone who, due to mandates, pledges, the provisions in the Children and Parents Code (*föräldrabalken*), terms and conditions in wills or deeds of gift, or otherwise has acquired the entitlement to receive payment under an MTN, must have their right to receive payment registered with Euroclear Sweden in order to receive such payment.
- 3.3 The Administrative Agent is entitled to receive information from Euroclear Sweden regarding the content of its Debt Register for MTN, in order to fulfil its duties in accordance with Section 12 (*Termination of loans*) and Section 13 (*Noteholders' Meeting*). Administrative Agents will not be responsible for the content of such extracts or otherwise be responsible for determining who is the Noteholder.

### **4. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER**

- 4.1 Any person other than a Noteholder wishing to exercise the Noteholder's rights under the Loan Terms and Conditions or vote at a Noteholders' Meeting must present a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proof of authorisation starting with the Noteholder and authorising such person.
- 4.2 A Noteholder, or another party exercising the Noteholder's rights pursuant to Section 4.1 above, may authorise one or more parties to represent the Noteholder in respect of some or all MTN held by the Noteholder. Any such authorised party must act independently.
- 4.3 The Administrative Agent shall only have to examine the face of a power or attorney or other proof of authority that has been provided to it pursuant to Section 4.1 above and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise appears from its face or if the Administrative Agent has actual knowledge to the contrary.
- 4.4 These General Terms and Conditions shall not affect the relationship between a Noteholder who is the nominee (*förvaltare*) with respect to an MTN and the owner of such MTN, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

### **5. PAYMENTS**

- 5.1 Payment in respect of MTN issued in Swedish Kronor must be made in Swedish Kronor, while payment in respect of MTN issued in Euros must be made in Euros.
- 5.2 A Loan falls due on its specified Maturity Date. Interest accruing on MTN shall be paid on each Interest Payment Date in accordance with the Final Terms for that Loan. Subject to Section 9, each MTN shall be repaid on its specified Maturity Date in the amount specified in the Final Terms together with any accrued but unpaid interest.
- 5.3 Payments in respect of MTN must be made to the person who is registered as the Noteholder on the Record Date prior to the relevant due date, or to another person who is registered with Euroclear Sweden who is entitled to receive such payment.
- 5.4 If the Noteholder, through an Account Operator, has registered that the capital amount and interest are to be deposited in a particular bank account, this deposit will be made through Euroclear Sweden on the respective due date.

- 5.5 In the event Euroclear Sweden, due to a delay on the part of the Issuer or due to some other obstacle, should not be able to pay an amount as previously stated, the Issuer must ensure that the amount is paid as soon as the obstacle has ceased to exist.
- 5.6 If the Issuer is unable to fulfil its payment obligation through Euroclear Sweden due to an obstacle affecting Euroclear Sweden, the Issuer will be entitled to defer the payment obligation until the obstacle has ceased to exist. In such a case, interest will be payable in accordance with Section 7.2.
- 5.7 If payment or repayment is made in accordance with this Section 5, the Issuer and Euroclear Sweden shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount, unless the Issuer or Euroclear Sweden (as applicable) was aware of that the payment was being made to a person not entitled to receive such amount.

## 6. INTEREST

- 6.1 Interest on a particular Loan is calculated and payable (where applicable) in accordance with the Loan Terms and Conditions.

- 6.2 In the Final Terms, the relevant Interest Rate Structure will be specified according to one of the following options or in a combination thereof:

(a) Fixed Rate

If the Loan is specified as a Loan with Fixed Rate, the Loan will bear interest at the Interest Rate from, but excluding, the Interest Commencement Date up to and including the Maturity Date.

Interest that has accrued during an Interest Period is paid in arrears on the respective Interest Payment Date and is calculated according to the Day Count Convention method set out in the Final Terms.

(b) Floating Rate (FRN)

If a Loan denominated in SEK or EUR is specified as a Loan with Floating Rate, the Loan will bear interest at the Interest Rate from, but excluding, the Loan Date up to and including the Maturity Date. The interest rate for the relevant Interest Period shall be calculated by the Administrative Agent on the respective Interest Determination Date, and is the sum of the Base Rate and the Margin for the relevant period, adjusted for the application of Section 14 (*Replacement of Base Rate*). If the calculation of the interest rate entails a value lower than zero, the interest rate will be considered to be zero.

If the interest rate cannot be determined on the Interest Determination Date due to an obstacle as referred to in Section 18.1, the Loan will continue to run at the interest rate that applied to the immediately preceding Interest Period. As soon as the obstacle has ceased to exist, the Administrative Agent will calculate a new interest rate, which will apply from the second Business Day after the date of the estimate up until the end of the current Interest Period.

Interest is paid in arrears on each relevant Interest Payment Date and is calculated according to the Day Count Convention for MTN in SEK and EUR for the relevant Interest Period, or by using such other method of calculation as is applied for the relevant Base Rate.

(c) Zero Coupon

If the Loan is specified as a Zero Coupon it bears no interest. Loans with Zero Coupon may be issued at a discount, par or premium.

- 6.3 Interest (where applicable) is paid on the relevant Interest Payment Date.
- 6.4 If the Interest Payment Date for Fixed Rate Loans falls on a non-Business Day, interest will not be paid until the following Business Day (an Interest Period shall however not be adjusted). However, interest is only calculated and payable up to and including the Interest Payment Date.
- 6.5 If the Interest Payment Date for Loans with Floating Rate falls on a non-Business Day, the Interest Payment Date will instead be considered to be the nearest subsequent Business Day, provided that said Business Day does not fall in a new calendar month, in which case the Interest Payment Date will be considered to be the preceding Business Day.

## **7. DEFAULT INTEREST**

- 7.1 In the event of any default in payment, default interest shall be payable on the overdue amount from its due date up to and including the date on which payment is made at a rate corresponding to the average of one week STIBOR for MTN denominated in SEK and one week EURIBOR for MTN denominated in EUR for the duration of the delay, plus two (2) percentage points in each case. For this purpose, STIBOR and EURIBOR shall be determined on the first Business Day in each calendar week for the duration of the period of default. Default interest in accordance with this Section 7.1 for interest-bearing Loans shall never be paid at an interest rate lower than the interest rate applicable to the relevant Loan on its relevant due date plus two (2) percentage points. Default interest shall not be capitalised.
- 7.2 If the default in payment is due to an impediment affecting a Dealer or Euroclear Sweden, default interest shall accrue at a rate corresponding to:
- (a) for interest-bearing Loans, the interest rate applicable to the relevant Loan on its relevant due date.
  - (b) for Zero Coupon Loans, the average of one week STIBOR or EURIBOR respectively for the duration of the delay (whereby STIBOR and EURIBOR shall be determined on the first Business Day of each calendar week for the duration of the period of default).

## **8. REPAYMENT AND REPURCHASE**

- 8.1 Loans fall due for payment on the Maturity Date, with the amount per MTN that is specified in the Final Terms along with accrued interest (if any). If the Maturity Date falls on a day that is not a Business Day, however, the Loan is repaid on the following Business Day.
- 8.2 The Issuer may, by agreement with the relevant Noteholder(s), repurchase MTN at any time and at any price in the open market or otherwise provided this is in compliance with applicable law. MTN that are owned by the Issuer may, according to the Issuer's own decision, be retained, transferred or cancelled.

## **9. VOLUNTARY EARLY REDEMPTION OF MTN**

- 9.1 The Final Terms for a Loan may specify a right for the Issuer to redeem all, but not some only, of the outstanding MTN under that Loan in full on any Business Day prior to the Maturity Date for such Loan. If MTN are redeemed pursuant to this Section 9.1 such MTN shall be redeemed at the time and to the price specified in such Final Terms together with any accrued but unpaid interest.
- 9.2 Redemption in accordance with Section 9.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Administrative Agent, in each case calculated from the effective date of the notice. Any such notice shall state the date on which the MTN of that Loan are to be redeemed, the relevant Record Date and the redemption price and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior

to the Record Date. Upon fulfilment of the conditions precedent(s) (if any), the Issuer shall redeem the MTN in full at the applicable amounts on the date on which the MTN are to be redeemed or repurchased as specified in the above notice.

## **10. REPURCHASE IN CASE OF CHANGE OF CONTROL OR DE-LISTING**

10.1 Each Noteholder is entitled to demand repurchase of all, or some, of the MTN held by the Noteholder if:

- (a) the shares in the Issuer cease to be listed on Nasdaq Stockholm; or
- (b) any person (other than the Significant Shareholder) or group of persons (not including the Significant Shareholder) acting in concert, gains control, directly or indirectly, of the Issuer.

For the purpose of paragraph (b) above “*control*” means the power to direct the management of the Issuer through the control of shares representing more than fifty (50) per cent. of the share capital or the voting power in relation to the shares of the Issuer. For the purpose of paragraph (b) above “*acting in concert*” means acting together pursuant to an agreement or understanding (whether formal or informal).

10.2 It is the responsibility of the Issuer, as soon as the Issuer becomes aware of a change of ownership as described in Section 10.1, to notify the Noteholders of this through a press release, on the Issuer’s website and in accordance with Section 17 (*Notices*). The notification must include instructions regarding how a Noteholder that wishes to have MTN repurchased should act, as well as specifying the repurchase date.

10.3 The repurchase date will fall at the earliest twenty (20) and at the latest forty (40) Business Days after the notification of the change of ownership has been sent to Noteholders in accordance with Section 10.2. However, in the event the repurchase date is not a Business Day, the repurchase date shall be deemed to be the Business Day immediately following.

10.4 Where a right to repurchase exists, the Issuer shall, upon demand by a Noteholder, repurchase the relevant MTN on the repurchase date at the price per MTN that would have been repaid on the Maturity Date, together with accrued interest (if any). For MTN with Zero Coupon, an amount per MTN calculated in accordance with Section 12.5 shall be paid instead.

10.5 Notices from Noteholders regarding demands for repurchase of MTN shall be drafted in accordance with the instructions set forth in the notice provided to the Noteholders in accordance with Section 10.2. The notice from the Noteholder must be received by the Issuer at least ten (10) Business Days before repurchase date.

## **11. UNDERTAKINGS**

As long as an MTN is outstanding, the Issuer undertakes the following.

### **11.1 Status of the Loan**

The Issuer shall ensure that its payment obligations under the Loans rank at least *pari passu* with its other unsubordinated and unsecured payment obligations, save for such obligations as may be preferred by provisions of mandatory law.

### **11.2 Nature of business and assets**

The Issuer undertakes not to (i) materially change the nature of the Group’s operations and business, or (ii) sell or otherwise dispose of any asset for the Group, in each case where such a change of nature of the Group’s operations and business or sale or disposition has material adverse effect on the Issuer’s ability to fulfil its payment obligations towards the Noteholders.

### 11.3 **Security for other Market Loans**

The Issuer shall:

- (a) not itself provide security or permit another party to provide security – either in the form of a guarantee or similar undertaking – for other Market Loans which have been issued or may be issued by the Issuer;
- (b) not itself provide security for other Market Loans, which have been issued or which may be issued by another party than the Issuer other than in the form of guarantees which, in turn, may not be secured; and
- (c) ensure that Group Companies (other than the Issuer), if issuing Market Loans, complies with the provisions in (a) and (b) above, whereby the same is to apply to the Group Companies as applies to the Issuer (taking into account that the Group Companies are permitted to accept such guarantees as the Issuer is permitted to provide pursuant to the provisions in (b) above).

### 11.4 **Admission to trading on a Regulated Market**

The Issuer undertakes to apply for admission on the relevant Regulated Market for Loans which according to the Final Terms must be admitted to trading on a Regulated Market, and to take any measures that may be required to maintain the admission as long as the relevant Loan is outstanding, however, not longer than as permitted under applicable laws and regulations.

### 11.5 **Availability of Loan Terms and Conditions**

The Issuer undertakes to ensure that the current version of these General Terms and Conditions, as well as the Final Terms for all outstanding Loans that have been admitted to trading on a Regulated Market, are kept available on the Issuer's website.

## 12. **TERMINATION OF LOANS**

12.1 The Administrative Agent shall declare in writing a relevant Loan, together with accrued interest (if any), immediately due and payable, or payable at such time as the Administrative Agent or the Noteholders' Meeting (as applicable) decides, upon the occurrence of any circumstance stated in Section 12.2 and if:

- (a) so decided by the Noteholders under a Loan at the Noteholders' Meeting; or
- (b) so requested in writing by Noteholders who, at the time of the request, represent not less than ten (10) per cent. of the Adjusted Loan Amount under the relevant Loan.

A request for termination may only be made by Noteholders who are registered in the Debt Register maintained by Euroclear Sweden on the Business Day immediately following the date on which the request was received by the Administrative Agent, and must be made jointly if it is submitted by several Noteholders each representing less than ten (10) per cent. of the Adjusted Loan Amount under the relevant Loan.

12.2 Loans may only be declared due and payable in accordance with Section 12.1 provided that:

- (a) ***Non-Payment***

The Issuer fails to make timely payment of principal or interest due in respect of any Loan under this MTN Programme, unless the delay:

- (i) is a consequence of a technical or administrative error; and
- (ii) does not last for longer than three (3) Business Days.

(b) ***Other obligations***

The Issuer, in any respect other than that set out in paragraph (a) above, does not comply with its obligations under the Loan Terms and Conditions in respect of the relevant Loan, provided that:

- (i) the non-compliance is capable of remedy; and
- (ii) the Issuer has received a written request from the Administrative Agent to remedy the non-compliance and it has not been remedied within fifteen (15) Business Days.

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

Any financial indebtedness of the Issuer or any Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that Loans may only be declared due and payable under this paragraph (c) if the aggregate amount of financial indebtedness referred to herein is at least EUR 10,000,000 or its equivalent.

(d) ***Insolvency***

Any of the Issuer or a Material Group Company is, or is deemed for the purposes of any applicable regulation to be, Insolvent.

(e) ***Insolvency proceedings***

Any corporate action, legal proceedings or other procedure or step other than vexatious or frivolous and as disputed in good faith and discharged within thirty (30) Business Days is taken in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) of the Issuer or a Material Group Company;
- (ii) a composition, compromise, assignment or arrangement with creditors of the Issuer or a Material Group Company generally;
- (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of a Material Group Company), administrator or other similar officer in respect of the Issuer or a Material Group Company or any of their respective assets; or
- (iv) any step analogous to paragraphs (i)-(iii) above is taken in any jurisdiction in relation to the Issuer or a Material Group Company.

(f) ***Creditors' process***

Any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer or a Material Group Company having a value of not less than EUR 10,000,000 or its equivalent and which is not discharged within thirty (30) Business Days.

(g) ***Merger***

The Issuer is subject to a merger with any other person, with the effect that the Issuer is not the surviving entity.

- 12.3 The Administrative Agent may not declare a relevant Loan along with interest (if any) as due for payment pursuant to Section 12.2 by referring to grounds for termination, if a Noteholders' Meeting has resolved that such grounds for termination (temporarily or permanently) will not result in termination pursuant to Section 12.2.
- 12.4 It is the responsibility of the Issuer to notify the Dealers and the Noteholders immediately in accordance with Section 17 (*Notices*) in the event grounds for termination as set out in Section 12.2 should occur. In the absence of such notification, neither the Administrative Agent nor the Dealers, regardless of their actual knowledge, shall be deemed to be aware of grounds for termination. Neither the Administrative Agent nor the Dealers are themselves obliged to monitor whether the conditions for termination according to Section 12.2 exist.
- 12.5 In the case of the repayment of Loans after termination pursuant to Section 12.1:
- (a) interest bearing Loans will be repaid at an amount per MTN that, together with accrued interest, would have been repaid on the final Maturity Date; and
  - (b) non-interest-bearing Loans shall be redeemed at an amount per MTN determined by the following formula as per the date of acceleration of the Loan:

Nominal Amount

$$(1 + r)t$$

r = the ask rate quoted by the Administrative Agent for Swedish government bonds with an outstanding term to maturity corresponding to the remaining term of the relevant Loan. In the absence of such ask rate, the bid rate shall be used instead, as reduced by a market bid/ask spread, expressed in percentage points. The calculation shall be based on the closing quotation.

t = the remaining term for the relevant Loan, expressed in the Day Count Convention Actual/360.

### **13. NOTEHOLDERS' MEETING**

- 13.1 The Administrative Agent may and must, at the request of the Issuer or Noteholders who, at the time of the request, represent at least one tenth of the Adjusted Loan Amount under a particular Loan (said request may only be submitted by Noteholders who are registered in the Debt Register for MTN maintained by Euroclear Sweden on the Business Day immediately following the date on which the request was received by the Administrative Agent, and must be made jointly if it is submitted by several Noteholders each representing less than one tenth of the Adjusted Loan Amount), convene a Noteholders' Meeting for the Noteholders under the relevant Loan.
- 13.2 The Administrative Agent must convene a Noteholders' Meeting by sending notification of this to each Noteholder and the Issuer within five (5) Business Days after receiving a request from the Issuer or Noteholders pursuant to Section 13.1 (or such later date as required for technical or administrative reasons). The Administrative Agent must notify the Issuing Agent without delay and in writing about the abovementioned notification.
- 13.3 The Administrative Agent may refrain from convening a Noteholders' Meeting if (i) the proposed decision must be approved by a person in addition to the Noteholders and this person has notified the Administrative Agent that such approval will not be given, or (ii) the proposed decision is not compatible with applicable law.
- 13.4 The convening notification referred to in Section 13.2 must include (i) the time of the meeting, (ii) the venue for the meeting, (iii) the agenda for the meeting (including any request for a decision from the Noteholders), and (iv) a proxy form. Only matters that have been included in the convening notification may be decided at the Noteholders' Meeting. If it is necessary for Noteholders to notify

- their intention to attend the Noteholders' Meeting, this requirement must be specified in the convening notification.
- 13.5 The Noteholders' Meeting must be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days after the notification. Noteholders' Meetings for multiple loans under the MTN Programme can be held at the same time.
- 13.6 Without deviating from the provisions in these General Terms and Conditions, the Administrative Agent may prescribe such additional provisions regarding the notification and the implementation of the Noteholders' Meeting as it deems appropriate. Such provisions may include the potential for Noteholders to vote without attending the meeting in person, i.e. that voting may take place using an electronic voting procedure or through a written voting procedure.
- 13.7 Only persons who are, or have been, authorised in accordance with Section 4 (*Right to act on behalf of a Noteholder*) by a person who is a Noteholder on the Record Date for the Noteholders' Meeting may exercise voting rights at such Noteholders' Meeting, provided that the relevant MTN are covered by the Adjusted Loan Amount. The Administrative Agent must ensure that, at the Noteholders' Meeting, there is a printout of the Debt Register maintained by Euroclear Sweden from the Record Date for the Noteholders' Meeting.
- 13.8 Noteholders, the Administrative Agent and the Issuing Agents, as well as their respective representatives, assistants and any experts, are entitled to attend the Noteholders' Meeting. Representatives must present a duly issued power of attorney, which must be approved by the Chair of the Noteholders' Meeting. The Noteholders' Meeting must begin with the appointment of a chair, a person to take the minutes and persons to adjust the minutes. The Chair must draw up a list of attending Noteholders who are eligible to vote, indicating the share of the Adjusted Loan Amount that each Noteholder represents (the "**Voting List**"). After this, the Voting List must be approved by the Noteholders' Meeting. Noteholders who have cast their votes via an electronic voting procedure, a voting slip or equivalent will, with the application of these provisions, be deemed to be present at the Noteholders' Meeting. Only those who were Noteholders on the Record Date, or representatives of said Noteholders, and who are covered by the Adjusted Loan Amount, are entitled to vote and will be included in the Voting List. The Issuer will have access to relevant voting calculations and the supporting data for these. The minutes must be completed as soon as possible and made available to Noteholders, the Issuer, the Administrative Agent and the Issuing Agent.
- 13.9 Decisions in the following matters require the approval of Noteholders representing at least ninety (90) per cent. of that portion of the Adjusted Loan Amount for which Noteholders are voting under the relevant Loan at the Noteholders' Meeting:
- (a) changing the Maturity Date, reduction of the Loan Amount, changing of terms relating to interest or the amount to be repaid (other than in accordance with the Loan Terms and Conditions, including what follows from the application of Section 14 (*Replacement of Base Rate*)) and changing of the relevant Currency of the Loan;
  - (b) change to the terms of the Noteholders' Meeting under this Section 13;
  - (c) change of debtors; and
  - (d) mandatory exchange of MTN for other securities.
- 13.10 Matters that are not covered by Section 13.9 require the consent of Noteholders representing more than fifty (50) per cent. of the portion of the Adjusted Loan Amount for which Noteholders are voting under the relevant Loan at the Noteholders' Meeting. This includes, but is not limited to, amendments and waivers of rights in relation to the Loan Terms and Conditions that do not require a greater majority (other than amendments according to Section 15 (*Amendment of terms etc.*)), as well as early termination of Loans.

- 13.11 A Noteholders' Meeting reaches quorum if Noteholders representing at least fifty (50) per cent. of the Adjusted Loan Amount under the relevant Loan in respect of a matter in Section 13.9, or twenty (20) per cent. of the Adjusted Loan Amount under the relevant Loan in respect of other matters, attend the meeting in person or by telephone (or attend through an authorised representative).
- 13.12 If the Noteholders' Meeting does not reach quorum, the Administrative Agent must convene a new Noteholders' Meeting (in accordance with Section 13.2), provided that the relevant proposal has not been withdrawn by the person or persons who initiated the Noteholders' Meeting. The requirement for quorum set out in Section 13.11 will not apply to said new Noteholders' Meeting. If the Noteholders' Meeting has reached quorum for some but not all of the matters to be decided at the Noteholders' Meeting, decisions will be taken regarding those matters for which quorum exists, and other matters will be referred to a new Noteholders' Meeting.
- 13.13 A decision at a Noteholders' Meeting which imposes new obligations on, or limits the rights of, the Issuer or an Issuing Agent under the Loan Terms and Conditions requires the written approval of the relevant party.
- 13.14 A Noteholder that holds more than one MTN does not need to vote for all the MTN they hold, nor vote in the same way for all their MTN.
- 13.15 The Issuer may not, directly or indirectly, pay or contribute to the payment of any compensation to any Noteholder for its approval under the Loan Terms and Conditions unless such compensation is offered to all Noteholders who provide their consent at the relevant Noteholders' Meeting.
- 13.16 A decision made at a Noteholders' Meeting shall be binding on all Noteholders under the relevant Loan, whether or not they were present at the Noteholders' Meeting. Noteholders shall not be held liable for any damage that the decision may cause another Noteholder.
- 13.17 At the request of the Administrative Agent, the Issuer must, without delay, provide the Administrative Agent with a certificate indicating the total amount for all the MTN owned by Group Companies on the Business Day specified in Section 13.1 and the relevant Record Date prior to a Noteholders' Meeting, regardless of whether said Group Company is directly registered as an owner of MTN. The Administrative Agent will not be responsible for the content of said certificate or otherwise be responsible for determining whether an MTN is owned by a Group Company.
- 13.18 Noteholders under the relevant Loan shall be notified, without delay, of any and all decisions made at a Noteholders' Meeting through a press release published on the Issuer's website and in accordance with Section 17 (*Notices*). At the request of a Noteholder or the Issuing Agent, the Administrative Agent shall provide the Noteholder with the minutes from the relevant Noteholders' Meeting. Failure to notify the Noteholders as stated above in this section does not affect the validity of the decision.
- 13.19 Without amending or varying these Loan Terms and Conditions, the Administrative Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Administrative Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person and that voting can take place by electronic or written procedure.

#### **14. REPLACEMENT OF BASE RATE**

- 14.1 If a Base Rate Event as described in Section 14.2 below has occurred, the Issuer shall, in consultation with the Arranger, initiate the procedure to, as soon as reasonably possible, determine a Successor Base Rate, Adjustment Spread, as well as initiate the procedure to determine upon necessary administrative, technical and operational amendments to the Loan Terms and Conditions in order to apply, calculate and finally decide the applicable Base Rate. The Arranger is not obligated to participate in such consultation or determination as described above. Should the Arranger not participate in such consultation or determination, the Issuer shall, at the Issuer's expense, as soon as possible appoint an Independent Adviser to initiate the procedure to, as soon as reasonably possible,

determine upon the mentioned. Provided that the Successor Base Rate, the Adjustment Spread and other amendments have been finally decided no later than prior to the relevant Interest Determination Date 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 Euroclear Sweden and any calculation methods applicable to such Successor Base Rate.

14.2 A Base Rate Event is an event where one or more of the following events occur (“**Base Rate Event**”) which means:

- (a) the Base Rate (for the relevant Interest Period of the relevant Loan) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period of the relevant Loan) 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 of the relevant Loan) 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 of the relevant Loan) 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, the Arranger or the Administrative Agent to calculate any payments due to be made to any Noteholders using the applicable Base Rate (for the relevant Interest Period of the relevant Loan) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period of the relevant Loan);
- (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 (*krishanteringsregelverket*), or in respect of EURIBOR, from 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)-(e) above will occur within six (6) months.

14.3 Upon a Base Rate Event Announcement, the Issuer may (but are not obligated to), if it is possible at such time to determine the Successor Base Rate, Adjustment Spread and other amendments, in consultation with the Arranger or through the appointment of an Independent Adviser, initiate the procedure as described in Section 14.1 above to finally decide the Successor Base Rate, the Adjustment Spread and other amendments, in order to change the Successor Base Rate at an earlier time.

14.4 If a Base Rate Event set out in any of the paragraphs (a)-(e) of Section 14.2 has occurred but no Successor Base Rate and Adjustment Spread have been finally decided at the latest prior to the relevant Interest Determination Date or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of Euroclear Sweden cannot be applied in relation

to the relevant Interest Determination Date, the interest applicable to the next succeeding Interest Period shall be:

- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
- (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the interest determined for the immediately preceding Interest Period.

The provisions set out in this Section are applicable on subsequent Interest Periods, provided that all relevant measures have been carried out regarding the application of and the adjustments described in this Section 14 (*Replacement of Base Rate*) prior to every such subsequent Interest Determination Date, but without success.

14.5 Prior to the Successor Base Rate, Adjustment Spread and any other amendments becoming effective, the Issuer shall promptly, following the final decision by the Issuer in consultation with the Arranger or the Independent Adviser of any Successor Base Rate, Adjustment Spread and other amendments, give notice thereof to the Noteholders, the Administrative Agent, the Arranger and Euroclear Sweden in accordance with Section 17 (*Notices*). The notice shall also include information about the effective date of the amendments. If the MTN are admitted to trading on a Regulated Market, the Issuer shall also give notice of the amendments to the relevant stock exchange.

14.6 The Arranger, the Independent Adviser and the Administrative Agent that carries out measures in accordance with this Section 14 shall not be liable whatsoever for any damage or loss caused by determinations, action taken or omitted by it in conjunction with the determination and final decision of the Successor Base Rate, Adjustment Spread and any amendments thereto to the Loan Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Arranger, the Independent Adviser and the Administrative Agent shall never be responsible for indirect or consequential loss.

14.7 In this Section 14, the following definitions have the meaning described below:

“**Adjustment Spread**” means a spread or a formula or methodology for calculating a spread to be applied to a Successor Base Rate and that is:

- (i) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (ii) if item (i) is not applicable, the adjustment spread that the Issuer in consultation with the Arranger or 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 Administrator**” means Swedish Financial Benchmark Facility AB (SFBF) in relation to STIBOR and the European Money Markets Institute (EMMI) in relation to EURIBOR or any person replacing it as administrator of the Base Rate.

“**Base Rate Event Announcement**” means a public statement or published information as set out in paragraphs (b) to (e) of Section 14.2 that any event or circumstance specified therein will occur.

“**Independent Adviser**” means an independent financial institution or advisor 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:

- (i) the 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 MTN, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body as successor; or
- (ii) if there is no such rate as described in item (i), such other rate as the Issuer in consultation with the Arranger or the Independent Adviser determines is most comparable to the Base Rate.

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

## **15. AMENDMENT OF TERMS ETC.**

- 15.1 The Issuer and the Dealers may agree on adjustments to clear and obvious errors in these General Terms and Conditions.
- 15.2 The Issuer and the Administrative Agent may agree on adjustments to clear and obvious errors in the Final Terms for a particular Loan.
- 15.3 The Issuer and the Arranger or the Independent Adviser may, without the approval of the Noteholders’, amend the Loan Terms and Conditions in accordance with what is described in Section 14 (*Replacement of Base Rate*).
- 15.4 The accession of a new Dealer to the MTN Programme may take place by means of a written agreement between the Issuer, the relevant institution and existing Dealers. Dealers may retire as Dealers, although the Administrative Agent in respect of a particular Loan may not retire as Administrative Agent, unless a new Administrative Agent is appointed in its place for said Loan.
- 15.5 Amendments and waivers of Loan Terms and Conditions, other than as set out in Sections 15.1 to 15.2 shall take place through a decision at a Noteholders’ Meeting as described in Section 13 (*Noteholders’ Meeting*).
- 15.6 An approval of an amendment to terms and conditions granted at a Noteholders’ Meeting may cover the substance of the amendment, and does not need to include the specific wording of the amendment.
- 15.7 A decision regarding an amendment of the terms shall also include a decision in respect of when the amendment enters into force. However, an amendment shall not enter into force before it has been registered with Euroclear Sweden and published on the Issuer’s website.
- 15.8 The amendment or concession of Loan Terms and Conditions in accordance with this Section 15 must be notified to the Noteholders by the Issuer as soon as possible in accordance with Section 17 (*Notices*) and published in accordance with Section 11.5.

## **16. TIME-BAR FOR CLAIMS**

- 16.1 Claims for repayment of principal shall be time-barred and become void ten (10) years from the Maturity Date. Claims for interest shall be time-barred and become void three (3) years after each relevant Interest Payment Date. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders’ right to receive payment has been time-barred and has become void.
- 16.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal, and of three (3) years with respect to receive payment of 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.

## **17. NOTICES**

- 17.1 Notifications shall be given to the Noteholders for the Loan in question at the address registered with Euroclear Sweden on the Record Date prior to dispatch. A notification to the Noteholders must also be made public by means of a press release and be published on the Issuer's website.
- 17.2 Notification must be sent to the Issuer and the Dealers at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) at the time notice is given.
- 17.3 A notification to the Issuer or Noteholders in accordance with the Loan Terms and Conditions that is sent by normal mail to the specified address will be deemed to have been received by the recipient on the third Business Day after dispatch, and a notification sent by courier will be deemed to have been received by the recipient when it has been delivered at the specified address.
- 17.4 In the event a notification has not been sent correctly to a particular Noteholder, this will not affect the impact of the notification on other Noteholders.

## **18. LIMITATION OF LIABILITY ETC.**

- 18.1 The Dealers shall not be liable for any damage as a consequence of Swedish or foreign legislation, actions by Swedish or foreign public authorities, acts of war, strikes, blockades, boycotts, lockouts, or any other similar circumstance. The reservation in respect of strikes, blockades, boycotts, and lockouts applies notwithstanding that the Dealer itself takes such measures or is subject to such measures.
- 18.2 Damage which arises in other cases shall not be compensated by the Dealer provided the Dealer acted with normal care.
- 18.3 No Dealer shall be obligated in any circumstance to pay compensation for indirect loss.
- 18.4 In the event a Dealer is prevented from taking a measure as a consequence of a circumstance set forth in Section 18.1, the measure may be postponed until such time as the impediment no longer exists.
- 18.5 The provision set forth above shall apply unless otherwise required by the Swedish Financial Instruments Accounting Act.

## **19. GOVERNING LAW AND JURISDICTION**

- 19.1 Swedish law will apply to the Loan Terms and Conditions and all non-contractual obligations that arise in connection with the application of the Loan Terms and Conditions.
- 19.2 Disputes must be determined by a Swedish court. Stockholm District Court (*Stockholms tingsrätt*) will be the court of first instance.

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It is hereby confirmed that the above General Terms and Conditions are binding on us.

Malmö, 14 May 2025

**ARJO AB (publ)**

## FORM OF FINAL TERMS

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### FINAL TERMS ("Final Terms")

#### for loan no. [•] under Arjo AB (publ)'s (the "Issuer") Swedish MTN Programme

The General Terms and Conditions dated 14 May 2025 together with the Final Terms set forth below shall apply to the Loan. Unless otherwise stated, definitions used in these Final Terms are set forth in the Terms and Conditions or otherwise in the Issuer's base prospectus, approved and registered with the Swedish Financial Supervisory Authority on 14 May 2025, including any published supplemental prospectus prepared for the MTN Programme from time to time in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, referred to as the "**Prospectus Regulation**" ("**Base Prospectus**"). This document constitutes the Final Terms for the Loan and has been prepared in accordance with Article 8 of the Prospectus Regulation.

Complete information about the Issuer and the MTN Programme can only be obtained through the Base Prospectus, any published supplementary prospectuses and these Final Terms, which is why investors who are considering investing in MTN should read these documents together and in full. The Base Prospectus and any supplementary prospectuses to the Base Prospectus as applicable are available on the Issuer's website [www.arjo.com](http://www.arjo.com).

[These Final Terms replace the Final Terms dated [date], whereby the Aggregate Nominal Amount has been increased by [SEK/EUR] [amount in figures] from [SEK/EUR] [amount in figures] to [SEK/EUR] [amount in figures].]

#### GENERAL

1. **Loan number:** [•]
- (i) Tranche name: [•]
2. **Aggregate Nominal Amount:**
  - (i) for the loan: [•]
  - (ii) for tranche [•]: [•]
  - [(iii) for tranche [•] (*indicate previous tranches*):] [•]
3. **Price per MTN:** [•] % of Nominal Amount [plus accrued interest as from [insert date] if applicable]
4. **Currency:** [SEK/EUR]
5. **Nominal Amount:** [SEK/EUR] [•] (*Not less than EUR 100,000 or the equivalent thereof in SEK.*)
6. **Loan date:** [•]
7. **Interest Commencement Date:** [Loan date/[•]]
8. **Settlement Date:** [Loan date/[•]]
9. **Maturity Date:** [•]
10. **Voluntary redemption** [Applicable/Not applicable]

*(If not applicable, delete the remaining subheadings of this paragraph)*

The Issuer may redeem all, but not some only, of the MTN in full:

[[i)]/(i)] at any time from and including [the first Business Day falling [•] ([•]) [months/days] after the Issue Date] / [•] to, but excluding, [the Maturity Date] / [•] at an amount per MTN equal to [•] per cent. of the Nominal Amount, together with accrued but unpaid interest;][and/or]

[[i)]/(i)] at any time from and including the first Business Day falling [•] ([•]) [months/days] prior to the Maturity Date to, but excluding, the Maturity Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid interest]]

11. **Basis for calculation of interest:** [Fixed Rate]  
[Floating Rate (FRN)]  
[Zero Coupon]
12. **Amount as basis for calculation of interest** [Nominal Amount/[•]]

#### **BASIS FOR CALCULATION OF RETURN**

13. **Fixed Rate:** [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) Interest Rate: [•] % annual interest calculated on [Nominal Amount/[•]].
- (ii) Interest Period: The time from [•] up to and including [•] (the first Interest Period) and thereafter each period of [•] months with the end date on an Interest Payment Date
- (iii) Interest Payment Date(s): [Annually/Semi-Annually/Quarterly] on [•], the first time on [•] and the last time on [•]  
*(The above is adjusted in the event of a shortened or extended Interest Period)*
- (iv) Day Count Convention Method: 30/360 [Specify]
- (v) Risk factors: In accordance with the risk factor with the heading [*Risks relating to interest rate constructions*] in the Base Prospectus.

14. **Floating Rate (FRN):** [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) Base Rate: [•] months [STIBOR/EURIBOR]  
 [The [first/last] coupon's Base Rate will be interpolated linearly between [•] months [STIBOR/EURIBOR] and [•] months [STIBOR/EURIBOR].]
- (ii) Margin: [+/-][•] % annual interest calculated on [Nominal Amount/[•]]
- (iii) Interest Determination Date: [Two] Business Days before each Interest Period, the first time on [•]
- (iv) Interest Period: The time from [•] up to and including [•] (the first Interest Period) and thereafter each period of approx. [•] months with the end date on an Interest Payment Date.
- (v) Interest Payment(s): The final day in each Interest Period, [the [•], the [•], the [•] and the [•],] the first time on [•] and the last time [the [•]/on the Maturity Date].
- (vi) Day Count Convention Method: Actual/360 [Specify]
- (vii) Risk factors: In accordance with the risk factor with the heading [ "*Risks relating to interest rate constructions*" ] in the Base Prospectus.
15. **Zero Coupon:** [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) Terms for Loans without interest: [Specify details]
- (ii) Risk factors: In accordance with the risk factor with the heading [ "*Risks relating to interest rate constructions*" ] in the Base Prospectus.

**REPAYMENT**

16. **Amount at which MTN is to be repaid on the Maturity Date:** [•] % of [Nominal Amount/[•]]

**OTHER**

17. **Estimated net proceeds** [SEK]/[EUR] [•] after deduction for costs related to the issue.
18. **Use of net proceeds** [General corporate purposes]/[Specify]
19. **Admission to trading on a Regulated Market:** [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) Regulated Market: [Nasdaq Stockholm/Specify other Regulated Market]
- (ii) Estimated total costs associated with admission to trading: [•]
- (iii) Total number of securities admitted to trading: [•]
- (iv) Earliest date for admission to trading: [•]
20. **Interests:** [Specify/Not applicable]

*(Interests and any conflicts of interest for individuals who are involved in the share issue and that are of significance for the Loan must be described)*

21. **Credit rating for Loans:** [Specify/Not applicable]
22. **Resolutions as basis of the issue:** [Not applicable/Resolutions regarding this Loan were taken on *[insert date]*/Specify]
- (If resolutions regarding issues under the MTN Programme are described in the Base Prospectus and this issue is covered by such a decision, "Not applicable" must be used)*
23. **Information from third parties:** [Information presented in these Final Terms originating from third parties has been reproduced accurately and, as far as the Issuer is aware and can ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading]/ [Not applicable]
24. **Issuing Agent:**
- (i) for tranche [•]: [[Danske Bank A/S, Danmark, Sverige filial], [Skandinaviska Enskilda Banken AB (publ)]]
- [(ii) for tranche [•] (*indicate previous tranches*):]
25. **Administrative Agent:** [Danske Bank A/S, Danmark, Sverige filial], [Skandinaviska Enskilda Banken AB (publ)]]
26. **ISIN:** SE[•]

The Issuer confirms that the above Final Terms are applicable to the Loan, together with the General Terms and Conditions, and undertakes, in accordance therewith, to repay the Loan and to pay interest in accordance herewith.

The Issuer further confirms that any material event after the date of the Base Prospectus that could affect the market's assessment of the Loan and the Issuer to this MTN have been publicly disclosed.

Malmö [*date for signing the Final Terms*]

**ARJO AB (PUBL)**

## DESCRIPTION OF THE ISSUER

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### Introduction and business overview

Arjo is a global supplier of medical devices and solutions that improve quality of life for people with reduced mobility and age-related health challenges. The Issuer's offering includes products and solutions for patient handling, prevention of pressure injuries and deep vein thrombosis, hygiene, diagnostics and disinfection. Arjo also offers medical beds and services including training in connection to product sales.

Arjo supports customers in over 100 countries and its main customers are private and public institutions providing acute and long-term care. As of 31 December 2024, Arjo had approximately 7000 employees. Arjo's head office is located in Malmö, Sweden.

### History and development

#### Entrepreneurial spirit

Arjo was founded in 1957 by the Swedish entrepreneur Arne Johansson. Arne Johansson was one of the first to understand the need for bathing and transfer equipment in healthcare and elderly care as well as for improved ergonomics for healthcare professionals. He developed a series of innovative products that could meet these needs in Sweden. Shortly thereafter, Arjo started selling its products outside Sweden.

#### Global expansion

At the end of the 1960s, Arjo expanded its products to Western Europe. The products were in high demand and Arjo quickly established several international sales companies, for example, in the UK, Germany, France, Belgium and the US. In the 1980s, Arjo strengthened its position as a key player in the international market with the acquisitions of the US company Century and the UK company Mecanaids. The international expansion continued and Arjo soon became a global player in products and equipment for hygiene and patient handling.

#### Strengthened market positions

In 1972, Arjo launched the first height-adjustable bathtub. In 1989, Arjo developed the first generation of SARA (standing and raising aid) and later on the Maxi Move patient lifter system. The development of innovative technology continued in the 1990s focusing on product development in hygiene and patient handling systems.

#### Listing followed by acquisition by Getinge

Arjo was first listed on the Stockholm and London stock exchanges in 1993. At that time, Arjo had about 1,100 employees and generated sales of approximately SEK 1,300 M. In 1995, Arjo was acquired by Getinge AB (publ) ("Getinge") which then expanded its product offering to include medical beds, patient lifts and bathing systems. Arjo thus became the foundation of Getinge's Extended Care business area.

#### Further expansion

A number of corporate acquisitions were implemented in the 2000s to continue to strengthen the hygiene and patient handling offering. For example, BHM Medical was acquired in 2004 which broadened Arjo's range of patient lifts. The significant acquisition of Huntleigh Technology PLC took place in 2007 after which the ArjoHuntleigh brand was established. The Huntleigh Group operated in the areas of special mattresses for treating pressure injuries, beds for intensive care, specialist care and nursing homes, products for preventing deep vein thrombosis and equipment for fetal and vascular diagnostics. The merger of Arjo and Huntleigh Technology PLC created a global player with a comprehensive offering both of products and solutions in the areas of medical beds, patient handling, wound care and patient hygiene. The business area continued to expand through acquisitions as the Chinese manufacturer Acare was acquired in 2012, and the Therapeutic Support System ("TSS") division was acquired from KCI in 2012.

#### Arjo as an independent company

For many years, Arjo represented Getinge's Extended Care business area. With the purpose of giving each company the best conditions for developing and realizing their potential, the Board of Directors of Getinge in 2016 announced its intention to divide Getinge into two operations, Getinge and Arjo, and on 4 December 2017 the

Extraordinary General Meeting of Getinge resolved to distribute Arjo to Getinge's existing shareholders. The Arjo class B share was listed on Nasdaq Stockholm on 12 December 2017.

In July 2018, Arjo took an important step in its commitment to contribute to sustainable development by acquiring the US company Renu Medical, which specializes in green medical reprocessing of single use medical devices. Also during 2018, Arjo established its own sales companies in several key areas, including China and Japan. Furthermore, as an independent company, Arjo has concentrated its operations on its core areas and, along those lines, Arjo divested its business for low-specification and medical beds, Acare, in the beginning of 2019.

In December 2020, Arjo acquired Airpal, a US-based company specialising in Air-assisted Lateral Patient Transfer solutions, strengthening Arjo's patient handling portfolio.

During 2024, Arjo strengthened its position in the segments of diagnostics and pressure sores prevention, by acquiring French Tech Med and German Gerromed. In the same year Arjo started the launch of Symbliss, an integrated bathing system featuring a bathtub and hygiene chair, strengthening Arjo's offerings and positions in long-term care.

## **Business model and strategy**

Arjo's business model includes sales and rental of capital goods, sales of consumables and related services. Instead of being a typical "product seller" Arjo is a more customer-oriented organization that provides complete solutions for specific customer requirements. Sales of capital goods comprised 55 percent of net sales in 2024, while the remaining 45 percent comprised recurring sales, such as rental, disposables and service. Purchases of capital goods often involve a range of selection criteria, and purchasing processes are generally more extensive than recurring sales of consumables and rental. With the exception of rental, recurring income are of an aftermarket nature and thus benefits from the installed base of capital goods sold, and essentially follows the life cycle of these goods.

Arjo's vision is to be the most trusted partner in driving healthier outcomes for people facing mobility challenges. In relation to this, Arjo has developed a strategy which is designed to ensure long-term profitable growth by developing products and solutions that help address healthcare challenges, both today and in the future. Alongside continuing to develop the core business, with products and solutions for better and more efficient care, Arjo is working to increasingly offer outcome-based comprehensive solutions for customers' specific challenges and needs. These solutions may include programs where the results can be measured in shortened care times and reduced complications for patients, fewer sick leaves among staff, and increased resource efficiency for healthcare providers.

Within the strategy, Arjo has the following strategic priorities for increased value creation.

### **Strengthen the core business**

- Ensure continued growth
- Enhance the product portfolio and offering
- Increase the group's profitability
- Optimize resource utilization from both efficiency and sustainability perspective

### **Differentiation through strong value-creating partnerships**

- Build strong partnerships with customers
- Offer new business models
- Establish market-leading positions

A key part of Arjo's strategy is sustainability. Sustainability is crucial to Arjo's success, and the company sees opportunities to further strengthen its competitiveness by offering more circular solutions and business models. Arjo actively works based on the group's sustainability framework to reduce climate and environmental impact throughout the value chain, to ensure responsible and ethical business practices, and to be an attractive and responsible employer.

Furthermore, to attract and retain employees, it is important for Arjo to offer healthy and equitable working conditions. Diversity, equity, and inclusion are of utmost importance, and the company is committed to ensuring good health and safety for both employees and partners.

## **Arjo's product portfolio**

### **Patient handling**

Arjo has a wide range of lifting and transferring solutions that meet the patient's or resident's specific needs while ensuring a safe, comfortable and dignified transfer. Included among these solutions are ceiling lifts, standing and raising aids, and slings.

### **Pressure Injury Prevention**

Arjo has a comprehensive range of advanced mattress systems for the prevention of pressure injuries. The range includes, for example, mattress replacement systems with alternating pressure redistribution.

### **Treatment and Prevention of venous leg ulcers**

Arjo offers pump and thigh cuff system for effective treatment of venous and arteriovenous leg ulcers.

### **Medical Beds**

Arjo offers a broad range of medical beds that ensure good ergonomics, comfort, safety and ease of use. Arjo's medical beds have technical performance adapted for a number of different purposes.

### **VTE Prevention**

Arjo has a comprehensive range of compression therapy products for the safe and efficient prevention of deep vein thrombosis (DVT) and treating edema. Pumps and garments are examples of such products.

### **Hygiene**

Arjo's range of shower and bathing products facilitate safe and efficient hygiene procedures and relaxing bathing experiences for care receivers. Bathing systems and shower equipment are examples of such products.

### **Diagnostics**

Arjo's Diagnostics product segment includes patient and fetal monitors, ultrasound equipment, as well as Doppler equipment for obstetric and cardiac diagnostics.

### **Disinfection**

Arjo's disinfection range include flusher-disinfectors and the associated chemicals for safe cleaning and disinfection.

### **Services**

In addition to the above, Arjo also provides diverse services and solutions, such as technical service for products, purchasing consulting, information and training. Arjo Insight and Arjo MOVE are examples of such offerings.

### **Rental**

Arjo's rental solutions provide customers with access to the right equipment at the right time, offering a flexible solution to meet changing healthcare needs.

## **General corporate and Group information**

### **The Issuer**

The Issuer's legal and commercial name is Arjo AB (publ). The Issuer's Swedish Corporate ID. No. is 559092-8064 and its LEI Code is 549300OWGJPKC6JF790. The Issuer was incorporated in Sweden on 10 November 2016 and registered with the Swedish Companies Registration Office (*Bolagsverket*) on 20 December 2016. The

Issuer is a Swedish public limited liability company with its registered office of the Board located in Malmö, Sweden. The Issuer is regulated by the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

*Address and telephone*

Arjo AB (publ)  
Box 48  
SE-201 20 Malmö, Sweden  
Visiting address: Hans Michelsensgatan 10, SE-211 20 Malmö, Sweden  
+46 (0)10 335 4500

The Issuer's website is [www.arjo.com](http://www.arjo.com). The information on the Issuer's website does not form part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus.

**Legal Group structure**

The Issuer is part of a corporate group in which it is the ultimate parent. As of 31 December 2024, the Group consisted of the private limited companies listed in the table below, which are owned directly by the Issuer. The Company also owns a number of companies indirectly through the directly owned group companies (as of 31 December 2024, the Group owned 24 subsidiaries indirectly).

<b>Subsidiary</b>	<b>Country</b>	<b>Shares, %</b>
Arjo Belgium N.V.	Belgium	62
Arjo Danmark A/S	Denmark	100
Arjo Dominican Republic	Dominican Republic	100
Arjo Sverige AB	Sweden	100
Arjo France S.A.S.	France	100
Arjo Middle East FZ-LLC	United Arab Emirates	100
Arjo Hong Kong Limited	Hong Kong	100
ArjoHuntleigh Healthcare India Private Limited	India	100
Arjo (Ireland) Limited	Ireland	100
Arjo Italia Spa	Italy	100
Arjo Japan K.K.	Japan	100
ArjoHuntleigh Magog Inc	Canada	100
Arjo (Suzhou) Co., Ltd	China	100
Arjo (Suzhou) medical equipment trading Co., Ltd.	China	100
Arjo Treasury AB	Sweden	100
Arjo IP Holding AB	Sweden	100
Arjo México Equipos Médicos S.A. de C.V	Mexico	99
Arjo Nederland BV	Netherlands	100
Arjo Norge AS	Norway	100
ArjoHuntleigh Polska Sp.zo.o.	Poland	100
Arjo Switzerland AG	Switzerland	100
Arjo Iberia S.L.U.	Spain	100
Huntleigh Technology Limited	Great Britain	100
Arjo Korea Co., Ltd.	South Korea	100
Arjo Taiwan Limited	Taiwan	100
Arjo Czech Republic s.r.o.	Czech Republic	100
Arjo Deutschland GmbH	Germany	100
Huntleigh Healthcare GmbH	Germany	100
Arjo Holding USA, Inc.	USA	100
Arjo Austria GmbH	Austria	39

### Dependency on subsidiaries

Approximately 96 percent of sales are conducted through Arjo's proprietary sales companies and the remaining 4 percent through distributors in markets for which Arjo lacks proprietary representation. The Issuer is therefore dependent upon the performance of its subsidiaries.

### Share capital and principal shareholders

Under its current Articles of Association, the Issuer's share capital shall be not less than SEK 75,000,000 and not more than SEK 300,000,000, divided into not fewer than 150,000,000 shares and not more than 600,000,000 shares. The Issuer has two classes of shares, class A shares and class B shares. The Issuer's registered share capital is SEK 90,789,857.70, represented by 18,217,200 class A shares and 254,152,373 class B shares, in total 272,369,573 shares. Each share has a quota value of approximately SEK 0.33. Each class A share equals ten votes and each class B share equals one vote.

The table below lists the 10 largest shareholders of the Issuer as of 28 February 2025 (information from Monitor av Modular Finance AB with compiled and processed data from Euroclear, Morningstar and Finansinspektionen, among others).

Name of shareholder	Number of A-shares	Number of B-shares	% of the votes	% of the capital
Carl Bennet AB	18,217,200	49,902,430	53.2	25.0
Fjärde AP-fonden	-	26,371,229	6.0	9.7
Svolder	-	9,592,312	2.2	3.5
Vanguard	-	8,117,420	1.9	3.0
Dimensional Fund Advisors	-	7,668,387	1.8	2.8
Lannebo Kapitalförvaltning	-	5,250,084	1.2	1.9
BlackRock	-	3,730,260	0.9	1.4
Handelsbanken Fonder	-	3,552,147	0.8	1.3
Holberg Fonder	-	3,500,000	0.8	1.3
Highclere International Investors LLP	-	3,313,726	0.8	1.2
<b>Total</b>	<b>18,217,200</b>	<b>120,997,995</b>	<b>69.6</b>	<b>51.1</b>

Carl Bennet AB controls a majority of the votes in Arjo. Carl Bennet AB, and Carl Bennet through Carl Bennet AB, thereby has a controlling influence and control over the Issuer and interests that do not necessarily coincide with the interests of the Noteholder. In addition, Carl Bennet is a member of the Board of Directors and Vice Chairman of the Board of Directors in Arjo. Since Arjo's shares are listed on Nasdaq Stockholm, the Issuer must comply with requirements regarding the independence of Board members and the Swedish Code of Corporate Governance, which protects against abuse of control over the Issuer.

### Shareholders' agreements, etc.

As far as the Board of Directors of Arjo is aware, no shareholders' agreements or any other agreements between the shareholders of Arjo with the aim to exercise joint influence over Arjo are in place. Nor is the Board of Directors aware of any agreements or equivalent which may result in any change of control over Arjo.

## **BOARD OF DIRECTORS, MANAGEMENT TEAM AND AUDITORS**

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### **Board of Directors**

The Board of Directors of the Issuer consists of nine members elected by the Annual General Meeting, with no deputies. Under Swedish law, trade union organizations are entitled to representation on the Board and have in addition appointed two Board members with two deputies.

#### **Johan Malmquist, born 1961**

*Position:* Chairman of the Board since 2017. Chairman of the Remuneration Committee.

*Holding (own and related parties):* 500,000 series B shares

*Education:* B.Sc. in Economics, Stockholm School of Economics

*Other board assignments:* Chairman of Getinge AB (publ) and Trelleborg AB (publ). Board member of Mölnlycke Health Care AB, Stena Adactum AB and Stiftelsen Chalmers tekniska högskola.

#### **Carl Bennet, born 1951**

*Position:* Vice Chairman of the Board since 2018 and Board member since 2017. Member of the Remuneration Committee.

*Holding (own and related parties):* 18,217,200 series A shares and 49,902,430 series B shares via Carl Bennet AB

*Education:* B.Sc. in Economics, University of Gothenburg, econ. Dr.h.c., med. Dr.h.c. and tech.Dr.h.c.

*Other board assignments:* CEO and Chairman of Carl Bennet AB, Chairman of Lifco AB (publ), Vice Chairman of Getinge AB (publ) and Elanders AB (publ) and Board member of L E Lundbergföretagen AB (publ).

#### **Ulrika Dellby, born 1966**

*Position:* Board member since 2024. Member of the Audit Committee.

*Holding (own and related parties):* 15,000 series B-shares

*Education:* Master of Business Administration from Stockholm School of Economics (SSE).

*Other board assignments:* Chairman of Fasadgruppen Group AB (publ) and Vice Chairman of BICO AB (publ) as well as Board member of Elanders AB (publ), Lifco AB (publ), Royal Dramatic Theatre, Linc AB (publ), Werksta Nordic AB and Business Executives Council of the Royal Swedish Academy of Engineering.

#### **Eva Elmstedt, born 1960**

*Position:* Board member since 2017. Member of the Audit Committee.

*Holding (own and related parties):* 100,000 series B shares.

*Education:* Bachelor degree in Economics and Computer Science, respectively, Indiana University of Pennsylvania, USA.

*Other board assignments:* Chairman of Nordlo, Omegapoint and Seriline. Board member of AddLife AB (publ), Elanders AB (publ), Fagerhult AB (publ) and Smart Eye AB (publ).

#### **Dan Frohm, born 1981**

*Position:* Board member since 2019. Member of the Audit committee and Remuneration Committee.

*Holding (own and related parties):* 230,789 series B shares.

*Education:* M.Sc. in Industrial Engineering and Management from Linköping University.

*Other board assignments:* Chairman of the Board of Elanders AB (publ), Vice Chairman of Lifco AB (publ) and Board member of Getinge AB (publ), Carl Bennet AB and the Swedish-American Chamber of Commerce, Inc.

#### **Ulf Grunander, born 1954**

*Position:* Board member since 2017. Chairman of the Audit Committee.

*Holding (own and related parties):* 107,087 series B shares.

*Education:* B.Sc. in Economics, Stockholm University.

*Other board assignments:* Chairman of Episurf Medical AB (publ). Board member of Lifco AB (publ) and Djurgården Hockey AB.

### **Carola Lemne, born 1958**

*Position:* Board member since 2017. Member of the Remuneration Committee.

*Holding (own and related parties):* 13,000 series B shares.

*Education:* Licensed physician, M.D. and associate professor, Karolinska Institutet

*Other board assignments:* Chairman of Ung Företagsamhet, Deputy Chairman of IRLAB AB (publ), Board member of Hjärt-Lungfonden, Tervestaylo OY and Sophiahemmet. CEO of Calgo Enterprise AB.

### **Kajsa Haraldsson, born 1982**

*Position:* Employee representative, board member since 2020.

*Holding (own and related parties):* 224 series B shares.

*Education:* M.Sc. in industrial design engineering, Chalmers University of Technology.

*Other board assignments:* -

### **Madeléne Carlsson, born 1972**

*Position:* Employee representative, board member since 2024.

*Holding (own and related parties):* -

*Education:* Bachelor's degree in Business Finance, Marketing and Leadership/Organization from the School of Business, Economics and Law at the University of Gothenburg, Griffith University, Australia and Halmstad University.

*Other board assignments:* -

### **Sten Börjesson, born 1967**

*Position:* Employee representative, deputy board member since 2021.

*Holding (own and related parties):* -

*Education:* Upper secondary school education in economy and technology, respectively.

*Other board assignments:* Owner of Höörs Antenn och Elektronikservice.

### **Jimmy Linde, born 1971**

*Position:* Employee representative, deputy board member since 2020.

*Holding (own and related parties):* 1,500 B shares.

*Education:* Master of Science in Engineering, Chemical Engineering, Faculty of Engineering, Lund University.

*Other board assignments:* -

## **Arjo Management Team**

### **Niclas Sjöswärd, born 1974**

*Position:* Interim President & CEO

*Holding (own and related parties):* 30,000 series B shares

*Education:* B.Sc. in Economics from the Gothenburg School of Business.

### **Christoffer Carlsson, born 1973**

*Position:* Interim CFO

*Holding (own and related parties):* 8 000 series B-shares

*Education:* Economics Program, Lund University.

**Ingrid Carlsson, born 1976**

*Position:* Executive Vice President Legal & Business Compliance and Board Secretary

*Holding (own and related parties):* 2,000 series B-shares

*Education:* Master of Laws LL.M. Lunds University, Certificate in Intellectual Property Malmö University.

**Jonas Cederhage, born 1971**

*Position:* Executive Vice President Product Development and Supply Chain & Operations

*Holding (own and related parties):* 3 000 series B-shares

*Education:* B.Sc in Industrial Mgmt. & Supply Chain, University of Gavle, Naveen Jindal School of Management, UT Dallas.

**Maria Fagerberg, born 1977**

*Position:* Executive Vice President, Quality & Regulatory Compliance.

*Holding (own and related parties):* -

*Education:* Master of Science in Chemical Engineering with special courses in Pharmaceutical Technology, Lund's Institute of Technology, and studies at HBX CORE certificate program, Harvard Business School.

**Marion Gullstrand, born 1957**

*Position:* Executive Vice President, Human Resources & Sustainability

*Holding (own and related parties):* 29,900 series B-shares

*Education:* Bachelor's degree in psychology, four year education in Gestalt Therapy – Organization and group level and EMBA - Executive Master in Business Administration from Lund University.

**Tobias Kramer, born 1984**

*Position:* Executive Vice President Global Marketing

*Holding (own and related parties):* 15,000 series B-shares

*Education:* M.Sc.in Finance and Accounting, Copenhagen Business School. Previously VP Portfolio and VP Business Development within Arjo.

**Maria Nilsson, born 1982**

*Position:* Executive Vice President, Communication & Public Relations

*Holding (own and related parties):* 3,500 series B shares

*Education:* B.Sc. in Economics, Lund University.

**Additional information concerning the Board of Directors and the Executive Committee****Business address**

All members of the Board of Directors and Group Management can be reached via the Issuer's postal address, Box 48, Hans Michelsengatan 10, 201 20 Malmö.

**Conflicts of interest**

As stated above, several board members and senior executives have financial interests in Arjo through holdings (own and related parties). As of 28 February 2025, Carl Bennet AB held 25 per cent of the share capital and 53.2 per cent of the votes in the Company, and Carl Bennet AB is controlled by Carl Bennet. Carl Bennet AB, and Carl Bennet through Carl Bennet AB, therefore has a controlling influence over the outcome of matters submitted to Arjo's shareholders for approval, such as the election of board members, any mergers, amendment of the articles of association, issuance of shares and distribution of profits. Carl Bennet AB and Carl Bennet could have interests that differ from or compete with Arjo's interests, which could adversely affect Arjo. Otherwise, no member of the Board of Directors or Group Management has any private interests that could conflict with the Company's interests.

**Auditor**

Öhrlings PricewaterhouseCoopers AB (Torsgatan 21, 113 97 Stockholm), has been the Issuer's auditor since 21 December 2016 until close of the 2025 Annual General Meeting of the Issuer. Vicky Johansson, authorised auditor and member of FAR (the professional institute for authorised public accountants in Sweden) was the auditor in charge in respect of the financial years 2023 and 2024. At the Annual General Meeting of the Issuer on 29 April 2025, Ernst & Young AB (PO Box 7850, 103 99 Stockholm) was elected as the Issuer's auditor for the period extending to the close of the 2026 Annual General Meeting, with Karoline Tedevall, authorised auditor and member of FAR as auditor in charge.

## **LEGAL AND SUPPLEMENTARY INFORMATION**

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### **Approval by the Swedish Financial Supervisory Authority**

The Base Prospectus has been approved by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFSA**”) pursuant to Article 20 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC. The SFSA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation (EU) 2017/1129. The SFSA’s approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

### **Authorisations and responsibility**

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the establishment of the Programme. The decision to establish the Programme was authorised by a resolution of the Board of Directors of the Issuer on 29 April 2025.

The Issuer accepts responsibility for the information contained in this Base Prospectus and declares that, to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import. The Board of Directors of the Issuer is, to the extent provided by law, responsible for the information contained in this Base Prospectus and declares that, to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

### **Material agreements**

Neither the Issuer nor any other Group Company has concluded any material agreements not entered into in the ordinary course of its business which could result in a member of the Group being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligations to Noteholders in respect of the MTN.

### **Governmental, legal and arbitration proceedings**

No Group Company has been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened which the Issuer is aware of) during the previous twelve (12) months from the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer’s and/or the Group’s financial position or profitability.

### **Certain material interests**

The Dealers (and closely related companies) have provided, and may in the future provide, certain investment banking and/or commercial banking and other services to the Issuer and the Group for which they have received, or will receive, remuneration. Accordingly, conflicts of interest may exist or may arise as a result of the Dealers having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties.

### **Trend information**

There has been no material adverse change in the prospects of Arjo since the date of publication of the most recent audited annual financial statements of the Group and from which financial information has been incorporated by reference to this Base Prospectus.

There has been no significant change in the financial performance of the Group since the date on which the most recent financial period ended and from which financial information has been published and incorporated by reference to this Base Prospectus.

## Significant changes

There have been no significant changes in the financial position of the Group since the date on which the most recent financial period ended and from which financial information has been published and incorporated by reference to this Base Prospectus.

## Incorporation by reference

Information in the below documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in MTN or is otherwise covered elsewhere in the Base Prospectus. The following information has been incorporated into this Base Prospectus by reference and should be read as part of the Base Prospectus:

### Annual and Sustainability Report for 2023

- *Consolidated income statement and consolidated statement of comprehensive income* on page 69;
- *Consolidated balance sheet* on page 70;
- *Changes in shareholders' equity for the group* on page 71;
- *Consolidated cash-flow statement* on page 72;
- *Parent company income statement* on page 102;
- *Parent company balance sheet* on page 103;
- *Changes in shareholders' equity, parent company* on page 104;
- *Parent company cash-flow statement* on page 104;
- *Notes for the group* on pages 73-101;
- *Parent company notes* on pages 105-109; and
- *Auditor's Report* on pages 137-140.

### Annual and Sustainability Report for 2024

- *Consolidated income statement and consolidated statement of comprehensive income* on page 116;
- *Consolidated balance sheet* on page 117;
- *Changes in shareholders' equity for the group* on page 118;
- *Consolidated cash-flow statement* on page 119;
- *Parent company income statement* on page 139;
- *Parent company balance sheet* on page 140;
- *Changes in shareholders' equity, parent company* on page 141;
- *Parent company cash-flow statement* on page 141;
- *Notes for the group* on pages 120-138;
- *Parent company notes* on pages 142-146; and
- *Auditor's Report* on pages 147-149.

### Interim Report for the period January – March 2025

- *Consolidated income statement and consolidated statement of comprehensive income* on pages 8-9;
- *Consolidated balance sheet* on page 10;

- *Changes in shareholders' equity for the group* on page 10;
- *Consolidated cash-flow statement* on page 11;
- *Parent company income statement* on page 18;
- *Parent company balance sheet* on page 18;
- *Notes for the group* on pages 12-17; and
- *Definitions* on page 19.

This Base Prospectus contains the Issuer's historical financial statements for the financial years ended December, 31 2023 and 2024, respectively, which have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with the Swedish Annual Accounts Act. The Issuer's annual reports for 2023 and 2024 have been audited by the Issuer's auditor. Unless otherwise stated, no information in this Base Prospectus has been audited or reviewed by the Issuer's auditor.

#### **Incorporation of future financial information**

The Issuer is not obligated to publish supplements under article 23.1 of the Prospectus Regulation with respect to new annual reports or interim reports published during the period the Base Prospectus is valid. The following future financial information is incorporated by reference into this Base Prospectus by reference and should be read as part of the Base Prospectus:

#### **Interim Report for the periods January-June 2025, January-September 2025, January – March 2026 and the Year-end Report for the financial year 2025**

- *Consolidated income statement and consolidated statement of comprehensive income;*
- *Consolidated balance sheet;*
- *Changes in shareholders' equity for the group;*
- *Consolidated cash-flow statement;*
- *Parent company income statement;*
- *Parent company balance sheet;*
- *Notes for the group;* and
- *Definitions.*

#### **Annual and Sustainability Report for 2025**

- *Consolidated income statement and consolidated statement of comprehensive income;*
- *Consolidated balance sheet;*
- *Changes in shareholders' equity for the group;*
- *Consolidated cash-flow statement ;*
- *Parent company income statement;*
- *Parent company balance sheet;*
- *Changes in shareholders' equity, parent company;*
- *Parent company cash-flow statement;*
- *Notes for the group;*
- *Parent company notes;* and
- *Auditor's Report.*

The above financial reports will be made available on Arjo's website (<https://www.arjo.com/int/about-us/investors/reports--presentations/2025/>) on the dates set out in the financial calendar on Arjo's website (<https://www.arjo.com/int/about-us/investors/calendar2/2025/>). If any dates specified in the financial calendar change, Arjo will promptly publish updated information on its website. Only the annual and sustainability report for the financial year 2025 will be audited by the Issuer's auditor.

### **Documents on display**

The Issuer's Certificate of Registration and Articles of Association are electronically available at the Issuer's website <https://www.arjo.com> (the information on the Issuer's website does not form part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus).

**ADDRESSES**

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**The Issuer****Arjo AB (publ)**

P.O. Box 48, SE-201 20 Malmö, Sweden  
Telephone: +46(0)10 335 4500  
<https://www.arjo.com>

**The Arranger****Danske Bank A/S, Danmark, Sverige filial**

Norrmalmstorg 1, Box 7523, 103 92 Stockholm  
Telephone: +46(0)8 568 805 77  
[www.danskebank.se](http://www.danskebank.se)

**The Dealers****Danske Bank A/S, Danmark, Sverige filial**

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Telephone: +46(0)8 568 805 83  
[www.danskebank.se](http://www.danskebank.se)

**Skandinaviska Enskilda Banken AB (publ)**

Kungsträdgårdsgatan 8, 106 40 Stockholm  
Telephone: +46(0)8 506 231 22  
[www.seb.se](http://www.seb.se)

**Legal Adviser to the Issuer****Mannheimer Swartling Advokatbyrå**

P.O. Box 4291  
SE-203 14 Malmö, Sweden  
Telephone: +46(0)40 6998 58 00  
[www.mannheimerswartling.se](http://www.mannheimerswartling.se)

**Central Securities Depository****Euroclear Sweden AB**

P.O. Box 191  
SE-101 23 Stockholm, Sweden  
Telephone: +46 (0)8 402 90 00  
[www.euroclear.com/sweden](http://www.euroclear.com/sweden)



P.O. Box 48, SE-201 20 Malmö, Sweden

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