

The image features a large, illuminated sign spelling "NYFOSA" in a bold, sans-serif font. The sign is set against a backdrop of a city skyline at sunset, with the sun low on the horizon and a prominent spire visible on the right. The sky is a mix of orange, yellow, and grey tones.

NYFOSA

NYFOSA AB

**PROSPECTUS REGARDING LISTING OF
MAXIMUM SEK 1,500,000,000
SENIOR UNSECURED CALLABLE FLOATING RATE BONDS**

ISIN: SE0012569655

5 June 2019

Amounts payable under the Bonds (as defined herein) are calculated by reference to STIBOR, which is provided by the Swedish Banker's Association. As of the date of this Prospectus (as defined herein), the Swedish Banker's Association does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) ("BMR"). As far as the Issuer is aware, the transitional provisions in Article 51 of the BMR apply, such that the Swedish Banker's Association is not currently required to obtain authorisation or registration.

IMPORTANT INFORMATION

This prospectus (the "**Prospectus**") has been prepared by Nyfosa AB with registration number 559131-0833 (the "**Issuer**" or the "**Company**" or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) "**Nyfosa**" or the "**Group**"), in relation to the application for admission to trading of bonds issued under the Company's maximum SEK 1,500,000,000 senior unsecured callable floating rate bonds 2019/2022 with ISIN SE0012569655 (the "**Bonds**"), of which SEK 750,000,000 was issued on 22 May 2019 ("**First Issue Date**") in accordance with the terms and conditions for the Bonds (the "**Terms and Conditions**") (the "**Bond Issue**") on the corporate bond list at Nasdaq Stockholm AB ("**Nasdaq Stockholm**"). Concepts and terms defined in the Terms and Conditions are used with the same meaning in this Prospectus unless otherwise is explicitly understood from the context. The Company may at one or more occasions after the Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under the Subsequent Bond Issue(s) and the Bond Issue equals SEK 1,500,000,000. Subsequent Bonds may, for the avoidance of doubt, be admitted to trading pursuant to this Prospectus within one year after the approval of this Prospectus by the Swedish Financial Supervisory Authority (the "**SFSA**", Sw. *Finansinspektionen*).

This Prospectus has been prepared in accordance with the rules and regulations in the Swedish Financial Instruments Trading Act (Sw. *lag (1991:980) om handel med finansiella instrument*) and Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, each as amended. This Prospectus has been approved by and registered with the SFSA in accordance with the provisions in Chapter 2, Sections 25 and 26, of the Swedish Financial Instruments Trading Act. It should be noted that such approval and such registration does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on Nasdaq Stockholm. This Prospectus may not be distributed in any country where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and may be subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Company has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Company has not registered the Bonds under any other country's securities laws. It is the investor's obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

The Prospectus will be available at the SFSA's web page (www.fi.se) and the Company's web page (www.nyfosa.se), and paper copies may be obtained from the Company.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company's auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Company's management or are assumptions based on information available to the Group. The words "considers", "intends", "deems", "expects", "anticipates", "plans" and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Although the Company believes that the forecasts or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting the Group's operations. Such factors of a significant nature are mentioned in the section "*Risk factors*" on pages 4–19.

This Prospectus shall be read together with all documents that are incorporated by reference (see the section "*Overview of financial reporting and documents incorporated by reference*") and possible supplements to this Prospectus.

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

This Prospectus is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

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RISK FACTORS

Investing in the Bonds involves inherent risks. The financial performance of the Group and the risks associated with its business are important when making a decision on whether to invest in the Bonds. A number of risk factors and uncertainties may adversely affect the Group. If any of these risks or uncertainties actually occur, the business, operating results and financial position of the Group could be materially and adversely affected, which ultimately could affect the Company's ability to make payments of interest and repayments of principal under the Terms and Conditions. In this section, a number of risk factors, both general risks pertaining to the Group's business operations and material risks relating to the Bonds as financial instruments, are illustrated. The risks presented in this Prospectus are not exhaustive as other risks not known to the Company or risks arising in the future may also come to adversely affect the Group, the price of the Bonds and the Company's ability to service its debt obligations. Further, the risk factors herein are not ranked in order of probability, importance or potential impact. Potential investors should carefully consider the information contained in this Prospectus and make an independent evaluation before making an investment decision.

RISKS RELATED TO NYFOSA'S OPERATIONS AND INDUSTRY

Macroeconomic factors have a major impact on the property market

The property market in general, and thus Nyfosa, is affected to a considerable degree by macroeconomic factors such as the economic climate, inflation and possibly deflation, growth, the rate of construction of new housing and commercial premises and changes to infrastructure and demographics. Economic growth affects the employment rate, which is an important factor regarding, for example, demand for properties and tenant solvency. An economic downturn leading to lower employment, a sharp rise in inflation or deflation could have a negative impact on Nyfosa's operations, financial position and earnings. Inflation also influences the Company's property expenses. Furthermore, changes in interest rates and inflation impact the required yield and thereby the market value of the properties. Higher vacancy rates, higher interest rates, rising costs and lower rent levels could have a negative impact on Nyfosa's operations, financial position and earnings.

Lower rental income and/or higher vacancy rates could have a negative impact on Nyfosa's operations, financial position and earnings

Both rent levels and vacancies are highly affected by overall growth in the Swedish economy but also growth at regional and local levels where Nyfosa conducts operations. The risk of loss of rent and vacancies is also related to the tenant and contractual structure. For example, a concentration of tenants to a small number of larger parties leads to increased exposure, particularly if Nyfosa does not succeed in signing leases with differentiated lease tenures. In 2018, Nyfosa's ten largest tenants accounted for approximately 20 percent of Nyfosa's total rental income. If tenants fail, for example due to bankruptcy, to fully meet their commitments in accordance with the lease, this may also lead to higher vacancy rates with a resulting reduction in property value. If one or more of Nyfosa's more important tenants does not renew or extend a lease once it has expired, this could result in reduced rental income and/or a higher vacancy rate should Nyfosa be unable to obtain equivalent income from new tenants. The general rent-level risk is attributable to the trend in current market rents. A long-term downward trend in market rents adversely impacts the Company's rental income and a recession increases the risk of large-scale vacancies in the portfolio. When a vacancy occurs, this could entail

costs for customising the premises for a new tenant, and a risk that the vacancy will be long-term. These risks could have a negative impact on Nyfosa's operations, financial position and earnings.

Increased or unforeseen operating and maintenance costs could have a negative impact on Nyfosa's operations, financial position and earnings

Operating expenses consist primarily of rates-based costs such as costs for electricity, cleaning, water, heat, and snow clearance. Several of these costs are for goods and services that can only be purchased from one or a small number of entities, which could affect the price. Furthermore, the costs for electricity, heat and snow clearance are dependent on weather conditions. Nyfosa's business, financial position and earnings could be negatively affected insofar as it may not be possible to offset higher operating and maintenance costs by regulating them in the terms of the lease or renegotiating the lease to raise the rent. Unforeseen events, such as extreme weather conditions, could also have a negative impact on Nyfosa's operations, financial position and earnings. For example, the heavy snowfall in parts of Sweden during the winter of 2017/2018 led to higher operating expenses.

Maintenance costs are primarily attributable to measures aimed at upholding a property's standard in the long term or maintaining and/or modernising it. In order to meet demands from the market, specific tenants or legal requirements, such costs may be substantial and unforeseen, and thereby may, to the extent they are not compensated for by the tenant, have an adverse impact on Nyfosa's operations, financial position and earnings.

There is a risk that Nyfosa's opportunistic transaction strategy is not successful

In line with its strategy, Nyfosa aims to be an opportunistic and transaction-based property company. In order to complete a property acquisition, suitable investment objects must be identified and on the market at reasonable price levels. The Company's ability to complete acquisitions is therefore dependent on the prevailing market situation and opportunities could be restricted from time to time by the supply of commercial properties for sale. A shortage of attractive acquisition targets, or greater competition for these, presents a risk that the Company's strategy cannot be fully implemented, which could have a negative impact on Nyfosa's operations, financial position and earnings.

Part of the Company's opportunistic strategy involves leveraging particularly complex investment opportunities and having a short decision-making process, which in certain cases may lead to greater risk-taking. If Nyfosa misjudges, for example, the market, the potential of a property or geographic area, this could result in the failure of the Company's strategy. If the Company's strategy cannot be implemented, this could have a negative impact on Nyfosa's operations, financial position and earnings.

An inability to recruit and retain qualified staff and senior executives could have an adverse impact on Nyfosa's operations

Nyfosa's organisation is relatively small. The key personnel within the organisation have built up an in-depth knowledge of, and good relationships with, the property market. The Company is, therefore, dependent on these key personnel to a certain degree, particularly as a large share of the Company's transaction operations is based on short decision-making processes, close relationships with different market operators and in-depth knowledge and insight of the property categories and geographic areas in which the Company operates. Nyfosa's future development therefore depends to a great extent on the knowledge, experience and commitment of Group management and other key personnel. It is

essential that Nyfosa retains and continues to motivate leading employees, as well as being able to recruit, retain and develop other qualified senior executives and key employees. If key personnel leave the Company and suitable and experienced replacements cannot be recruited, this could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa is exposed to several risks in connection with the acquisition and disposal of properties

Property transactions are part of the Company's operating activities and also entail several risks. When acquiring properties, risks may also exist in the operations that are acquired. For example, tenants may vacate, the acquired operation's accounts may be deficient and/or the operation may be the object of unforeseen environmental or tax claims. Other circumstances may also have an adverse impact on the value of the acquisition target.

Acquisitions may also be associated with risks pertaining to the seller or other operators. A seller may, for example, experience financial difficulties and therefore not have the willingness nor ability to pay compensation in connection with warranty claims. Property agents or other parties acting on someone else's behalf may, for example, act beyond the scope of their mandate or they may provide incorrect information and there are risks of disputes arising concerning the commissions paid to such middlemen.

As part of its property acquisition activity, Nyfosa may also enter into property acquisition agreements without ensuring beforehand that the Company will have sufficient financing for the acquisition. There is a risk associated with these acquisitions that financing cannot be obtained, or is available only at sharply increased costs.

Nyfosa's ability to sell parts of its property portfolio on favourable terms depends on the health of the property and transaction market. If Nyfosa were forced to sell parts of its property portfolio in order to finance its business, there is a risk that Nyfosa will not succeed in completing these sales on favourable terms or at all. Should Nyfosa be forced to sell all or parts of its property portfolio, for example if the Company's creditors were to realise pledged collateral, it is probable that the selling price would be lower than the price Nyfosa would be able to obtain in a future sale.

When engaging in sales, Nyfosa may grant respites for part of the purchase consideration by way of a promissory note. If a buyer against whom Nyfosa has a claim is experiencing or will experience financial difficulties, Nyfosa's chances of being paid may be reduced.

Unrealised changes in value with positive effects on Nyfosa's profit or loss and statement of financial position are created in cases where the fair value of a property is deemed to have risen based on the valuation performed. Such unrealised changes in value are, however, based on assumptions and judgments and the value of the property is only realised when the property in question is sold. There is a risk that the estimated and unrealised value of the properties may not be realised.

If any of the above risks pertaining to the Company's acquisitions or divestments were to materialise, this could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa operates in a competitive market

Nyfosa operates in a competitive industry. Competitors include both major, well-established and well-financed entities and smaller and more niched entities with various competitive advantages and strengths. Competitive factors may include financial resources and capacity to better withstand

downturns in the market, greater ability to retain talented employees and to react faster to changes in the needs of tenants, greater focus on specific segments or certain geographic areas where the Company conducts operations, or is planning to conduct operations, or more niched strategies that entail a more distinct profile and greater specialist knowledge. Nyfosa's current and future competitive situation is, therefore, dependent on the Company's knowledge of the market, financing situation, ability to remain at the cutting edge and quickly react to the existing and future needs of tenants and ability to attract and retain talented employees. Increased competition could thus have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa works continuously on developing its property portfolio and major modifications or improvements may lead to elevated credit risk, increased costs and/or decreased income

Nyfosa implements continuous investments in the existing property portfolio in the form of modifications or improvements. Larger development and improvement projects may involve substantial investments, which may lead to increased credit risk if Nyfosa cannot lease the premises at a reasonable price level or divest the properties at an attractive value. Major construction, refurbishment and renovations may also be delayed and/or become more expensive than originally anticipated, the result of which may be that it is not possible to utilise the premises from the expected date, which could lead to higher costs and/or lower income. This could have a negative impact on Nyfosa's operations, financial position and earnings.

The value of Nyfosa's property portfolio may decrease

Nyfosa's property portfolio is recognised in the statement of financial position at fair value, and the changes in value are recognised in profit or loss. The value of the properties is affected not only by supply and demand in the market but also by a number of other factors, in part property-specific factors such as the leasing rate, rent level and operating expenses, and in part such market-specific factors as the required yield and the cost of capital, which are derived from comparable transactions in the property market. Deterioration in either a property or the market could cause the value of the Company's properties to decline, which could have a negative impact on the Nyfosa's operations, financial position and earnings.

Nyfosa owns properties through a joint venture company that Nyfosa is unable to independently control

Nyfosa holds shares in the property company Söderport Holding AB ("**Söderport**"). Söderport is owned together with AB Sagax (publ) and the parties each hold a 50-percent stake in the company. The share ownership is regulated by a shareholders' agreement, and accordingly Nyfosa does not have full power of decision over the company and cannot independently control the investments or divestments of properties conducted in the company. The shareholders' agreement and Söderport's articles of association include pre-emption and first refusal clauses entailing that one party, under certain conditions, has a right to acquire the other party's shares in Söderport if, for example, ownership in the other party were to change or if the other party wished to sell its shares in Söderport to a third party. If Söderport develops in a negative manner for Nyfosa, which Nyfosa cannot fully control, this could have a negative impact on Nyfosa's operations, financial position and earnings.

Historically, Söderport has carried out property transactions that its owners at the time, Hemfosa Fastigheter AB (publ) ("**Hemfosa**") and Sagax, perceived to be attractive but with a slightly higher risk

profile and/or otherwise been outside each owners investment strategies. Nyfosa's opportunistic transaction strategy may mean that Nyfosa and Söderport could be interested in conducting the same type of transactions and therefore be considered as competitors. If situations arise where Nyfosa and Söderport have competing interests this could entail that Nyfosa's business opportunities are not harnessed in an optimal manner, which could have a negative impact on Nyfosa's operations, financial position and earnings.

Weaknesses in operational safety at Nyfosa, or important suppliers, may have a negative impact on Nyfosa's operations

Business operations are associated with the risk of incurring losses due to deficient procedures and/or that irregularities or internal or external events could cause disruptions or damage the business. Nyfosa has decided to have a relatively small organisation. While central functions in the business are managed internally, including consolidation and analysis of financial information, Nyfosa has, inter alia, outsourced parts of the day-to-day financial management to an external service provider, including accounting, monthly reports, preparation of quarterly reports and year-end reports and payroll and lease administration. When more important support functions are outsourced to external providers, it is of particular importance that the Company has efficient procedures to ensure the quality of the services that are delivered. Inadequate resources, a lack of internal control and follow-up may entail risks that suppliers do not perform their duties in the desired manner, deliver on time or fulfil other requirements stipulated by Nyfosa in terms of safety, information management and quality. Weaknesses in operational safety, including the provision of services by important suppliers to Nyfosa, could result in increased costs, operational disruption and inaccurate information, which could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa is exposed to environmental risks both in connection with the acquisition of properties and in operating activities

The Group does not currently operate any business that requires a permit according to the Swedish Environmental Code (Sw. *miljöbalken (1998:808)*). However, Nyfosa periodically has other tenants who require a permit or are subject to reporting requirements under the Swedish Environmental Code. Such operations were also previously conducted at a number of properties that are now owned by companies within the Group, for example industrial operations, such as the sale of petrol. Nyfosa also owns properties on which it has been established that pollutants or contamination may exist. A small number of properties are also recorded in the database maintained by county administrative boards of potentially contaminated sites (Sw. *EBH-stödet*). This entails greater risk for Nyfosa as property owner as claims in accordance with the Swedish Environmental Code, under certain conditions, could be made against Nyfosa for soil remediation or reclamation relating to the presence or suspicion of contamination in soil, catchment areas or groundwater. Should the Group be charged for the cost for soil remediation or reclamation, this could have a negative impact on Nyfosa's operations, financial position and earnings.

In conjunction with property investments, there is a risk that the environmental analyses performed by Nyfosa fail to identify or quantify the environmental risks correctly, which could result in unforeseen costs for decontamination or other remediation, which in turn may lead to adverse effects on Nyfosa's operations, financial position and earnings.

Nyfosa is exposed to the risk that its reputation is damaged

The Group's ability to attract and retain tenants is to a certain extent dependent on its reputation and, consequently, the Group's business and earnings capacity is sensitive to risks related to reputation damage. Penalties, negative publicity, negative rumours or other factors could impair the Group's reputation and lead to reduced competitiveness, take up managements' time and resources as well as cause other costs, which could have a material negative impact on Nyfosa's operations, financial position and earnings.

Disputes, claims, inquiries and lawsuits may lead to Nyfosa being compelled to pay damages or other charges

The Group may become involved in disputes associated with Nyfosa's operations. Disputes could concern claims from or on tenants, suppliers to Nyfosa or be made by authorities against Nyfosa. Disputes may also arise in conjunction with acquisitions or divestments of properties or relate to environmental conditions. Disputes and claims can be time consuming, disrupt operations, involve significant amounts and negatively impact Nyfosa's relationships. The Group is currently involved in a dispute with a contractor that according to the Group has engineered a project and performed sub-standard work at one of the Group's premises in Gothenburg. The Group's claims amount to the costs for correcting these shortcomings.

Nyfosa is also involved in other ongoing or potential disputes, refer to the heading above "Nyfosa is exposed to environmental risks both in connection with the acquisition of properties and in operating activities" and the heading "Ongoing tax proceedings". There is a risk that current and future disputes could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa is exposed to tax-related risks

Tax is a significant cost item for property companies. Even if tenants are responsible for their share of the property taxes due at all times in the majority of Nyfosa's leases, changes to the property tax and other taxes such as corporation tax, VAT and other state levies and tax-related contributions could have a negative impact on Nyfosa's operations, financial position and earnings.

From time to time, Nyfosa has cases under review by, and ongoing dialogues with, the Swedish Tax Agency regarding individual taxation matters. The Swedish Tax Agency makes tax rulings that can be appealed and reviewed in administrative courts of appeal. The regulations governing the recognition of taxes, and the property sector's application of these accounting regulations, are also complex fields. The regulatory framework is complex, the Swedish Tax Agency's review possibilities are comprehensive and the judicial bodies' interpretation and reviews take place in many stages, which means that it can take a long time to establish the correct application of legislation in complex taxation matters, which may adversely affect Nyfosa and investors' assessments of Nyfosa. The Swedish Tax Agency's tax rulings as well as court rulings may entail that actions taken or completed transactions that were previously considered permissible according to the regulatory framework may need to be reappraised at a later juncture. Nyfosa's assessment of prevailing law and practices at the date of filing tax returns, and Nyfosa's assessments and calculations on a tax issue at a reporting date, may therefore need to be revised at a later date.

Nyfosa has tax loss carryforwards from previous years that together with depreciation for tax purposes and deductions for certain property investments entail that current taxes for previous years are only

payable by the few subsidiaries for which there were no tax conditions for making group contributions. As explained below under the heading “Ongoing tax proceedings” one company in the Group is the object of a tax case. In the case of future audits or reviews there is a risk that the Swedish Tax Agency could object to Nyfosa’s assessment, for example, with respect to the deductibility of certain costs, opportunities for depreciation for tax purposes or the opportunity to deduct loss carryforwards from previous years. A future change in the tax situation for Nyfosa could have a negative impact on Nyfosa’s operations, financial position and earnings.

Ongoing tax proceedings

The company Nyfosa Norden AB (“**Nyfosa Norden**”) was acquired in 2014 and is a subsidiary of Nyfosa. When it was acquired, Nyfosa Norden had loss carryforwards from prior years. The Swedish Tax Agency decided in a review decision in 2018 not to grant the company full deductions for these loss carryforwards. No tax surcharges were levied. Nyfosa Norden and the Swedish Tax Agency do not share the same opinion of how to calculate the purchase consideration paid for assuming a controlling influence of Nyfosa Norden. The calculation affects the amount of the remaining loss carryforwards after the acquisition of Nyfosa Norden. Nyfosa Norden appealed the Swedish Tax Agency’s review decision to the administrative court in April 2018, where after the Swedish Tax Agency has made a mandatory reconsideration decision (*Sw. omprövningsbeslut*). Correspondence in the matter is still ongoing. The loss carryforwards that are the subject of these proceedings have, in financial statements, been valued at SEK 250 million, corresponding to 20.6 percent of the total disputed loss carryforwards of SEK 1.215 million. Nyfosa has not reserved this amount since Nyfosa believes it probable that the deduction claimed will be granted following a court ruling. A negative outcome in the continued court case could therefore have a negative impact on Nyfosa’s operations, financial position and earnings.

Change in tax legislation

On 30 March 2017, the public inquiry Certain matters involving properties and stamp duty (*Sw. Vissa frågor inom fastighets- och stämpelskatteområdet (SOU 2017:27)*) presented its proposal for new rules on the sale of shares in property-owning companies. The starting point for the investigator was to try to equate tax on the direct sales of property and sales through “packaging”, whereby the properties are sold indirectly through the transfer of shares in a property-owning company, which currently as a rule does not trigger any capital gains tax. The proposals by the investigator included the introduction of “dissolution” (*Sw. avskattning*) for property sales through packaging, which essentially entails that on the cessation of controlling influence over a company whose assets largely comprise properties (property company), the properties owned by the divested company are regarded as fiscally divested and then reacquired at a price corresponding to market value. This means the difference between the tax assessment value and the market value of properties would be taxed on the external sale of property companies.

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

As of the date of this Prospectus, there is uncertainty whether the government intends to proceed with the investigator's proposal. If the government were to proceed with the proposal in its current or modified form, it is likely that this would lead to a greater tax burden for Nyfosa in future property sales.

Nyfosa's operations may be adversely affected by amended legislation, new regulations and other regulatory requirements, as well as their application by the relevant authorities

The Company's operations rely heavily on decisions and requirements from authorities concerning property ownership, leases, rental amounts, maintenance, operations, safety regulations, environmental standards, sustainability and so forth. New, amended or terminated laws or regulations, or the application of the aforementioned, which are applicable to Nyfosa's or its customers' businesses, could entail increased costs, lower income, restructuring requirements and increased resources, and could thereby have an adverse impact on Nyfosa's operations, financial position and earnings. This is also the case if government authorities were to reach opinions that differ from those of Nyfosa or its customers concerning licensing requirements, the necessity to obtain permits or other business law requirements.

Nyfosa is exposed to liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations when they are due without a significant increase in the cost of obtaining the funds. If Nyfosa's sources of financing prove to be insufficient, this could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa is exposed to financing risk

Nyfosa finances its business primarily through borrowing and its own cash flows. There is a risk that Nyfosa will not succeed in refinancing current or future loans at all, or will not be able to do so in a, for Nyfosa, satisfying and effective way, which may lead to higher financing costs and that Nyfosa is forced to consider alternative financing possibilities. Further, there is a risk that additional capital in order to meet the Company's future growth ambitions cannot be acquired, or that this cannot be achieved at terms that are advantageous to Nyfosa. Should Nyfosa fail to obtain necessary capital in the future, this could have a negative impact on the Company's operations, financial position and earnings.

Financial covenants and other undertakings in loan agreements

The Group has incurred, and may in the future incur additional, borrowings from several credit institutions. The loan agreements entered into by the Group contains certain financial covenants, such as maintaining a certain interest-coverage ratio, loan-to-value ratio and total lowest property value in the Group and approved certain restrictions relating to dividend payments in subsidiaries. Certain loan agreements entered into by the Group also contains a change of control provision. Should Nyfosa or a relevant subsidiary not fulfil or be in breach of the financial covenants or other undertakings set out in each credit agreement, the credit institutions are entitled to cancel the underlying loans. Should one of the Group Companies fail to fulfil one or more of these covenants or other undertakings in any credit agreement, this could result in the loan and other loan agreements (through cross default provisions) being cancelled for immediate repayment or in the collateral being taken over by the credit institution(s) concerned. This could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa is exposed to interest rate risk

Nyfosa is at risk that changes in the level of interest rates impacts Nyfosa's interest expenses, which is one of the Company's largest cost items. In the longer term, changes in interest rates have a material impact on Nyfosa's profit and cash flow. In some cases, Nyfosa has entered into loan agreements with an interest rate floor provision, meaning that STIBOR 3-months cannot be negative. These provisions mean that Nyfosa cannot fully capitalise on a negative STIBOR interest. If prevailing interest rate levels were to change and/or Nyfosa were to fail to pay interest in the future, this could consequently have a negative impact on Nyfosa's operations, financial position and earnings.

Risk related to the value of derivatives

A portion of Nyfosa's loans has a short fixed-rate period. As part of its management of interest rate risk, the Company utilises fixed-income derivatives, at present primarily interest rate caps. If, during the term of the derivatives, the variable market interest rate deviates from the contractual fixed interest rate alternatively the contractual upper limit for the floating interest rate for the derivatives, this gives rise to a theoretical surplus or deficit value for the financial instrument. Fixed-income derivatives and interest rate caps are recognised continuously at fair value in the statement of financial position, while changes in value are recognised in profit or loss. The market value of the derivatives changes as market interest rates change. This could, in turn, have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa is exposed to counterparty risk

Nyfosa is exposed to the risk that a counterparty is unable to meet their obligations to pay the contractually agreed rent, purchase consideration or otherwise fulfil their obligations. Existing and potential customers may find themselves in situations, for example due to economic circumstances, which mean they can no longer pay the contractually agreed rents on time or otherwise fulfil their obligations. Furthermore, new development and refurbishment projects could be delayed if suppliers cannot deliver on time or if contractors cannot conclude projects as planned. If Nyfosa's counterparties are not able or willing to fulfil their obligations to Nyfosa it could have a negative impact on Nyfosa's financial position and earnings.

The Company has a limited operating history

The Company is a recently incorporated company, starting its operations in connection with the separation from Hemfosa in 2018. Hence, the Company faces all of the risks and uncertainties associated with a new business and there is a risk that Nyfosa will not be able to successfully realise its strategies. For example there is a risk that, Nyfosa, as standalone company with limited historical financial information, will not be able to obtain external financing or other financial services on advantageous conditions. Should Nyfosa as an independent company incur additional costs, achieve lower profits or make lower cost savings than expected it could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa could be liable for claims that are not attributable to Nyfosa's existing operations

A demerger agreement was entered into between Hemfosa and Nyfosa in conjunction with the separation of Nyfosa from Hemfosa in 2018. According to the demerger agreement, the responsibility for a subsidiary or property's historical relationships, both known and unknown, is to lie with each legal entity. This means that Nyfosa in relation to Hemfosa is responsible for claims made by a third party

against a subsidiary or property included in the Group, regardless of the grounds or when the claim arose and whether it is related to Nyfosa's current operations. Such claims, that may be unexpected and be considered unjustified in relation to Nyfosa, could have a negative impact on Nyfosa's operations, financial position and earnings.

Nyfosa's historic financial information does not necessarily provide the same picture as if Nyfosa historically had been a separate group

For the purposes of the IFRS, the Group was formed in May 2018. Since Nyfosa's operations have not historically formed a group according the IFRS definition, there are no consolidated financial statements for the Group for the periods prior to such date. Accordingly, the historical financial information for the periods prior to May 2018 have been prepared as combined financial statements for the Company and its subsidiaries. Earnings for operations attributable to commercial properties have previously been consolidated within the framework of Hemfosa's earnings, financial position and cash flow. Consequently, costs attributable to being an independent listed company, such as certain administration expenses, have not been charged in full to Nyfosa's earnings.

As a result, Nyfosa's historic consolidated financial information does not necessarily provide an accurate and complete representation of what Nyfosa's operations, earnings and financial position would have been if Nyfosa had operated as a separate group also historically. Nor should the information be used as a basis for conclusions about Nyfosa's future operations, earnings and financial position. There is a risk that Nyfosa's financial position and earnings will deviate materially from what investors would expect based on Nyfosa's historic consolidated financial information.

RISKS ASSOCIATED WITH THE BONDS

Credit risks

An investment in the Bonds carries a credit risk relating to the Group. The bondholders' ability to receive payment under the Terms and Conditions is therefore dependent upon the Company's and the Group's ability and willingness to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, a number of which have been discussed herein. An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. Another aspect of the credit risk is that any deterioration in the financial position of the Group may entail a lower credit-worthiness and the possibility for the Group to receive financing may be impaired when the Bonds mature.

Refinancing risk

The Company may be required to refinance its outstanding debt, including the Bonds. The Company's ability to refinance successfully its debt obligations is dependent upon the conditions of the capital markets and the Company's financial position at such time. Even if the markets and the Company's financial position improve, the Company's access to financing sources may not be available on acceptable terms, or at all. The Company's inability to refinance its debt obligations on acceptable terms, or at all, could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Ability to service debt

The Company's ability to service its debt under the Bonds will depend on, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Interest rate risks

The value of the Bonds is dependent on several factors, including the level of the general market interest rates over time. The Bonds have a floating rate structure of a base rate (initially STIBOR) plus a margin and the interest rate of the Bonds will be determined two business days prior to the first day of each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. An increase of the general interest rate level could adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the Swedish and the international financial development and is outside the Group's control.

Moreover, there is a risk that STIBOR is replaced or ceases to exist, in which case according to the Terms and Conditions, an independent adviser shall be appointed to determine a new base rate for calculation of the interest rate. However, there is a risk that the Issuer fails to appoint an independent adviser in timely manner or at all or that such independent adviser fails to determine a new base rate. If STIBOR does not survive in its current form or at all, this could adversely affect the value of and the amounts payable under the Bonds, and also have a material adverse effect on the Group's financial position and earnings and thus, the bondholders' recovery under the Bonds. The value of the Bonds could also be adversely affected by any uncertainty regarding the continued use and reliability of STIBOR as a benchmark interest rate.

Liquidity risks

The Company has undertaken to have the Bonds issued under the initial Bond issue admitted to trading on Nasdaq Stockholm or any other regulated market within twelve months after the first issue date. It is further the Company's intention to complete such admission within 30 calendar days from the first issue date of the Bonds, and if the Bonds have not been admitted to trading within 60 calendar days after the first issue date of the Bonds, each bondholder has a right of prepayment (put option) of its Bonds. However, there is a risk that the Bonds will not be admitted to trading. Further, even if the Bonds are admitted to trading on a regulated market, there is not always active trading in the securities and there is a risk that there will not be a liquid market for trading in the Bonds or that this market will be maintained. This may result in that the bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if they are admitted for trading on a regulated market.

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

The market price of the Bonds may be volatile

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Company's and the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors, some of which have been discussed herein. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of the Bonds without regard to the Company's operating results, financial position or prospects.

Currency risk

The Bonds will be denominated and payable in SEK. If investors in the Bonds measure their investment return by reference to a currency other than SEK, an investment in the Bonds will entail foreign exchange-related risks. For example, possible significant changes in the value of the SEK relative to the currency by reference to which investors measure the return on their investments could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Company to make payments in respect of the Bonds. As a result, there is a risk that investors may receive less interest or principal than expected, or no interest or principal.

Dependence on subsidiaries

A significant part of the Group's assets and revenues relate to the Company's subsidiaries. Accordingly, the Company is dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable it to make payments under the Bonds. The subsidiaries are legally separate and distinct from the Company and have no obligation to pay amounts due with respect to the Company's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the subsidiaries to make such payments to the Company is subject to, among other things, the availability of funds, corporate restrictions and the terms of each operation's indebtedness. Should the Company not receive sufficient income from the subsidiaries, the investor's ability to receive payment under the Terms and Conditions may be adversely affected.

Structural subordination and insolvency of subsidiaries

The Group's operations are conducted through the Company's property-owning subsidiaries. As mentioned in the risk factor "Dependence on subsidiaries" above, the Company is thus to certain extent dependent on its subsidiaries. In the event of insolvency, liquidation or a similar event relating to one of the Company's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Company, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. There is a risk that the Company and its assets would not be protected from actions by the creditors of a

subsidiary, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group may result in the obligation of the Company to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Company, which could have a material negative impact on the Company's revenue, operations, profitability and financial position and on the bondholders' recovery under the Bonds.

Unsecured obligations

The Bonds represent an unsecured obligation of the Company. This means that in the event of bankruptcy, re-organization or wind-up of the Company, the holders of the Bonds normally receive payment after any priority creditors have been fully paid. Each investor should be aware that there is a risk that an investor in the Bonds loses all or part of their investment if the Company becomes bankrupt, carries out a re-organization or is wound-up.

Financing, structural subordination and priority rights

The Terms and Conditions only include limited restrictions in relation to the Company's and its subsidiaries' ability to e.g. issue market loans and incur additional (secured or unsecured) indebtedness and there are no such restrictions at all with respect to joint ventures. In case the Company for example issues a market loan with a shorter maturity than the Bonds, the bondholders' recovery under the Bonds may be adversely affected.

Moreover, the Group has and may continue to, as part of its financing, incurred debts to credit institutions. Certain real property and shares in the Company's property-owning subsidiaries have in connection therewith been pledged as security. The Group intends to continue seeking appropriate and profitable financing and may in connection thereto grant security for such financing. Such secured financing may negatively affect the Bonds as the Bonds are structurally subordinated to such debt.

Risks related to early redemption and put option

Under the Terms and Conditions, the Company has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the bondholders have the right to receive an early redemption amount equal to the nominal amount of the Bonds. However, there is a risk that the market value of the Bonds is higher than the early redemption amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put option) if (i) an event or series of events occur whereby one or more persons, acting together, acquire control over the Company and where "control" means acquiring or controlling, directly or indirectly, more than 50.00 percent of the votes of the Company, or the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Company, (ii) the Company's shares are not listed or admitted to trading on Nasdaq Stockholm or any other regulated market, or if the Company's shares on the aforementioned stock exchanges is suspended for a period of 15 consecutive banking days or (iii) the Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm (or any other regulated market) within 60 calendar days after the issue date for the Bonds or, once the Bonds have been admitted to trading on a regulated market,

the Bonds are no longer admitted to trading thereon, or any subsequent Bonds are not admitted to trading on a regulated market within 30 calendar days from their relevant issue date. There is, however, a risk that the Company will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Company, e.g., by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all bondholders and not only those that choose to exercise the option.

Ability to comply with the Terms and Conditions

The Company is required to comply with the Terms and Conditions. Events beyond the Company's control, including changes in the economic and business condition in which the Group operates, may affect the Company's ability to comply with, among other things, the undertakings set out in the Terms and Conditions. A breach of the Terms and Conditions could result in a default under the Terms and Conditions.

No action against the Company and bondholders' representation

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

Under the Terms and Conditions, the Agent has in some cases have the right to make decisions and take measures that bind all bondholders. Consequently, the actions of the Agent in such matters could affect a bondholder's rights under the Terms and Conditions in a manner that would be undesirable for some of the bondholders.

Bondholders' Meetings

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

Restrictions on the transferability of the Bonds

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a holder of the Bonds may not offer or sell the Bonds in the United States. The Company has not undertaken to register the Bonds under the U.S. Securities Act or any U.S. state securities laws or to effect any exchange offer for the

Bonds in the future. Furthermore, the Company has not registered the Bonds under any other country's securities laws. Each potential investor should observe and obey the transfer restrictions that apply to the Bonds. It is each potential investor's obligation to ensure, at own cost and expense, that the offers and sales of Bonds comply with all applicable securities laws. Due to these restrictions, there is a risk that a bondholder cannot sell its Bonds as desired.

Risks relating to the clearing and settlement in Euroclear Sweden's book-entry system

The Bonds are affiliated with Euroclear Sweden's account-based system, and no physical Bonds have been or will be issued. Clearing and settlement relating to the Bonds will be carried out within Euroclear Sweden's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent upon the functionality of Euroclear Sweden's account-based system, which is a factor that the Company cannot control. If Euroclear Sweden's account-based system would not function properly, there is a risk that investors would not receive payments under the Bonds as they fall due.

Amended or new legislation

This Prospectus and the Terms and Conditions are based on Swedish law in force at their respective date of issuance. The impact of any possible future legislative measures or changes, or changes to administrative practices, may give rise to risks which are not possible to foresee. There is a risk that amended or new legislation and administrative practices may adversely affect the investor's ability to receive payment under the Terms and Conditions.

Conflict of interests

The issuing agent and the bookrunners have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Company and the Group in the ordinary course of business. Accordingly, there is a risk that conflicts of interest may exist or may arise because of the issuing agent and the bookrunners having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

RESPONSIBLE FOR THE INFORMATION IN THE PROSPECTUS

The Company issued the Bonds on 22 May 2019. This Prospectus has been prepared in relation to the Company applying for admission to trading of the Bonds on Nasdaq Stockholm, in accordance with the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council and the rules and regulations in Chapter 2 of the Swedish Financial Instruments Trading Act, each as amended.

The Company confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Company's knowledge, in accordance with the actual conditions and that no information has been omitted which may distort the picture of the Company. The information in the Prospectus and in the documents incorporated by reference which derive from third parties has, as far as the Company is aware and can judge on basis of other information made public by the respective third party, been correctly represented and no information has been omitted which may serve to render the information misleading or incorrect.

The board of directors is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law. The board of directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus is, to the best of the board of directors' knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Nacka on 5 June 2019

Nyfosa AB (publ)

The board of directors

THE BONDS IN BRIEF

This section contains a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference (see the section “Overview of financial reporting and documents incorporated by reference”) and the full Terms and Conditions for the Bonds, which can be found in section “Terms and Conditions for the Bonds”, before a decision is made to invest in the Bonds.

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

GENERAL

Issuer	Nyfosa AB, reg. no. 559131-0833.
Resolutions, authorisations and approvals	The Company’s board of directors resolved to issue the Bonds on 8 May 2019.
The Bonds offered	Up to SEK 1,500,000,000 in an aggregate principal amount of senior unsecured callable floating rate bonds due 2022. As per the date of this Prospectus, SEK 750,000,000 of the Bonds have been issued.
Subsequent Bonds.....	The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 1,500,000,000, always provided <i>inter alia</i> that the Maintenance Test (calculated <i>pro forma</i> including such issue) is met.
Number of Bonds.....	Maximum 1,200.
ISIN.....	SE0012569655.
First Issue Date	22 May 2019.
Price.....	All bonds issued on the First Issue Date have been issued at an issue price of one hundred (100.00) per cent of the Nominal Amount.
Interest Rate	Interest on the Bonds is paid at a rate equal to the sum of (i) the Base Rate, plus (ii) 375 basis points <i>per annum</i> , where the Base Rate is initially STIBOR or, following a Base Rate Event, any reference rate replacing STIBOR in accordance with Clause 10 (“ <i>Base Rate replacement</i> ”) of the Terms and Conditions.
Interest Payment Dates	Quarterly in arrears on 15 January, 15 April, 15 July and 15 October each year, commencing on 15 July 2019 (short first

	Interest Period). Interest will accrue from, but excluding, the First Issue Date.
Final Redemption Date	22 May 2022.
Nominal Amount	The Bonds have a nominal amount of SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds is SEK 1,250,000.
Status of the Bonds	The Bonds are denominated in SEK. The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them.
Use of Proceeds	The Issuer shall apply the proceeds from the Initial Bond Issue and any Subsequent Bond Issue towards general corporate purposes, including, for the avoidance of doubt, property acquisitions.
Decisions by Holders.....	The Bonds entitle Holders representing at least ten (10.00) per cent to request a decision of the Holders. Such decisions are rendered by way of Holders' Meeting or a Written Procedure. Valid decision require the consent of Holders representing more than fifty (50.00) per cent of the Adjusted Nominal Amount for which Holders are voting, and in respect of certain matters a qualified majority of at least two thirds (2/3) of the Adjusted Nominal Amount for which the Holders are voting is required. Quorum exists if the Holders represent at least fifty (50.00) per cent of the Adjusted Nominal Amount in respect of the qualified majority requirement and otherwise at least twenty (20.00) per cent of the Adjusted Nominal Amount.

CALL OPTION

Call Option	The Issuer has the right to redeem all, but not only some, outstanding Bonds in full on any Business Day falling on or after the date falling three (3) months prior to the Final Redemption Date at an amount equal to the Nominal Amount together with accrued but unpaid Interest, provided that such early redemption is financed in full or in part by way of the Issuer issuing Market Loan(s), in accordance with Clause 11.3 (" <i>Early voluntary redemption by the Issuer (call option)</i> ") of the Terms and Conditions.
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PUT OPTION

Put Option.....	Upon a Change of Control Event, De-listing Event or Listing Failure Event occurring, each Holder shall have the right to request that all, but not only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price of one hundred one (101.00) per cent of the Nominal Amount (plus accrued and unpaid Interest) during a period of thirty (30) calendar days following the notice of a Change of Control Event, De-listing Event or Listing Failure Event.
Change of Control Event	A Change of Control Event means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where "control" means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.
De-listing Event	A De-listing Event means the situation where (i) the Issuer's ordinary shares are no longer listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market, (ii) trading of the Issuer's listed ordinary shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days, or (iii) once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer admitted to trading thereon (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).
Listing Failure Event	A Listing Failure Event means the situation where the Initial Bonds have not been admitted to trading within sixty (60) calendar days from the First Issue Date (although the Issuer will use its best efforts to have the Initial Bonds admitted to trading within thirty (30) calendar days from the First Issue Date as well as any Subsequent Bonds within thirty (30) calendar days from such relevant issue date).

COVENANTS

Certain covenants.....

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

- restrictions on making distributions;
- undertaking to have the Bonds issued in the Initial Bond Issue admitted to trading on a Regulated Market within twelve (12) months from the First Issue Date;
- restrictions on making any substantial changes to the general nature of the business carried out by the Group;
- restrictions on the issuance of Market Loans;
- restrictions on the disposal of assets;
- undertaking to keep the Group's properties in a good state or repair, to maintain a customary insurance coverage and to procure preparation of external valuation report(s) regarding the fair value of at least ninety (90.00) per cent of the properties (land and buildings) held by the Group;
- undertaking to meet the Maintenance Test as long as any Bond is outstanding; and
- restrictions on dealings with related parties.

Each of these covenants and undertakings are subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for further information.

MISCELLANEOUS

Transfer restrictions.....

The Bonds are freely transferable. The Holders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which a Holder may be subject. The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.

Admission to trading

Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in connection with the SFSA's approval of this Prospectus. Subsequent Bonds may be admitted to trading according to this Prospectus within one year from the approval by the SFSA, as a result of a Subsequent Bond Issue. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 10 June 2019. The total expenses of the admission to trading of the Initial Bonds are estimated to amount to SEK 150,000.

Agent	Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden, is acting as Agent for the Holders in relation to the Bonds, and if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions. An Agent Agreement was entered into between the Agent and the Issuer on or about the First Issue Date regarding, among others, the remuneration payable to the Agent. The Agent Agreement is available at the Agent's office address (Norrandsgatan 23, SE-111 43 Stockholm). The rights and obligations of the Agent are set forth in the Terms and Conditions.
Governing law of the Bonds	Swedish law.
Time-bar	The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment.
Risk factors	Investing in the Bonds involves substantial risks and prospective investors should refer to section " <i>Risk Factors</i> " for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

THE GROUP AND ITS OPERATIONS

INTRODUCTION

Nyfosa AB is a public limited liability company registered in Sweden with registration number 559131-0833, having its registered address at P.O. Box 4044, SE-131 04, Nacka, Sweden and the registered office of the board of directors is the Municipality of Nacka, County of Stockholm. The Company was formed on 17 October 2017 and registered with the Swedish Companies Registration Office on 27 October 2017. The current company name was registered on 21 November 2017. However, the Company did not start its operations until 2018. The Company is governed by Swedish law including, but not limited to, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).

SHARE CAPITAL, SHARES, OWNERSHIP STRUCTURE AND GOVERNANCE

As of the date of this Prospectus, the Company's share capital amounted to SEK 83,864,124.50 divided among 167,728,249 shares with a nominal value of SEK 0.50 each, all of which are ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

The Company is publicly traded with its ordinary shares being listed on Nasdaq Stockholm. The five largest shareholders of the Company as per 31 March 2019 are set out in the table below.

Shareholder	Capital	Votes
Länsförsäkringar Fonder	7.3 per cent	7.3 per cent
Swedbank Robur fonder	6.2 per cent	6.2 per cent
Kåpan Pensioner Försäkringsförening	5.2 per cent	5.2 per cent
Handelsbanken Fonder	4.5 per cent	4.5 per cent
ICA-handlarnas förbund	4.4 per cent	4.4 per cent

The shareholders' influence is exercised through participation in the decisions made at general meetings of the Group. To ensure that the control over the Company is not abused, the Company complies with the Company's articles of association and external regulations such as the Swedish Companies Act, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code. In addition, the Company acts in accordance with the rules of procedure of the board of directors and the instructions for the CEO adopted by the board of directors of the Company and other internal regulations and policies. The responsibility for governance and control is divided among the shareholders at the general meeting of shareholders, the board of directors and the CEO.

The Company is the parent company of the Group. As at the date of this Prospectus, the Group consists of one directly and 187 indirectly wholly owned subsidiaries, all of which are incorporated in Sweden. In addition to its wholly owned subsidiaries, the Company also holds shares in the joint venture, Söderport, which is jointly held by the Company and AB Sagax (publ), with a 50 per cent holding each. The Company runs the Group's property management operations and all administrative functions, including *inter alia* a finance, legal and transaction department, and its primary purpose is to manage its operating and property owning subsidiaries and to evaluate investment opportunities, whereas the Group's properties are owned by the Company's subsidiaries and Söderport. As a result,

the Company is dependent on its subsidiaries and associated companies in order to generate profit and cash flow and, thus, to be able to meet its obligations under the Bonds.

BUSINESS AND OPERATIONS

About Nyfosa

Nyfosa is a transaction-based and opportunistic property company in which business activities are in focus. The Company's business concept is based on an active participation in the Swedish transaction market combined with an investment strategy that can be flexible to the property market, meaning it is not limited by property category, region, scope of the transaction or holding period. A flexible investment strategy and an efficient and near-to-market organisation with documented transaction know-how and experience from assessing and evaluating risks provide Nyfosa with a solid foundation for creating and completing investments in properties or property portfolios that are often on the peripheral in terms of the types of investments preferred by other operators.

The emphasis is on identifying values, assessing the development potential and leveraging business opportunities that may lead to a portfolio of high-yielding properties, primarily commercial. Nyfosa's method of conducting property transactions and developing and adding value to properties creates a property portfolio with the potential to generate high and stable return. As per 31 March 2019, the value of Nyfosa's property portfolio corresponded to approximately SEK 15.7 billion, with a leasable area of approximately 1,575 thousand sqm and mainly comprised offices in high-growth municipalities as well as logistics and warehouse properties located at transportation hubs across Sweden. In addition to Nyfosa's wholly owned property portfolio, Nyfosa also owns 50 per cent of the shares in the property company Söderport, which on the same date had a property portfolio valued at SEK 7.9 billion.

History of the Group

Nyfosa was originally part of Hemfosa and the property portfolio initially comprised Hemfosa's previous portfolio of commercial properties. Through Hemfosa, the Company has a history of business transactions in commercial properties that began in 2009, which is described below using a few milestones and important transactions for the group that is now Nyfosa.

- | | |
|-----------|--|
| 2009 | Hemfosa was founded by an experienced team with a solid background from value-generating property companies. |
| 2010 | Acquisition of 50 per cent of the shares in the property company Söderport. As per 31 March 2019, Söderport owned properties valued at SEK 7.9 billion, focusing on the Stockholm and Gothenburg regions. |
| 2010–2011 | Acquisition of a large number of properties at public auction due to the turbulence that prevailed at the time in the property market. The acquisitions included the property where Nyfosa's head office is now located. The acquisitions were made possible by the opportunistic strategy and decentralised and efficient organisation that is now a feature of Nyfosa. |
| 2013 | Acquisition of a portfolio of 28 commercial properties with a property value of SEK 1.3 billion. Through active property management, the portfolio has since been divided and |

18 of the properties (valued at SEK 723 million) have been gradually divested for a favourable profit.

- 2014 Hemfosa was listed on Nasdaq Stockholm. The listing offered access to the capital market and resulted in a broader ownership base with both Swedish and international investors.
- Acquisition of a property portfolio of 54 commercial properties with a property value of SEK 2.0 billion.
- 2016 The Company signed a ten-year lease for the previously largely vacant floor space with If Skadeförsäkring comprising 11,400 sqm in the Tulpanen 3 property in Mölndal. At that time, it was Hemfosa's largest new lease, and was made possible by the active property management that is now conducted by Nyfosa.
- 2017 Acquisition of a property portfolio comprising five properties in Örnköldsvik at a property value of SEK 860 million.
- 2018 Divestment of a property in central Uppsala in June at a property value of SEK 1.0 billion.
- Acquisition in July of a property portfolio comprising 51 commercial properties with a property value of SEK 3.6 billion.
- In September, Hemfosa's extraordinary general meeting resolved on the distribution of all shares in Nyfosa to Hemfosa's ordinary shareholders. On 23 November, Nyfosa was listed on Nasdaq Stockholm.

MATERIAL AGREEMENTS

Other than the Terms and Conditions of the Bonds, and apart from what is stated below, the Group is not part to any material agreement outside the ordinary course of business which could result in a Group Company having a right or an obligation that could materially affect the Company's ability to fulfil its obligations under the Bonds.

Financing agreements

Nyfosa has entered into several credit agreements with several different banks, including SEB, Swedbank, Nordea and Danske Bank. Among these agreements, there are three framework agreements with a total commitment of SEK 3,880 million, out of which SEK 1,709 million have been utilised per 31 May 2019.

These credit agreements comprise facilities to implement and finance property acquisitions and various forms of business financing. These credit agreements include standard limitations, commitments and guarantees regarding the companies within the Group and its property and conducting of the operations to a varied extent. In connection with incurrence of these credits, the Company and other companies within the Group have provided guarantees and indemnification arrangements, signed a subordination agreement and pledged collateral to lenders. Collateral primarily comprises shares in subsidiaries, mortgages in properties and internal receivables. The credit agreements also contain certain restrictions, for example, the restrictions on the right to raise additional

loans, to pledge additional collateral and to resolve on dividends in Nyfosa's subsidiaries. The majority of the agreements also contain undertakings to meet certain key financial data criteria (such as interest-coverage ratio, loan-to-value ratio and minimum portfolio value). The agreements include provisions on repayments in the event of, for example, sales of properties, accepting insurance compensation, material changes in ownership or if the Company's shares cease to be listed.

Service agreement regarding the provision of economic and property-administrative services

Nyfosa has entered into an agreement with Newsec Asset Management AB ("**Newsec**") regarding the provision of economic and property-administrative services to Nyfosa, such as accounting, financial reporting, handling of purchase ledgers, lease administration, payroll administration and support with property transactions and projects. The agreement expires on 31 August 2023 and Nyfosa has the right to prolong the agreement twice, with one year at a time, by notice six months prior to the expiration of the agreement. Both parties have, with a notice period of 14 days and according to certain prerequisites in the agreement, the right to terminate the agreement partly or fully, if the other party has failed to fulfil certain obligations. If the agreement is terminated, for whatever reason, Nyfosa is entitled to, with a three months' notice before the termination date (or such shorter period that may apply if the agreement is terminated with shorter notice), to prolong the period for fulfilment of the services up to a maximum period of 18 months after the termination date and, under a period between six to 18 months demand that Newsec shall provide certain services to ease a transition to a new service provider. The performance of the services that Newsec provides is particularly important to Nyfosa since the Company has decided to have a relatively small and efficient accounting function that mainly analyses, assures the quality of and compiles financial information.

CREDIT RATING

Neither the Company nor the Bonds have a credit rating from an international credit rating institute.

SIGNIFICANT ADVERSE CHANGES AND RECENT EVENTS

There has been no material adverse change in the prospects of the Company since the date of publication of its latest audited financial report and no significant change has occurred in the financial or market position of the Company since the end of the last financial period for which interim financial information has been published.

On 2 May 2019, Nyfosa signed an agreement with Alecta pensionsförsäkring, to acquire two retail properties at a total value of approximately SEK 470 million in Västerås and Borås. Closing is expected to occur on 1 June 2019 and the acquisition is financed through own equity and utilization of an existing credit facility.

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

SHAREHOLDERS' AGREEMENTS

As far as the Company is aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Company.

LITIGATION

The Group is involved in disputes, claims and administrative proceedings that arise from time to time in Nyfosa's operating activities. Except for those described below, the Company has not, during the past twelve months, been and is not aware of any governmental, legal or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability.

The Group is involved in a dispute with a contractor that according to the Group has engineered a project and performed sub-standard work at one of the Group's premises in Gothenburg. The Group's claims amount to the costs for correcting these shortcomings. The contractor has contested the Group's claim. In 2018, the Group initiated arbitration proceedings as a result of the shortcomings in the performance of the contractor's work. The arbitration award is expected to be announced by year-end 2019 or beginning of 2020.

Furthermore, the Group is involved in an ongoing tax case regarding the subsidiary Nyfosa Norden that was acquired in 2014. When it was acquired, Nyfosa Norden had loss carryforwards from prior years. The Swedish Tax Agency decided in a review decision in 2018 not to grant the company full deductions for these loss carryforwards. No tax surcharges were levied. Nyfosa Norden and the Swedish Tax Agency do not share the same opinion of how to calculate the purchase consideration that was paid for assuming a controlling influence of Nyfosa Norden. The calculation affects the amount of the remaining loss carryforwards after the acquisition of Nyfosa Norden. Nyfosa Norden appealed the Swedish Tax Agency's review decision to the administrative court in April 2018, where after the Swedish Tax Agency has made a mandatory reconsideration decision (*Sw. omprövningsbeslut*). Correspondence in the matter is still ongoing. The loss carryforwards that are the subject of these proceedings have, in financial statements, been valued at SEK 250 million, corresponding to 20.6 percent of the total disputed loss carryforwards of SEK 1.215 million. Nyfosa has not reserved this amount since Nyfosa believes it probable that the deduction claimed will be granted following a court ruling.

BOARD OF DIRECTORS, SENIOR MANAGEMENT AND AUDITORS

Information on the members of the board of directors and the senior management for the Company, including significant assignments outside the Group, is set forth below.

The business address and contact address for all members of the board of directors and the senior management of the Company is P.O. Box 4044, SE-131 04 Nacka or Hästholmsvägen 28, SE-131 30 Nacka.

BOARD OF DIRECTORS

Johan Ericsson

Born in 1951. Member of the board of directors of the Company since 2018 and chairman of the board of directors of the Company since 2019. Current assignments outside the Group include: CEO of Logistea AB (publ) and Klockarbäcken Property Investment AB (publ), chairman of the board of directors of SHH Bostad AB (publ), Aktiebolaget Oscar Robur, Konstmässan Market AB, Castar Europe AB, Braheberget Holding AB, Emilhus AB and member of the board of directors of Brinova Fastigheter AB (publ).

Lisa Dominguez Flodin

Born in 1972. Member of the board of directors of the Company since 2018. Current assignments outside the Group include: CFO of Grön Bostad AB, member of the board of directors of LCF Financial Services AB and Flodin Kapital AB.

Kristina Sawjani

Born in 1975. Member of the board of directors of the Company since 2018. Current assignments outside the Group include: Head of Transaction of Mengus.

Marie Bucht Toresäter

Born in 1967. Member of the board of directors of the Company since 2018. Current assignments outside the Group include: CEO of Novi Real Estate AB and member of the board of directors of MVB Holding AB.

Jens Engwall

Born in 1956. Member of the board of directors of the Company since 2017 and CEO of the Company since 2018. Current assignments outside the Group include: chairman of the board of directors of Söderport Holding AB and member of the board of directors of Bonnier Fastigheter AB and Quanta Fuel AS.

Per Lindblad

Born in 1962. Member of the board of directors of the Company since 2018. Current assignments outside the Group include: CEO of Landshypoteket Bank Aktiebolag and chairman of the board of directors of Lyckås Aktiebolag.

Mats Andersson

Born in 1954. Member of the board of directors of the Company since 2019. Current assignments outside the Group include: vice chairman of The Global Challenges Foundation and member of the board of directors of Carneo AB and Länsförsäkringar Liv Försäkringsaktiebolag (publ) as well as a couple advisory assignments.

SENIOR MANAGEMENT**Jens Engwall**

Refer to the detailed information for Jens Engwall in section “*Board of directors*” above.

Johan Ejerhed

Born in 1976. Johan Ejerhed is Head of Finance of the Group since 2018. Johan Ejerhed has no current assignments outside the Group.

Ylva Hult Palmryd¹

Born in 1976. Ylva Hult Palmryd is Head of Legal of the Group since 2018. Ylva Hult Palmryd has no current assignments outside the Group.

Anders Hörnqvist

Born in 1966. Anders Hörnqvist is Head of Property Management of the Group since 2018. Current assignments outside the Group include: CEO and member of the board of directors of Getberget Invest AB and Hattens fastigheter Aktiebolag, chairman of the board of directors of Corner Project Management AB and member of the board of directors of Norstone Group AB, Sustainable Energy Solutions Sweden Holding AB, Byggmästare Anders J Ahlström Holding AB (publ) and Byggmästare Anders J Ahlström Fastighets AB (publ).

Stina Lindh Hök

Born in 1973. Stina Lindh Hök is COO of the Group since 2018. Current assignments outside the Group include: limited partner in Lindh & Hök Kommunikation kommanditbolag.

Jenny Lindholm²

Born in 1978. Jenny Lindholm is Head of Transactions of the Group since 2018. Jenny Lindholm has no current assignments outside the Group.

Ann-Sofie Lindroth

Born in 1976. Ann-Sofie Lindroth is Head of Financial Control of the Group since 2018. Current assignments outside the Group include: member of the board of directors of Söderport Holding AB and Söderport Fastigheter AB.

¹ Ylva Hult Palmryd has terminated her employment.

² Jenny Lindholm has terminated her employment and will leave her duty in the beginning of the second half of 2019. A replacement process is underway.

AUDITORS

KPMG AB has been Nyfosa's auditor since the Company's formation and has thus been responsible for the audit throughout the period covered by Nyfosa's historical financial information. Mattias Johansson has been the auditor-in-charge from November 2018 and onwards. Before that, Björn Flink and Petra Lindström have been auditors-in-charge. All of Mattias Johansson, Björn Flink and Petra Lindström are members of FAR. The business address to KPMG AB is KPMG AB, P.O. Box 382, SE-101 27 Stockholm, Sweden.

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

CONFLICTS OF INTERESTS

None of the members of the board of directors or the senior management of the Company has a private interest that may be in conflict with the interests of the Company.

Although there are currently no conflicts of interest, it cannot be excluded that conflicts of interest may come to arise between companies in which members of the board of directors and members of the senior management have duties, as described above, and the Company.

INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE BOND ISSUE

The Joint Bookrunners and/or their affiliates may have engaged in, and may in the future engage in, investment banking and/or other services for the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Joint Bookrunners and/or their affiliates having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

FINANCIAL INTERESTS

Several members of the board of directors and members of the senior management have financial interests in the Group through their direct and/or indirect holdings of shares in the Company.

OVERVIEW OF FINANCIAL REPORTING AND DOCUMENTS INCORPORATED BY REFERENCE

FINANCIAL REPORTING AND DOCUMENTS INCORPORATED BY REFERENCE

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

The financial information of the Company and the Group for the financial year 2018 has been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) as adopted by the EU. The Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has also been applied.

The Company's consolidated annual report for the financial year 2018 has been incorporated in this Prospectus by reference. The financial report incorporated in this Prospectus by reference has been audited by the Company's auditor and the auditor's report has been incorporated in this Prospectus through the consolidated annual report for the financial year 2018 by reference.

The Company was registered with the Swedish Companies Registration Office on 27 October 2017 and was dormant until December 2017. The Company acquired 122 companies (indirectly) at carrying amount from various subsidiaries of Hemfosa Fastigheter AB between December 2017 and May 2018. The acquired companies are primarily property-owning companies, but also holding companies. Since the operations have not historically formed a Group according to the IFRS definition, there are no consolidated financial statements for the periods prior to May 2018. Accordingly, the comparative historical financial information for the period ended on 31 December 2017 has been prepared as combined financial statements for the Company and its subsidiaries. The accounting policies for the combined financial statements are presented in Note 2 (*Significant accounting policies*) on page 64 of the Company's consolidated annual report for the financial year ended 31 December 2018.

In this Prospectus the following documents are incorporated by reference. The documents have been handed in to the SFSA and the documents regarding the Company have been made public.

Reference	Document	Page
Financial information regarding the Group and its business for the financial year ended 31 December 2018	The Company's consolidated annual report for the financial year ended 31 December 2018	- 56 (Consolidated statement of profit/loss)
		- 57 (Consolidated statement of financial position)
		- 58 (Consolidated statement of changes in equity)
		- 59 (Consolidated statement of cash flows)
		- 60 (Parent Company statement of profit/loss)
		- 61 (Parent Company statement of financial position)

		- 62 (Parent Company statement of changes in equity)
		- 63 (Parent Company statement of cash flows)
		- 64–82 (Notes to the financial statements)
Auditor's report for the financial year ended 31 December 2018	The Company's consolidated annual report for the financial year ended 31 December 2018	- 84–87 (Auditor's report)

The Company's financial report mentioned above are available in electronic form on the Company's web page <https://nyfosa.se/en/investor-relations/finansiella-rapporter-eng/> and can also be obtained from the Company in paper format in accordance with the section "*Documents available for inspection*".

Investors should read all information which is incorporated in the Prospectus by reference. Information in the above documents which is not incorporated by reference is either deemed by the Company not to be relevant for investors in the Bonds or is covered elsewhere in the Prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents can be obtained from the Company in paper format upon request during the validity period of this Prospectus at the Company's head office.

- The articles of association of the Company.
- All documents which by reference are a part of this Prospectus.
- Where such reports have been prepared, the Group Companies' audited annual reports for the financial years 2017 and 2018.

TERMS AND CONDITIONS FOR THE BONDS

**TERMS AND CONDITIONS FOR
NYFOSA AB (PUBL)
MAXIMUM SEK 1,500,000,000
SENIOR UNSECURED CALLABLE FLOATING RATE
BONDS 2019/2022
ISIN: SE0012569655**

First Issue Date: 22 May 2019

The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

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

PRIVACY NOTICE

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

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

- (a) to exercise their respective rights and fulfil their respective obligations under these Terms and Conditions and the Agent Agreement;
- (b) to manage the administration of the Bonds and payments under the Bonds;
- (c) to enable the Holders to exercise their rights under these Terms and Conditions; and
- (d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer and the Agent in relation to items (a)–(c) is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under these Terms and Conditions and the Agent Agreement. In relation to item (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer or Agent. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

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

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

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

**TERMS AND CONDITIONS FOR
NYFOSA AB (PUBL)
MAXIMUM SEK 1,500,000,000
SENIOR UNSECURED CALLABLE FLOATING RATE
BONDS 2019/2022
ISIN: SE0012569655**

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator pursuant to the Central Securities Depositories and Financial Instruments Accounts Act and through which a Holder has opened a Securities Account in respect of its Bonds.

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

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate of a Group Company, irrespective of whether such Person is directly registered as owner of such Bonds.

“**Adjustment Spread**” means a spread (which may be positive or negative), formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) determines is required to be applied to a Successor Base Rate or an Alternative Base Rate in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit to the Holders as a result of the replacement of a Base Rate with a Successor Base Rate or an Alternative Base Rate and is the spread, formula or methodology which:

- (a) in the case of a Successor Base Rate, is formally recommended in relation to the replacement of the applicable Base Rate with the relevant Successor Base Rate by any Relevant Nominating Body;
- (b) in the case of a Successor Base Rate for which no recommendation has been made or in the case of an Alternative Base Rate, the Independent Adviser (in consultation with the Issuer) determines is recognised or acknowledged as being in customary usage in international debt capital markets transactions which reference the applicable Base Rate, where such rate has been replaced by the relevant Successor Base Rate or Alternative Base Rate; or

(c) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) in its discretion, determines (acting in good faith) to be appropriate.

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

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

"Agent Agreement" means the fee agreement entered into on or about the First Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the First Issue Date between the Issuer and an Agent.

"Alternative Base Rate" means the rate that the Independent Adviser determines has replaced the applicable Base Rate in customary market usage in the relevant debt capital markets for the purposes of determining rates of interest in respect of Bonds denominated in SEK and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines in its sole discretion is most comparable to the applicable Base Rate.

"Base Rate" means STIBOR or, following the occurrence of a Base Rate Event, any reference rate replacing STIBOR in accordance with Clause 11 (*Base Rate replacement*).

"Base Rate Amendments" has the meaning set forth in Clause 11.3.2.

"Base Rate Determination Date" has the meaning set forth in Clause 11.2.1(a).

"Base Rate Event" has the meaning set forth in Clause 11.2.1.

"Book Equity" means the consolidated equity according to the latest Financial Report of the Group.

"Bond" means a debt instrument (Sw. *skuldförbindelse*), for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions.

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

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

“**Cash and Cash Equivalents**” means cash and cash equivalents in accordance with the Accounting Principles.

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

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where “**control**” means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“**Compliance Certificate**” means a certificate, in form and substance reasonably satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it, and:

- (a) if provided in connection with a Financial Report being made available or a Subsequent Bond Issue, that the Maintenance Test (including the amount of the Subsequent Bond Issue *pro forma*, if applicable) is met as per the last day of the quarter to which the Compliance Certificate refers, including calculations and figures in respect of the Maintenance Test; or
- (b) if provided in connection with a Restricted Payment being made, which requires that the Incurrence Test is met, that the Incurrence Test is met as per the relevant test date, including calculations and figures in respect of the Incurrence Test, calculated *pro forma* including the Restricted Payment.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden.

“**De-listing Event**” means a situation where (i) the Issuer’s ordinary shares are no longer listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market, (ii) trading of the Issuer’s listed ordinary shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days, or (iii) once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer admitted to trading thereon (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

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

“**Equity Ratio**” means the ratio of Book Equity to Total Assets to be calculated in accordance with the Accounting Principles, as applicable from time to time.

“**Final Redemption Date**” means 22 May 2022.

“Financial Indebtedness” means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, which is treated as a finance lease in accordance with the Accounting Principles;
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)–(f).

“Financial Report” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to Clause 14.12 (i) and (ii).

“First Issue Date” means 22 May 2019.

“Force Majeure Event” has the meaning set forth in Clause 27.1.

“Group” means the Issuer and all Subsidiaries from time to time (each a **“Group Company”**).

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

“Holders’ Meeting” means a meeting among the Holders held in accordance with Clause 18 (*Holders’ Meeting*).

“Incurrence Test” means the ratios specified in Clause 13 (*Incurrence Test*).

“Independent Adviser” means an independent financial institution of repute in the debt capital markets where the Base Rate is commonly used or other independent financial adviser experienced in the debt capital markets where the Base Rate is commonly used, in each case appointed by the Issuer at its own expense.

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

“Initial Bond Issue” has the meaning set forth in Clause 2.1.

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

“**Interest Coverage Ratio**” means the Group’s consolidated profit from property management (Sw. *förvaltningsresultat*) before financial income and expenses, depreciation, amortization and shares in profit in joint ventures as a percentage of financial income and expenses, according to the latest consolidated Financial Report(s) but adjusted for any Transaction Costs and exceptional items.

“**Interest Payment Date**” means 15 January, 15 April, 15 July and 15 October each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date shall be 15 July 2019 (short first Interest Period) and the last Interest Payment Date shall be the Final Redemption Date (or any final Redemption Date prior thereto)).

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

“**Interest Rate**” means a floating rate of the Base Rate *plus* a margin of 375 basis points (and any applicable Adjustment Spread) *per annum*, and shall for the avoidance of doubt never be less than zero (0).

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

“**Issuer**” means Nyfosa AB (publ), reg. no. 559131-0833, P.O. Box 4044, SE-131 04, Nacka, Sweden.

“**Issuing Agent**” means Swedbank AB (publ), reg. no. 502017-7753, SE-105 34, Stockholm, Sweden or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Listing Failure Event**” means a situation where the Initial Bonds have not been admitted to trading within sixty (60) calendar days from the First Issue Date (although the Issuer will use its best efforts to have the Initial Bonds admitted to trading within thirty (30) days from the First Issue Date as well as any Subsequent Bonds within thirty (30) days from such relevant Issue Date).

“**Maintenance Test**” means the ratios specified in Clause 11.3 (*Maintenance Test*).

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial papers, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities

are or can be subject to trade on a Regulated Market or recognised unregulated market place.

“Material Adverse Effect” means a material adverse effect on (i) the Issuer’s ability or willingness to perform and comply with its payment obligations and other undertakings under these Terms and Conditions or (ii) the validity or enforceability of these Terms and Conditions.

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

“Net Interest Bearing Debt” means the aggregate interest bearing debt (excluding any interest bearing debt borrowed from any Group Company), less Cash and Cash Equivalents of the Group according to the latest Financial Report in accordance with the Accounting Principles.

“Net Proceeds” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue which, after deduction has been made for any Transaction Costs, shall be transferred to the Issuer and used in accordance with Clause 4 (*Use of proceeds*).

“Nominal Amount” has the meaning set forth in Clause 2.1.

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

“Property Value” means the aggregate fair value of the properties (land and buildings) held by the Group according to the latest consolidated Financial Report.

“Quotation Day” means, in relation to (i) an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period, two (2) Business Days before the First Issue Date), or (ii) any other period for which an Interest Rate is to be determined, two (2) Business Days before the first day of that period (*i.e.*, the day that period commences, even if no Interest accrues on such day).

“Record Date” means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Holders is to be made under Clause 16 (*Distribution of proceeds*) or (iv) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

“Relevant Nominating Body” means in relation to a reference rate:

- (a) the administrator of the reference rate, or any entity under the common control as the administrator of the reference rate;
- (b) the central bank for the currency to which the reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate; or
- (c) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the reference rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate, (iii) a group of the aforementioned central banks or other supervisory authorities, or (iv) the Financial Stability Board or any part thereof.

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

“Restricted Payment” has the meaning set forth in Clause 14.1 (*Distributions*).

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

“SEK” means the lawful currency of Sweden.

“STIBOR” means:

- (a) the applicable percentage rate *per annum* displayed on Nasdaq Stockholm’s website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; or
- (b) if no such rate as set out in item (a) above is available for the relevant Interest Period, the rate determined by the Issuing Agent by interpolation between the two (2) closest rates displayed on Nasdaq Stockholm’s website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in SEK; or
- (c) if no rate is available for the relevant Interest Period pursuant to item (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no quotation is available pursuant to item (c) above (other than due to a Base Rate Event), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits of SEK 100,000,000 offered in the Stockholm interbank market for the relevant period.

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

“**Subsequent Bond Issue**” has the meaning set forth in Clause 2.4.

“**Subsidiary**” means, in relation to the Issuer, any legal entity (whether incorporated or not), in respect of which the Issuer, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body or (iv) exercises control as determined in accordance with the Accounting Principles.

“**Successor Base Rate**” means the rate that an Independent Adviser determines is a successor to or the replacement of the applicable Base Rate and which is formally recommended by a Relevant Nominating Body.

“**Total Assets**” means the consolidated aggregate book value of the Group’s total assets according to the latest Financial Report.

“**Transaction Costs**” means all fees, costs and expenses incurred by a Group Company in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue and (ii) the admission to trading of the Bonds (including Subsequent Bonds) on the corporate bond list of Nasdaq Stockholm or any other Regulated Market.

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 19 (*Written Procedure*).

1.2 Construction

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

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

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

1.2.3 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of

exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

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

1.2.5 No delay or omission of the Agent or of any Holder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

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

2.1 The aggregate amount of the bond loan will be an amount of up to SEK 1,500,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 750,000,000 (the “**Initial Bond Issue**”). All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.

2.2 The ISIN for the Bonds is SE0012569655.

2.3 The minimum permissible investment in the Initial Bond Issue and any Subsequent Bond Issue is SEK 1,250,000, and integral multiples thereof.

2.4 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions (each such issue, a “**Subsequent Bond Issue**”), until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 1,500,000,000, always provided that the Maintenance Test is met (calculated *pro forma* including the Subsequent Bond Issue) and no Event of Default is continuing or would result from the expiry of a grace period, the making of a determination or any combination of the foregoing or of such issue. Any Subsequent Bonds shall be issued subject to these Terms and Conditions and for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Initial Bonds shall also apply to the Subsequent Bonds. The price of Subsequent Bonds may be set at the Nominal Amount or at a discount or at a higher price than the Nominal Amount.

2.5 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.

2.6 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.

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

3. STATUS OF THE BONDS

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, general,

unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them.

4. USE OF PROCEEDS

The Net Proceeds shall be used towards general corporate purposes, including, for the avoidance of doubt, property acquisitions.

5. CONDITIONS PRECEDENT

5.1 The Issuer shall provide to the Agent, prior to the First Issue Date, the following:

- (a) copies of the articles of association and certificate of registration of the Issuer;
- (b) a copy of a duly executed corporate resolution by the board of directors of the Issuer approving the Initial Bond Issue, the terms of these Terms and Conditions and the Agent Agreement and resolving to execute and perform such documents and any documents necessary in connection therewith;
- (c) a copy of these Terms and Conditions and the Agent Agreement duly executed by the Issuer; and
- (d) such other documents and evidence as is agreed between the Agent and the Issuer.

5.2 The Issuer shall provide to the Agent, prior to the Issue Date, in respect of Subsequent Bonds, the following.

- (a) a copy of a duly executed corporate resolution by the board of directors of the Issuer approving the Subsequent Bond Issue and resolving to execute and perform any documents necessary in connection therewith;
- (b) a Compliance Certificate from the Issuer; and
- (c) such other documents and evidence as is agreed between the Agent and the Issuer.

5.3 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1 or 5.2, as the case may be have been fulfilled (or amended or waived in accordance with Clause 20 (*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent prior to the relevant Issue Date, or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.

5.4 The Agent may assume that the documentation and evidence delivered to it pursuant to this Clause 5 is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation or evidence. The Agent does not have any obligation to review the documentation and evidence set out in this Clause 5 from a legal or commercial perspective of the Holders.

- 5.5 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.3, the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds to the Issuer on the First Issue Date. Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.3, the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds to the Issuer on the relevant Issue Date.

6. THE BONDS AND TRANSFERABILITY

- 6.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Holder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Holder must ensure compliance with such restrictions at its own cost and expense.
- 6.5 For the avoidance of doubt and notwithstanding the above, a Holder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Holder hereunder in each case until such allegations have been resolved.

7. BONDS IN BOOK-ENTRY FORM

- 7.1 The Bonds will be registered for the Holders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.

7.4 For the purpose of or in connection with any Holders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent. At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.

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

7.6 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions and shall not disclose such information to any Holder or third party unless necessary for such purposes.

8. RIGHT TO ACT ON BEHALF OF A HOLDER

8.1 If any Person other than a Holder wishes to exercise any rights under these Terms and Conditions, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.

8.2 A Holder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under these Terms and Conditions in relation to the Bonds for which such representative is entitled to represent the Holder.

8.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 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 is apparent from its face.

9. PAYMENTS IN RESPECT OF THE BONDS

9.1 Any payment or repayment under these Terms and Conditions, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Holder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.

9.2 If a Holder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in

a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Holder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Holders on the relevant Record Date as soon as possible after such obstacle has been removed.

- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax.

10. INTEREST

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

11. BASE RATE REPLACEMENT

11.1 General

Any determination to be made by or any changes to these Terms and Conditions to be specified by the Independent Adviser in accordance with the provisions of this Clause 11 (*Base Rate replacement*) shall at all times be made by such Independent Adviser acting in good faith.

11.2 Base Rate determination

11.2.1 If (i) the applicable Base Rate, from time to time, has ceased to be published on the relevant screen for at least five (5) consecutive Business Days as a result of such reference rate ceasing to be calculated or administered, (ii) the administrator of the applicable Base Rate has made a public statement or publication of information announcing that within six (6) months it will cease to provide the applicable Base Rate permanently or indefinitely, or (iii) a Relevant Nominating Body has made a public statement or publication of information recommending the usage of a Successor Base Rate for the applicable Base Rate (which better reflects the relevant market interest rates), a “**Base Rate Event**” has occurred and the following shall apply:

- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine, no later than five (5) Business Days prior to the relevant Quotation Date in relation to the next succeeding Interest Period (the “**Base Rate Determination Date**”), a Successor Base Rate or, alternatively, if there is no Successor Base Rate, an Alternative Base Rate for purposes of determining the applicable Base Rate for the next succeeding Interest Period;
- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Base Rate or an Alternative Base Rate prior to a Base Rate Determination Date, the Base Rate applicable to the next succeeding Interest Period shall be equal to the Base Rate last determined for the preceding Interest Period; and
- (c) if a Successor Base Rate or an Alternative Base Rate is determined in accordance with paragraph (a) in this Clause 11.2.1, such Successor Base Rate or Alternative Base Rate shall be the Base Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Clause 11 (*Base Rate replacement*)).

11.2.2 If an Independent Adviser (in consultation with the Issuer), determines that an Adjustment Spread is required to be applied to the Successor Base Rate or the Alternative Base Rate and that such Adjustment Spread is determined by the Independent Adviser, such Adjustment Spread shall be applied.

11.3 **Variation upon a Base Rate replacement**

11.3.1 If the Independent Adviser determines a Successor Base Rate or an Alternative Base Rate in accordance with Clause 11.2 (*Base Rate determination*), the Independent Adviser or the Issuer, may also specify changes to these Terms and Conditions in order to follow market practice in relation to the relevant Successor Base Rate or Alternative Base Rate.

11.3.2 The Issuer and the Agent shall, at the request and expense of the Issuer, but subject to receipt by the Agent of the certificate referred to in Clause 11.3.3, without the requirement for any consent or approval of the Holders, effect such amendments to these Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 11 (*Base Rate replacement*), such amendments referred to as “**Base Rate Amendments**”. The Agent shall however not be obliged to concur if in the opinion of the Agent, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent in these Terms and Conditions.

11.3.3 The Issuer shall promptly, following the determination of any Successor Base Rate or Alternative Base Rate and any Base Rate Amendments, give notice thereof to the Issuing Agent, the Agent and the Holders in accordance with Clause 26 (*Notices and press releases*). No later than giving the Agent such notice, the Issuer shall deliver to the Agent a certificate signed by two (2) authorised signatories of the Issuer:

(a) confirming (i) that a Base Rate Event has occurred, (ii) the relevant Successor Base Rate or Alternative Base Rate, and (iii) any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 11 (*Base Rate replacement*); and

(b) certifying that the Base Rate Amendments are necessary to ensure the proper operation of such Successor Base Rate or Alternative Base Rate.

11.3.4 The Agent shall be entitled to rely on such certificate referred to in Clause 11.3.3 without further enquiry and without liability to any Person. The Successor Base Rate or Alternative Base Rate and any Base Rate Amendments specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Base Rate or Alternative Base Rate and any Base Rate Amendments and without prejudice to the Agent’s ability to rely on such certificate as aforesaid) be binding on the Issuer, the Agent, the Issuing Agent and the Holders.

12. **REDEMPTION AND REPURCHASE OF THE BONDS**

12.1 **Redemption at maturity**

The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date (or, to the extent such day is not a Business Day, on the first following Business Day) with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

12.2 **The Group Companies' purchase of Bonds**

Any Group Company may, subject to applicable law, at any time and at any price purchase Bonds. The Bonds held by a Group Company may at such Group Company's discretion be retained or sold, but not cancelled, except in connection with a full redemption of the Bonds.

12.3 **Early voluntary redemption by the Issuer (call option)**

12.3.1 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day falling on or after the date falling three (3) months prior to the Final Redemption Date, at an amount equal to one hundred (100.00) per cent. of the Nominal Amount together with accrued but unpaid Interest, provided that such early redemption is financed in full or in part by way of the Issuer issuing Market Loan(s).

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

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

12.4.1 Upon a Change of Control Event, a De-listing Event or a Listing Failure Event occurring, each Holder shall have the right to request that all or only some of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following receipt of a notice from the Issuer of the relevant event pursuant to Clause 14.12(v). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, De-listing Event or Listing Failure Event.

12.4.2 The notice from the Issuer pursuant to Clause 14.12(v) shall specify the repurchase date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 14.12(v). The repurchase date must fall no later than twenty-five (25) Business Days after the end of the period referred to in Clause 12.4.1.

12.4.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 12.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 12.4 by virtue of the conflict.

12.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 12.4 may at the Issuer's discretion be disposed of in accordance with Clause 12.2 (*The Group Companies' purchase of Bonds*).

12.4.5 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.4, if a third party in connection with the occurrence of a Change of Control Event, De-listing Event or Listing Failure Event, as applicable, offers to purchase the Bonds in the manner and on the terms set out in this Clause 12.4 (or on terms more favourable to the Holders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 12.4, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

13. INCURRENCE TEST AND MAINTENANCE TEST

13.1 The Incurrence Test is met if the Equity Ratio exceeds twenty-five (25.00) per cent.

13.2 The calculation of the Incurrence Test shall be made as per a testing date being the last day of the period covered by the most recent Financial Report prior to the transaction which requires that the Incurrence Test is met (calculated *pro forma* including the transaction which is subject to the Incurrence Test).

13.3 The Maintenance Test is met if, at any time:

(a) the ratio of Net Interest Bearing Debt to Property Value does not exceed seventy-five (75.00) per cent.; and

(b) the Interest Coverage Ratio exceeds one point fifty (1.50).

13.4 The Maintenance Test shall be tested quarterly, on 31 March, 30 June, 30 September and 31 December each year, as long as any Bond is outstanding, on the basis of the interim consolidated Financial Report for the period ending on such relevant reference date and shall be included in the Compliance Certificate delivered in connection therewith. The first test date for the Maintenance Test shall be 30 June 2019.

13.5 Calculation principles

13.6 The figures for calculating the Incurrence Test and the Maintenance Test for the Relevant Period shall be based on the most recent Financial Report, but adjusted so that:

(a) any Bond that has been repurchased, and not resold, by any Group Company during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date (if applicable), shall be excluded, *pro forma*, for the entire Relevant Period;

(b) entities, assets or operations acquired, disposed of or discontinued by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date (if applicable), shall be included or excluded (as applicable), *pro forma*, for the entire Relevant Period; and

- (c) any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness (if applicable) shall be included, *pro forma*, for the entire Relevant Period.

14. SPECIAL UNDERTAKINGS

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

14.1 Distributions

The Issuer shall not, and shall procure that none of the Subsidiaries, (i) pay any dividend on shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, (iv) repay principal or pay interest under any shareholder loans or (v) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the Issuer's or the Subsidiaries' direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (items (i)–(v) above are together and individually referred to as a “**Restricted Payment**”), provided however that any such Restricted Payment can be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, by:

- (A) any Group Company if such Restricted Payment is made to a Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis; or
- (B) the Issuer, provided that the Incurrence Test (calculated *pro forma* including the relevant Restricted Payment) is met, provided, however, that any declaration or payment of any distribution or dividend or any other payment made by the Issuer on its share capital, which is made by reason of a claim (in accordance with the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*) by shareholder(s) owning not less than ten (10.00) per cent. of the shares in the Issuer shall always be permitted.

14.2 Admission to trading of the Bonds

The Issuer shall (i) without prejudice to Clause 12.4 (*Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure Event (put option)*), ensure that the Bonds issued in the Initial Bond Issue are admitted to trading on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market, within twelve (12) months after the First Issue Date, (ii) provided that the Bonds issued in the Initial Bond Issue have been admitted to trading, the Issuer shall take all measures required to ensure that the Bonds continue being admitted to trading on Nasdaq Stockholm (or any other Regulated Market) for as long as any Bond is outstanding (however, taking into account the rules and regulations of Nasdaq Stockholm (or any other Regulated Market) and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds) and (iii) that, upon any Subsequent Bond Issue, (provided that the Initial Bonds have been admitted to trading) the volume of Bonds admitted to trading

on the relevant Regulated Market promptly, and not later than twenty (20) Business Days after the relevant Issue Date, is increased accordingly.

14.3 **Nature of business**

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

14.4 **Market Loans**

The Issuer shall procure that (i) no Group Company other than the Issuer issues any Market Loan, and that (ii) no Group Company maintains, prolongs or provides any guarantee or security over any of the Group's present or future assets to secure any Market Loan.

14.5 **Maintenance Test**

The Issuer shall ensure that the Maintenance Test is met as long as any Bond is outstanding.

14.6 **Disposals of assets, mergers and demergers**

The Issuer shall not, and shall procure that none of the Subsidiaries will:

- (i) sell, transfer or otherwise dispose of shares in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries; or
- (ii) merge or demerge any Group Company, into a company which is not a Group Company;

unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect, provided however that a merger or demerger with the effect that the Issuer is not the surviving entity shall not be permitted. The Issuer shall provide the Agent with information relating to such transaction in accordance with Clause 14.12.2.

14.7 **Maintenance of properties**

The Issuer shall, and shall procure that each Group Company will, keep the properties held by the Group in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice, and in such repair and condition as will enable the Issuer and each Group Company owning properties to comply in all material respects with the obligations under relevant rental agreements and in accordance with all applicable laws and regulations.

14.8 **Insurance**

The Issuer shall, and shall procure that each other Group Company, keep the properties held by the Group insured to the extent customary for similar properties on the relevant

geographical market with one or more reputable insurers. The insurance cover shall, *inter alia*, include full value insurance and third party liability insurances.

14.9 **Property valuations**

The Issuer shall, during each calendar year procure that external valuation report(s) regarding the fair value of at least ninety (90.00) per cent. of the properties (land and buildings) held by the Group is prepared by CBRE, Cushman & Wakefield, Forum Fastighetsekonomi, JLL, NewSec, Savills, Svefa or another reputable independent property advisor. The Issuer shall further procure that the results of such valuation report(s), or (if available) any subsequent comparable valuation report(s) replacing such valuation report(s), are reflected in good faith and in accordance with the Group's valuation policy in the following Financial Report(s).

14.10 **Dealings with related parties**

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

14.11 **Compliance with laws etcetera**

The Issuer shall, and shall procure that the Subsidiaries,

- (i) comply in all material respects with all laws and regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed or admitted to trading, and
- (ii) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company.

14.12 **Financial reporting etcetera**

14.12.1 The Issuer shall:

- (i) prepare and make available the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, to the Agent and on its website not later than four (4) months after the expiry of each financial year;
- (ii) prepare and make available the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, to the

Agent and on its website not later than two (2) months after the expiry of each relevant interim period;

- (iii) issue a Compliance Certificate to the Agent (i) when a Financial Report is made available, (ii) in connection with a Subsequent Bond Issue (iii) in connection with a Restricted Payment being made, which requires that the Incurrence Test is met, and (iv) at the Agent's reasonable request, within twenty (20) calendar days from such request;
- (iv) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on its website;
- (v) promptly notify the Agent (and, as regards a Change of Control Event, a De-listing Event or a Listing Failure Event, the Holders) upon becoming aware of the occurrence of a Change of Control Event, a De-listing Event, a Listing Failure Event or an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice (including, for the avoidance of doubt, calculations, figures and supporting documents in respect of the Maintenance Test); and
- (vi) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed or admitted to trading (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).

14.12.2 The Issuer shall, upon request by the Agent, provide the Agent with (i) any information relating to a transaction referred to in Clause 14.6 (*Disposals of assets, merger and demergers*) which the Agent deems necessary (acting reasonably) and, if relevant, (ii) a determination from the Issuer which states whether the transaction is carried out at fair market value and on terms and conditions customary for such transaction or not and whether it has a Material Adverse Effect or not. The Agent may assume that any information provided by the Issuer is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information. The Agent is not responsible for assessing if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect, but is not bound by the Issuer's determination under item (ii) above.

14.12.3 The Issuer is only obliged to inform the Agent according to Clause 14.12.1(v) if informing the Agent would not conflict with any statute or the Issuer's registration contract with Nasdaq Stockholm or any other Regulated Market or recognised unregulated market place on which the Issuer's securities from time to time are listed. If such a conflict would exist pursuant to such listing contract or otherwise, the Issuer shall however be obliged to either seek the approval from the relevant marketplace or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 14.12.1(v).

14.13 **Agent Agreement**

14.13.1 The Issuer shall, in accordance with the Agent Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;
- (c) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agent Agreement.

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

14.14 **CSD related undertakings**

The Issuer shall keep the Bonds affiliated with a CSD and comply with all CSD regulations applicable to the Issuer from time to time.

15. **TERMINATION OF THE BONDS**

15.1 The Agent is entitled to, and shall following a demand in writing from a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Holder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Holders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.6 or 15.7, on behalf of the Holders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration), if:

- (a) **Non-payment:** The Issuer fails to pay an amount on the date it is due in accordance with these Terms and Conditions unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date;
- (b) **Other obligations:** The Issuer does not comply with these Terms and Conditions in any other way than as set out under item (a) above, unless the non-compliance is (i) capable of being remedied and (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request);
- (c) **Cross payment default/Cross-acceleration:**
 - (i) Any Financial Indebtedness of a Group Company is not paid when due nor within 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); or

- (ii) any security interest securing Financial Indebtedness over any asset of any Group Company is enforced,

provided however that the amount of Financial Indebtedness referred to under item (i) and/or (ii) above, individually or in the aggregate exceeds an amount corresponding to SEK 50,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company;

(d) **Insolvency:**

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

provided however that the assets of the Group Company referred to under item (i) and/or (ii) above, individually or in the aggregate have a value equal to or exceeding SEK 50,000,000, calculated in accordance with the latest Financial Report (as applicable);

(e) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to the Subsidiaries, solvent liquidations) in relation to:

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

provided however that the assets of the Group Company referred to under item (i), (ii) and/or (iii) above, individually or in the aggregate have a value equal to or exceeding SEK 50,000,000, calculated in accordance with the latest Financial Report (as applicable);

(f) **Mergers and demergers of the Issuer:**

The Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity;

(g) **Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value equal to or exceeding SEK 30,000,000 and is not discharged within sixty (60) calendar days;

(h) **Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of these Terms and Conditions or if the obligations under these Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable; or

(i) **Continuation of the business:** A Group Company ceases to carry on its business, except if due to (i) a solvent liquidation of a Group Company other than the Issuer or (ii) a permitted disposal, merger or demerger as stipulated Clause 15.1 (f) (*Mergers and demergers*) and provided, in relation to a discontinuation of a Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.

15.2 The Agent may not terminate the Bonds in accordance with Clause 15.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under Clause 15.1 (d) (*Insolvency*).

15.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.

15.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 15.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 15.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 15.1 and provide the Agent with all documents that may be of significance for the application of this Clause 15.

15.5 The Issuer is only obliged to inform the Agent according to Clause 15.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with Nasdaq Stockholm or any other Regulated Market or recognised unregulated market place on which the Issuer's securities from time to time are listed. If such a conflict would exist pursuant to such listing contract or otherwise, the Issuer shall however be obliged to either

seek the approval from the relevant marketplace or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 15.4.

- 15.6 If the Agent has been notified by the Issuer or has otherwise determined that there is a default under these Terms and Conditions according to Clause 15.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or determination, the Holders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Clause 17 (*Decisions by Holders*). If the Holders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Holders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 15.7 If the Holders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 17 (*Decisions by Holders*), the Agent shall promptly declare the Bonds terminated.
- 15.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Holders' pursuant to Clause 17 (*Decisions by Holders*).
- 15.10 If the Bonds are declared due and payable in accordance with this Clause 15, the Issuer shall redeem all Bonds at an amount per Bond equal to one hundred one (101.00) per cent. of the Nominal Amount (plus accrued but unpaid Interest).

16. DISTRIBUTION OF PROCEEDS

- 16.1 If the Bonds have been declared due and payable in accordance with Clause 15 (*Termination of the Bonds*), all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the termination of the Bonds or the protection of the Holders' rights, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Holders' Meeting or a Written Procedure;

- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions.

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

- 16.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1.
- 16.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Holders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.
- 16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Holders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

17. DECISIONS BY HOLDERS

- 17.1 A request by the Agent for a decision by the Holders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.
- 17.2 Any request from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Holder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Holders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate

that a matter is dealt with at a Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.

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

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

(a) on the Record Date prior to the date of the Holders' Meeting, in respect of a Holders' Meeting, or

(b) on the Business Day specified in the communication pursuant to Clause 19.3, in respect of a Written Procedure,

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

17.5 The following matters shall require consent of Holders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3:

(a) waive a breach of or amend an undertaking set out in Clause 13 (*Special undertakings*);

(b) a mandatory exchange of Bonds for other securities;

(c) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;

(d) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or

(e) amend the provisions in this Clause 17.5 or Clause 17.6.

17.6 Any matter not covered by Clause 17.5 shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 20.1 (a), (b) or (c)) or a termination of the Bonds.

17.7 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount in

respect of matters set out in Clause 15.5 above and at least twenty (20.00) per cent. of the Adjusted Nominal Amount in respect of matters set out in Clause 15.6 above:

(a) if at a Holders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or

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

- 17.8 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 17.7 shall not apply to such second Holders' Meeting or Written Procedure.
- 17.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions and the Agent Agreement shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.10 A Holder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that consent at the relevant Holders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 17.12 A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- 17.13 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.14 If a decision shall be taken by the Holders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.

17.15 Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Holders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Holders' Meeting or Written Procedure shall at the request of a Holder be sent to it by the Issuer or the Agent, as applicable.

18. HOLDERS' MEETING

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

18.2 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 18.1 with a copy to the Agent. After a request from the Holders pursuant to Clause 21.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 18.1.

18.3 The notice pursuant to Clause 18.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Holders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.

18.4 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.

18.5 If the Agent, in breach of these Terms and Conditions, has not convened a Holders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Holders' Meeting itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no Person to open the Holders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.

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

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

19. WRITTEN PROCEDURE

- 19.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Holder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Holder(s), the Agent shall send a copy of the communication to the Issuer.
- 19.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19.1 to each Holder with a copy to the Agent.
- 19.3 A communication pursuant to Clause 19.1 shall include (i) each request for a decision by the Holders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 19.1), (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 19.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 19.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD.
- 19.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 17.5 and 17.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.5 or 17.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

20. AMENDMENTS AND WAIVERS

20.1 The Issuer and the Agent (acting on behalf of the Holders) may agree in writing to amend these Terms and Conditions or waive any provision in these Terms and Conditions, provided that:

- (a) the Agent is satisfied that such amendment or waiver is not detrimental to the interest of the Holders, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by any applicable regulation, a court ruling or a decision by a relevant authority;
- (c) such amendment or waiver is necessary for the purpose of having the Bonds admitted to trading on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable) provided such amendment or waiver does not materially adversely affect the rights of the Holders;
- (d) such amendment is made in accordance with Clause 11.3 as a result of a Base Rate Event; or
- (e) such amendment or waiver has been duly approved by the Holders in accordance with Clause 17 (*Decisions by Holders*).

20.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to these Terms and Conditions. It is sufficient if such consent approves the substance of the amendment or waiver.

20.3 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

20.4 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Holders' Meeting, in the Written Procedure or by the Agent, as the case may be.

21. APPOINTMENT AND REPLACEMENT OF THE AGENT

21.1 Appointment of Agent

21.1.1 By subscribing for Bonds, each initial Holder appoints the Agent to act as its agent in all matters relating to the Bonds and these Terms and Conditions, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Holder, including the winding-up, dissolution, liquidation, administration, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy

(Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf.

- 21.1.2 Each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Holder which does not comply with such request.
- 21.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions and the Agent Agreement.
- 21.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and Conditions and the Agent Agreement, and the Agent's obligations as agent under these Terms and Conditions and the Agent Agreement are conditioned upon the due payment of such fees and indemnifications.
- 21.1.5 The Agent may act as agent for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

21.2 **Duties of the Agent**

- 21.2.1 The Agent shall represent the Holders in accordance with these Terms and Conditions. However, the Agent is not responsible for the execution or enforceability of these Terms and Conditions. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent.
- 21.2.2 The Agent may assume that the documentation, information and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not review the documents and evidence referred to above from a legal or commercial perspective of the Holders.
- 21.2.3 Upon request by a Holder, the Agent shall promptly distribute to the Holders any information from such Holder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Holder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Holder disclose the identity of any other Holder who has consented to the Agent in doing so.
- 21.2.4 When acting in accordance with these Terms and Conditions, the Agent is always acting with binding effect on behalf of the Holders. The Agent shall carry out its duties under these Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill.

- 21.2.5 The Agent is always entitled to delegate its duties to other professional parties without having to first obtain any consent from the Issuer or the Holders, but the Agent shall remain liable for the actions of such parties under these Terms and Conditions.
- 21.2.6 The Agent shall treat all Holders equally and, when acting pursuant to these Terms and Conditions, act with regard only to the interests of the Holders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in these Terms and Conditions and the Agent Agreement.
- 21.2.7 The Agent shall be entitled to disclose to the Holders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 21.2.8 The Agent is entitled to engage external experts when carrying out its duties under these Terms and Conditions. The Issuer shall on demand by the Agent pay all reasonable costs for external experts engaged (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Holders under these Terms and Conditions or (iii) when the Agent is to make a determination under these Terms and Conditions. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 16 (*Distribution of proceeds*).
- 21.2.9 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under these Terms and Conditions.
- 21.2.10 The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of these Terms and Conditions, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default has occurred.
- 21.2.11 Notwithstanding any other provision of these Terms and Conditions to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 21.2.12 The Agent's duties under these Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with these Terms and Conditions and upon instructions from the Holders, unless otherwise set out in these Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Holders or any other person.
- 21.2.13 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Holders, or taking any

action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- 21.2.14 The Agent shall give a notice to the Holders (i) before it ceases to perform its obligations under these Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement, or (ii) if it refrains from acting for any reason described in Clause 21.2.12.

21.3 **Limited liability for the Agent**

- 21.3.1 The Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.

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

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

- 21.3.4 The Agent shall have no liability to the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with Clause 17 (*Decisions by Holders*) or a demand by Holders given pursuant to Clause 15.1.

- 21.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, these Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Holders under these Terms and Conditions.

- 21.3.6 The Agent is not liable for information provided to the Holders by or on behalf of the Issuer.

21.4 **Replacement of the Agent**

- 21.4.1 Subject to Clause 21.4.6, the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

- 21.4.2 Subject to Clause 21.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 21.4.3 A Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Holder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Holders that the Agent be dismissed and a new Agent appointed.
- 21.4.4 If the Holders have not appointed a successor Agent within ninety (90) calendar days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Holders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 21.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under these Terms and Conditions and the Agent Agreement.
- 21.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of these Terms and Conditions but shall remain entitled to the benefit of these Terms and Conditions and remain liable under these Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under these Terms and Conditions as they would have had if such successor had been the original Agent.
- 21.4.8 In the event that there is a change of the Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under these Terms and Conditions and the Agent Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

22. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

- 22.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 22.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by

the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent or becomes subject to bankruptcy proceedings, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

- 22.3 The Issuing Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

23. APPOINTMENT AND REPLACEMENT OF THE CSD

- 23.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.

- 23.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Holder or the listing of the Bonds listed on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

24. NO DIRECT ACTIONS BY HOLDERS

- 24.1 A Holder may not take any action or take any legal steps whatsoever against the Issuer or a Subsidiary to enforce or recover any amount due or owing to it pursuant to these Terms and Conditions, or to initiate, support or procure the winding-up, dissolution, liquidation, administration, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of the Issuer or a Subsidiary in relation to any of the liabilities of the Issuer under these Terms and Conditions. Such steps may only be taken by the Agent.

- 24.2 Clause 24.1 shall not apply if the Agent has been instructed by the Holders in accordance with these Terms and Conditions to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Holder to provide documents in accordance with Clause 21.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement or by any reason described in Clause 21.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.14 before a Holder may take any action referred to in Clause 24.1.

- 24.3 The provisions of Clause 24.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 12.4 (*Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Holders.

25. TIME-BAR

25.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Holders' right to receive payment has been time-barred and has become void.

25.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to the right to receive payment of Interest (excluding capitalised Interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

26. NOTICES AND PRESS RELEASES**26.1 Notices**

26.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:

(a) if to the Agent or the Issuing Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent or the Issuing Agent (as applicable) to the Issuer from time to time, and if sent by email by the Issuer, to such email address as notified by the Agent or the Issuing Agent (as applicable) to the Issuer from time to time;

(b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, to such address as notified by the Issuer to the Agent from time to time, and if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time; and

(c) if to the Holders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address) on the Business Day prior to dispatch, and by either courier delivery or letter for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Agent.

26.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an

envelope addressed to the address specified in Clause 26.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 26.1.1.

- 26.1.3 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

26.2 **Press releases**

- 26.2.1 Any notice that the Issuer or the Agent shall send to the Holders pursuant to Clauses 12.3, 12.4, 14.12(v), 15.6, 16.4, 17.15, 18.1, 19.1, 20.3, 21.2.14 and 21.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

- 26.2.2 In addition to Clause 26.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Holders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Holders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Holders, the Agent shall be entitled to issue such press release.

27. **FORCE MAJEURE AND LIMITATION OF LIABILITY**

- 27.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

- 27.2 The Issuing Agent shall have no liability to the Holders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

- 27.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

- 27.4 The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

28. **ADMISSION TO TRADING**

The Issuer intends to have the Initial Bonds admitted to trading within thirty (30) calendar days from the First Issue Date (as well as any Subsequent Bonds within (30) calendar days from the relevant Issue Date), and has undertaken to have the Initial Bonds admitted to trading within twelve (12) months after the First Issue Date, on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market) in accordance with Clause 14.2

(Admission to trading of the Bonds). Further, if the Initial Bonds have not been admitted to trading within sixty (60) calendar days from the First Issue Date, each Holder has a right of repayment (put option) of its Bonds in accordance with Clause 12.4 (*Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure Event (put option)*).

29. GOVERNING LAW AND JURISDICTION

- 29.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 29.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 29.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 29.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Holders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
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ADDRESSES

ISSUER

Nyfosa AB (publ)
Hästholmsvägen 28
P.O. Box 4044
SE-131 04 Nacka
Sweden
Tel: +46 (0)8 406 64 00
Web page: www.nyfosa.se

CENTRAL SECURITIES DEPOSITORY

Euroclear Sweden AB
Klarabergsviadukten 63
P.O. Box 191
SE-101 23 Stockholm
Sweden
Tel: +46 (0)8 402 90 00
Web page: www.euroclear.com

ISSUING AGENT AND JOINT BOOKRUNNER

Swedbank AB (publ)
Malmskillnadsgatan 23
SE-105 34 Stockholm
Sweden
Tel: +46 (0)8 585 900 00
Web page: www.swedbank.se

JOINT BOOKRUNNER

Skandinaviska Enskilda Banken AB
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Sweden
Tel: +46 (0)771 621 000
Web page: www.sebgroup.com

LEGAL ADVISOR

Gernandt & Danielsson Advokatbyrå KB
P.O. Box 5747
SE-114 87 Stockholm
Sweden
Tel: +46 (0)8 670 66 00
Web page: www.gda.se

AGENT

Nordic Trustee & Agency AB (publ)
P.O. Box 7329
SE-103 90 Stockholm
Sweden
Tel: +46 (0)8 783 79 00
Web page: www.nordictrustee.com

AUDITOR

KPMG AB
P.O. Box 382
SE-101 27 Stockholm
Sweden
Tel: +46 (0)8 723 9100
Web page: www.kpmg.com