

NACKAHUSEN HOLDING AB (publ)

**PROSPECTUS REGARDING LISTING OF
MAXIMUM SEK 500,000,000**

SENIOR SECURED CALLABLE FLOATING RATE BONDS

2017/2020

ISIN: SE0009548100

17 January 2018

Important information

This prospectus (the “**Prospectus**”) has been prepared by Nackahusen Holding AB (publ) (“**Nackahusen**”, the “**Company**” or the “**Issuer**”), registration number 559053-2783, in relation to the application for listing of bonds issued under the Company’s maximum SEK 500,000,000 senior secured callable floating rate bonds 2017/2020 with ISIN SE0009548100 (the “**Bonds**”), which was issued on 13 February 2017 (the “**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**”). The Company’s obligations under the Finance Documents (as defined in the Terms and Conditions) are guaranteed by the Company’s ultimate parent company Oscar Properties Holding AB (publ), registration number 556870-4521 (the “**Guarantor**”), by way of a separately issued guarantee dated on the Issue Date (the “**Guarantee**”). In this Prospectus, references to the “**Group**” mean the Guarantor and its subsidiaries, including the Company and its subsidiaries, from time to time.

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 Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) 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 Swedish Financial Supervisory Authority that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of 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 Swedish Financial Supervisory Authority’s web page (www.fi.se) and the Company’s web page (www.nackahusen.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 Company. 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 Company and its subsidiaries to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Although the 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 section “*Risk factors*” below.

This Prospectus shall be read together with all documents that are incorporated by reference (see section “*Overview of financial reporting and documents incorporated by reference*” below) 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.

Table of Contents

Risk factors.....	4
Responsible for the information in the Prospectus.....	19
The Bonds in brief.....	20
The Group and its operations	24
Board of directors, senior management and auditors	29
Overview of financial reporting and documents incorporated by reference	32
Documents available for inspection	36
Terms and Conditions for the Bonds	37
Guarantee	78
Addresses	84

Risk factors

Investing in the Bonds involves inherent risks. The financial performance of the Group and the risks associated with the Group's 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 occurs, 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 or the Guarantor's ability to make payments under the Guarantee. 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 section 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, the Company's ability to service its debt obligations and/or the Guarantor ability to serve its guarantee obligations. Further, the risk factors herein are not ranked in order of importance. Potential investors should carefully consider the information contained in this Prospectus and make an independent evaluation before making an investment decision.

The Guarantor is the ultimate parent company of the Group. The Company is an indirect wholly owned subsidiary of the Guarantor and the Company is dependent on the operations and financial conditions of the Group. Furthermore, the Company's payment obligations under the Terms and Conditions are guaranteed by the Guarantor. The risk factors applicable to the Group, as described below, are therefore also applicable to the Company and its subsidiaries.

Risks relating to the Group, the industry and the market

Risks relating to the Issuer being dependent on cash flow from its subsidiaries and the Guarantor

The Issuer is an indirect wholly owned subsidiary of the Guarantor and does not conduct any business operations, but merely function as a holding company for its property holding subsidiaries. The Issuer's ability to make required payments of interest on its debts and funding is affected by the ability of its subsidiaries and the Guarantor to transfer available cash resources to it. The transfer of funds to the Issuer from its subsidiaries and the Guarantor may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiaries and the Guarantor. Limitations or restrictions on the transfer of funds between companies within the Group may become more restrictive in the event that the Group experiences difficulties with respect to liquidity and its financial position, which could have an adverse effect on the Group's operations, financial position and earnings, and the performance of the Issuer under the Bonds.

Macroeconomic factors

The Group is active in the real estate business which is a business that to a large extent is affected by macroeconomic factors such as the general state of the economy, regional economic development, employment rate development, the production rate of new residential units and premises, changes of infrastructure, population growth, structure of the population, inflation, interest rates etc. The Group is particularly exposed to macroeconomic factors which affect the region of Stockholm since the Group currently only conducts business in that region. If one or several of these factors would have a negative development, it could have a material negative impact on the Group's operations, earnings and financial position.

Disposal of residential units

The Group's business mainly consists of sales of residential units in Stockholm, which means that both the desire and the ability to pay for residential units are of crucial importance for the Group.

The desire to pay for residential units is, among other things, dependent on how well a specific residential unit corresponds to the market demand, the activity on the residential market, the general price trend on residential units and demographic factors, such as people moving into the region of Stockholm. The desire to pay for residential units is further affected by, among other things, the access and costs for alternative residential forms.

The ability to pay for residential units is, among other things, dependent on the development of wages, the employment ratio, the level of taxes and charges and other factors which generally affect the economy of households. The ability to pay for residential units is also affected by the household's possibility to make interest deductions, receive loan financing, the development of interest rates for residential loans and of the statutory, or by the banks applied, rules for maximum borrowings and amortizations. Any changes of rules which aim to reduce the households' total borrowings that are implemented could have a negative impact on the Group.

If customers' desire or ability to pay for the residential units which the Group produces decrease, it could have a material negative impact on the Group's operations, earnings and financial position.

Project risks

The Group's business includes to a large extent real estate development projects, including new building and conversion of existing properties. It is thus a prerequisite for the Group's continuing development that such projects can be completed with economic profitability.

The possibility to carry out real estate development projects with economic profitability is dependent upon a number of factors, such as the Group's possibilities to retain and recruit necessary competence within, for instance, construction, projecting, design, architecture and sales, obtain necessary permits and decisions from authorities and hire contractors for the projects' implementation on terms acceptable to the Group. In addition, the Group is in some projects bound by agreements with the local municipalities, pursuant to which the Group commits to carry out certain actions, within certain time frames, with respect to the properties. These commitments are independent of the Group's ability to finance them.

The possibility to carry out real estate development with economic profitability can also, among other things, be affected by whether the projects to a sufficient extent correspond to the market demand, a general change in the demand or price of residential units, insufficient planning, analysis and cost control, changes of taxes and charges and other factors which may result in delays or increased or unexpected costs in the projects.

A significant portion of the Group's business is to convert buildings which previously have not been used for residential purposes to residential units (with co-operative apartments as form of tenure), and, on some of such properties, continue the current usage during the period between the acquisition and conversion.

In connection with new production and conversion as well as real estate management there are technical risks. These include risks for constructional defects, the risk that the building cannot, in a constructional or structural engineering satisfactory manner, be converted to residential purposes, other concealed defects or deficiencies, damage and contaminations. If such technical problems

would occur, it could result in delays in scheduled new buildings or conversions, or increased costs for new production, conversion and management of the Group's properties. In the event the Group's projects are delayed, this may also lead to partners and others with whom the Group has entered into agreements, regarding, among other things, real estate development or land designation, claiming damages or contractual penalty from the Group's properties.

Furthermore, it is a risk that the Group is not able to obtain necessary decisions from authorities or permits for new productions, conversion or changed usage of acquired properties, or that permits, plans, regulations or laws are changed, which may result in delay, increased expenditures or non-completion of real estate development projects.

If one or several of the above factors above would develop negatively or if any of the described risks would occur, it could have a material negative impact on the Group's operations, earnings and financial position.

Acquisition, sale and other transactional related risks

Within the scope of its business, the Group carries out transactions relating to real properties and co-operative apartments. All such transactions involve uncertainties and risks. Acquisitions of properties involve, for instance, uncertainties regarding the management of tenants, unexpected costs with respect to environmental clean-up, rebuilding and the handling of technical problems, decisions from authorities and the emergence of disputes relating to the acquisition or the condition of the real property. Such uncertainties may result in delays of projects or increased or unexpected costs for the real properties or transactions.

Sale of residential units involve uncertainties regarding, for instance, the price and possibility to successfully dispose of all residential units and that different claims may be directed against the Group or its associated companies due to disposals or the condition of the property of the residential co-operative. The Group and its associated companies may also, from time to time, enter into undertakings towards residential co-operatives to repurchase unsold co-operative apartments. If the Group cannot receive compensation for residential units to an advantageous price or if claims are directed against the Group, it could result in delays of projects or increased or unexpected costs for the residential units, the properties or the transactions.

If any of the above described risks would occur, it could have a material negative impact on the Group's operations, earnings and financial position.

Dependence of laws and regulations

The Group's business is regulated and affected by a large number of laws and regulations as well as various processes and decisions relating to these regulations, both on a political level and on a civil servant level. Among other things, the Swedish Planning and Building Act (Sw. *plan- och bygglagen (2010:900)*), building standards, security regulations, rules regarding permitted construction materials, antiquarian building classification and various forms of cultural labelling have a large impact on the business as well as costs for, and opportunities to, develop properties in a desired manner. If the Group's interpretation of current laws and regulations should prove to be incorrect, or if the Company is in breach of any such laws and regulations due to deficiencies in its operations or due to amendments of such laws and regulations, there is a risk that laws and regulations entail that the Group cannot use or convert the properties as desired, or that this can only be achieved with increased expenditures or delays.

If any of the above described risks would materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

Dependence of permits, decisions and plans

In order for the Group's and its associated companies' properties to be used and developed as desired, various permits and decisions are required, including local zoning plans and various kinds of property reallocation procedures, which are approved and given by, for instance, municipalities and authorities, and which may be resolved on both a political and a civil servant level. Some of the required plans are yet to be prepared by the relevant municipalities and authorities. Further, the plans may cover not all but only some of the Group's properties in which case several plans will be required and relevant approvals may not be obtained simultaneously for all land areas.

There is a risk that the Group is not granted the permits or does not obtain the decisions necessary to conduct and develop its business in a desired manner. Further, there is a risk that any changes of zoning plans which are required for the intended use of the properties are fully or partially rejected by any relevant municipality, governmental body or court. Required plans, permits and decisions may not be granted in accordance with the Group's and its associated companies' applications, which could entail that the real property values may be affected adversely and/or that contemplated projects may not be carried out as intended.

Moreover, there is a risk that decisions are appealed and, as a result thereof, are delayed significantly, or that the established decision making practice or the political will or direction in the future are changed in an adverse manner for the Group.

The property reallocation procedures are dependent on considerations of several legal and technical aspects, in relation to land which the Group intends to develop as well as the land on which the commercial buildings are situated. There is a risk that the reallocation applications are fully or partially rejected by any relevant governmental body or court in which case the real properties are not reallocated as intended. As a result of such rejection, one or all of the Group's acquisition of land areas could become invalid and legally unenforceable and the Group may therefore not acquire title to the land areas in question. This could entail that the real property values may be affected adversely and/or that contemplated projects may not be carried out as intended. Further, the commercial buildings may not obtain the intended boundaries which may affect the values of these real properties.

If any of the above described risks would materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

Dependent upon a good relationship with other partners in associated companies

Some of the Group's real estate development are conducted in associated companies and the Group is dependent upon a good relationship with the other partners in associated companies for both the completion and results of current and future projects. If one or several cooperation's no longer develop in a positive direction, it could result in disputes and that the associated companies may be dissolved, and its assets realised, on disadvantageous terms.

The Group's ability to initiate new, or developing existing, cooperation's in associated companies may affect the possibility to successfully complete commenced, planned or new projects. If such cooperation cannot be initiated, or develops on terms that are disadvantageous for the Group, it could

result in the Group's projects being delayed, that the projects cannot be financed or completed as expected, or can only be completed with reduced profitability or loss.

The Group is further dependent upon the actions of current and future partners in associated companies, which could result in reduced flexibility to operate the business, for instance with respect to investments in, or disposals of, properties owned by the associated companies. In addition, there is a risk, if the associated companies develop in a way which is negative for the Group, that the Group cannot take the measures which it finds most advantageous.

If any of the above described risks would materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

Dependence on key persons

The Group and its business is dependent on a number of key persons, including the founder Oscar Engelbert, who also is a member of the board of directors and indirectly the majority owner of the Issuer, and other senior executives and persons with specialist competence. Oscar Engelbert and other key persons have long experience of, and competence regarding, real estate development and real estate and residential transactions. Through their experience, these key persons have established good relationships with participants on the real estate market in Stockholm and with partners and creditors. Accordingly, these key persons are important for a successful development of the Group's and the associated companies' business. If key persons would leave the Group, it could have a material negative impact on the Group's operations, earnings and financial position.

Change of control

In some of the Group's co-operation agreements relating to associated companies, there are provisions which are triggered by a change of control of the Guarantor. Upon such changes, certain rights of the counterparty, or obligations for the Group, arise which among other things could impact the Group's continuing ownership of real estate properties. If the Group's ownership of real estate properties would cease in this way, it could have a material negative impact on the Group's operations, earnings and financial position.

Environmental risks and requirements

The starting point for the responsibility with respect to contaminations and other environmental damage is, according to the current environmental laws, that the business operator, current and present, bears the responsibility. The Group does not conduct any business which requires a permit according to the Environmental Code (Sw. *Miljöbalken (1998:808)*). However, there may be, or may have been, tenants on the properties which the Group directly or indirectly owns that conduct business which require a particular permit according to the Environmental Code, *i.e.* that are business operators according to the Environmental Code. If no business operator can carry out or pay for after-treatment of a property, the acquirer of the property, and which at the time of the acquisition knew about, or should have discovered, the contaminations is responsible for the after-treatment. This means that claims under certain circumstances can be directed against the Group for cleaning-up or after-treatment regarding the occurrence of, or suspicion of, contamination in the ground, water areas, or groundwater, in order to put the property in such condition as required by the Environmental Code.

Further, previous business operators may have carried out after-treatment of a property in an acceptable manner according to the usage at that point of time. As a result of changed usage to

residential purposes, the requirements for the Group may be higher, which mean that the Group may have costs for after-treatment and cleaning-up in order to be able to use the property as desired.

Finally, changed laws, regulations and requirements from authorities on the environmental area could result in increased costs for the Group with respect to cleaning-up or after-treatment regarding currently held or in the future acquired properties. Such changes could also result in increased costs or delays in order to be able to carry out the real estate development as desired.

All such claims could have a material negative impact on the Group's operations, earnings and financial position.

Disputes

The Group may become involved in, disputes or claims, for example regarding contract work. Such disputes could be time consuming and result in costs, the size of which cannot always be foreseen. Disputes could, therefore, have a material negative impact on the Group's operations, earnings and financial position.

Financing risks

The Group's business, especially with respect to acquisitions of properties, is to a large extent financed through loans from external creditors and interest rates are for the Group and the associated companies not an insignificant cost item. A large portion of the Group's and its associated companies' businesses consist of real estate development projects, which may be delayed or affected by unexpected or increased costs as a result of factors within or outside the control of the Group. If such circumstances occur, it could result in projects not being completed before loans are due, or that such increased costs are not covered by the granted credit facilities. If the Group is not able to obtain financing with respect to acquisitions or development, extension or increase of existing financing or refinancing of previously received financing, or is only able to obtain such financing on terms that are disadvantageous, it could have a material negative impact on the Group's operations, earnings and financial position.

Credit and counterparty risks

The Group and its associated companies are exposed to the risk of not receiving payments or possible future payments for the residential units or properties in respect of which such company may enter into sales agreements for. Except for credit risks in relation to customers, the Group is exposed to credit risks in relation to other counterparties. The Group is further exposed to credit risks in relation to banks in which the Group has deposited its liquid funds or otherwise has claims against. If these counterparties cannot fulfil their obligations towards the Group, it could have a material negative impact on the Group's operations, earnings and financial position.

Liquidity risks

Liquidity risk is the risk that a company in the Group cannot meet its payment obligations at the relevant maturity date, without the cost for obtaining cash or cash equivalents increasing significantly. If the Issuer's liquidity sources prove not to be sufficient, there is a risk that the Issuer cannot meet its payment obligations. There is thus a risk that the Group or the Issuer (as applicable) being in default under material agreements, including the Terms and Condition. If the

aforementioned materialise it would have a material negative impact on the Group's and/or the Issuer's operations, earnings and financial position.

Interest rate risks

Interest rate risk is the risk that changes in interest rates affect the Group's interest costs. Changes in interest rates may lead to changes in actual value, changes in cash flows and fluctuations in the Group's result, and if interest rate risks would materialise, it could have a material negative impact on the Group's or the Issuer's operations, earnings and financial position.

Covenants in loan agreements

If any company in the Group or any associated company would violate any or several of the financial covenants in their loan agreements, it could result in immediate cancellation of the loans and/or the realisation of the security granted under such loans, which would have a material negative impact on the Group's operations, earnings and financial position.

Risks relating to changes in applicable tax laws and regulations

The Group's operations are affected by the tax rules in force from time to time in Sweden. These rules include corporate tax, real estate tax, value added tax, rules regarding tax-free disposals of shares, other governmental or municipal taxes and interest deductions and subsidies. The Group's tax situation is also affected if transactions conducted intra-Group or with associated companies, as well as transactions between the Group, associated companies and residential co-operatives in connection with projects, are considered to be priced on market terms or not, and if tax losses carried forward within the Group would not be able to utilize.

In the event that the Group's interpretation of applicable tax laws, regulations or administrative practises is incorrect, if one or more governmental authorities successfully make negative tax adjustments with regard to an entity of the Group or if the applicable tax laws, regulations or administrative practises change, including with retroactive effect, the Group's past or current tax position may be challenged. In the event tax authorities were to succeed with such claims, there is a risk that this will result in an increased tax cost, including tax surcharges and interest, which will have an adverse effect on the Group's operations, earnings and financial position.

On 30 March 2017, the Swedish government presented a proposed legislation (Sw. *Paketeringsutredningen (SOU 2017:27)*) that, if enacted, is likely to affect the future taxation of real estate investments. The proposal is the result of an investigation conducted by an appointed committee with the purpose to investigate the impact on the possibility to carry out tax exempt sales of "packaged" real estate and, if deemed necessary, to propose new legislation to counteract such transactions. The proposal includes that a change of control of a company, where the assets predominately consist of real estate, will entail that the deferred tax liability related to the difference between tax residual value and market value on the property will be triggered and that the property is deemed to be re-acquired at market value. Further, it is proposed that indirect sales of properties are subject to stamp duty. The stamp duty rate of 4.25 per cent. is proposed to be lowered to 2.00 per cent. for legal entities and it is further proposed that the stamp duty shall also be triggered in respect of certain property formation procedures. The new legislation is proposed to enter into force on 1 July 2018. If the proposed legislation would be implemented in its current form, this could lead to tax payable upon the Group's future disposal of property owning companies. Considering the

difference between the fair market value and tax residual value of properties, this may have negative impact on the Group's operations, earnings and financial position.

Furthermore, on 20 June 2017, a memorandum was published by the Swedish Ministry of Finance (Sw. *Finansdepartementet*) proposing new interest deduction limitation rules regarding both internal and external interest. The proposal contains two alternative general rules for limiting interest deductions in the corporate sector. A general limitation of interest deductions in the corporate sector is firstly proposed as an EBIT rule, where the cap for deduction of net interest expenses is calculated as 35 per cent. of tax EBIT and, secondarily, as an EBITDA rule, where the cap for deduction of net interest expenses is calculated as 25 per cent. of EBITDA. The proposal also includes a temporary limitation, of two or three years, concerning the possibility for legal entities to utilise previous years' tax losses (see further below). The rules are proposed to enter into force on 1 July 2018 and are to be applied for the first time in the fiscal year beginning after 30 June 2018. If the Group's net interest expenses, following any implementation of legislation based on the Swedish Ministry of Finance's proposal, represent a substantial portion in relation to its tax EBIT or tax EBITDA or any other additional restriction on the deductibility of interest expenses is introduced in Sweden, the Group's tax burden could increase. Consequently, there is a risk that any such measures have an adverse effect on the Group's operations, earnings and financial position. Further, the memorandum also suggests a lowered corporate income tax from 22 per cent. to 20 per cent. It also suggests amended rules regulating depreciation deductions relating to tenement houses resulting in an additional deduction for depreciation of 10 per cent. of the expenses within a five-year period (*i.e.*, 2 per cent. of the acquisition value per year) from completion of the house.

As part of the memorandum published on 20 June 2017, the Swedish Ministry of Finance proposed that tax losses carried forward in a company may at a maximum be utilised with 50 per cent. of the company's taxable profit. Tax losses that are non-deductible may be carried forward to subsequent years. These limitations are proposed to be in effect only during a certain period of two or three years in accordance with the following. As regards the EBIT rule, the limitations are proposed to apply to fiscal years beginning after 30 June 2018 and prior to 1 July 2020. As regards the EBITDA rule, the limitations are proposed to apply to fiscal years beginning after 30 June 2018 and prior to 1 July 2021. The proposed limitations applies regardless if a company has net interest expenses or not.

Tax losses may be restricted or forfeited, either as a result of future changes in Swedish tax law or under the current rules, as a result of change of control where one, or several shareholders that own at least 5 per cent. of the votes together acquire shares, during a specific time frame, representing more than 50 per cent. of the votes. Such a change of control would forfeit historical tax losses carried forward, to the extent the losses exceed 200 per cent. of the acquisition cost for the decisive influence (under a special calculation where contributions and other transfers of value may reduce the purchase price in a certain manner). A forfeiture or restriction on the use of potential tax losses carried forward in the Group may have a significant impact on the Group's tax burden, including potential imposition of tax surcharges and interest, which will have an adverse effect on the Group's operations, earnings and financial position.

Since the laws, treaties and other regulations on taxation, as well as fiscal charges, have historically been subject to frequent changes, further changes are expected in the future, possibly with retroactive effect. There is a risk that any such changes will have an adverse effect on the Group's tax burden, as well as a negative impact on the Group's operations, earnings and financial position.

Changes in value of real estate properties

The Group's investment properties (Sw. förvaltningsfastigheter) are accounted for in the balance sheet at actual value and the changes in value are accounted for in the income statement. The value of the properties are affected by a number of factors, partly property specific such as vacancy rate, the rental level, operating costs and permitted usage of the property, partly market specific such as yield requirements and cost of capital derived from comparable transactions on the real estate market. Realised as well as non-realised value changes, and errors in the valuations of the Group's properties could have a material negative impact on the Group's operations, earnings and financial position.

Competition

The Group operates on a competitive market. The Group's future possibilities to compete is, among other things, dependent upon the Group's ability to anticipate future market changes and trends, and to rapidly react on existing and future market needs, which may result in increased costs or required price reductions or changes of the Group's business model. Moreover, the Group operates on a market where several of the Group's competitors have greater financial resources than the Group. Increased competition from existing and new market participants as well as deteriorated competition possibilities could have a material negative impact on the Group's operations, earnings and financial position.

Changed accounting rules

The Group's business is affected by the accounting rules that, from time to time, are applied in Sweden, including for example IFRS and other international accounting rules. This means that the Group's accounting, financial reporting and internal control, may in the future be affected by and may have to be adapted to changed accounting rules or a changed application of such accounting rules. This might entail uncertainty regarding the Group's accounting, financial reporting and internal control and might also affect the Group's accounted earnings, balance sheet and equity, which could have a material negative impact on the Group's operations, earnings and financial position.

Reputational damage

The Group's reputation is central to its business and earnings capacity. The Group's long-term profitability is based on that consumers, partners in associated companies and other participants on the real estate market associate the Group with positive values and good quality and if not there is a risk that the Group's reputation is damaged which could have a material negative impact on the Group's operations, earnings and financial position.

Risks relating to 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 Issuer'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 Issuer may entail a lower credit-worthiness and the possibility for the Issuer to receive financing may be impaired when the Bonds mature.

Refinancing risk

The Issuer may be required to refinance its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance its debt obligations is dependent upon the conditions of the capital markets and the Issuer's financial position at such time. Even if the markets and the Issuer's financial position improve, the Issuer's access to financing sources may not be available on acceptable terms, or at all. The Issuer's inability to refinance its debt obligations on acceptable terms, or at all, could have a material adverse effect on the Issuer's operations, earnings and financial position and on the bondholders' recovery under the Bonds.

Ability to comply with the Terms and Conditions

The Issuer is required to comply with the Terms and Conditions, *inter alia*, to pay interest under the Bonds. Events beyond the Issuer's control, including changes in the economic and business condition in which the Group operates, may affect the Issuer'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 an event of default under the Terms and Conditions, which could lead to an acceleration of the Bonds, resulting in that the Issuer has to repay the bondholders at the applicable call premium. It is possible that the Issuer will not have sufficient funds at the time of the repayment to make the required redemption of Bonds.

Interest rate risks

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. Investments in the Bonds involve a risk that the market value of the Bonds may be adversely affected by changes in market interest rates. As the market rate of interest is largely dependent on the Swedish and international economic development, this is a risk factor which the Issuer cannot control.

Liquidity risks

The Issuer has undertaken to use its best endeavours to ensure that the Bonds are listed on a regulated market within 12 months after the issue date. However, there is a risk that the Bonds will not be admitted to trading. Further, even if securities, including the Bonds, are admitted to trading on 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 even if the Bonds are listed. This may result in that the bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if 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 Issuer'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 above. 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 Issuer's operating results, financial position or prospects.

Currency risk

The Bonds are 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 Issuer 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 their subsidiaries and/or associated companies. Accordingly, the Issuer may be 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 and associated companies are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the subsidiaries and associated companies to make such payments to the Issuer is subject to, among other things, the availability of funds, corporate restrictions and the terms of each operation's indebtedness. Further, the Group is not the majority owner of the associated companies and there is a risk that the other partners of such companies act in a manner that prohibits that funds are made available to the Group and the Issuer, even if such funds are available in the associated companies. Should the Issuer not receive sufficient income from the subsidiaries and associated companies, the investor's ability to receive payment under the Terms and Conditions may be adversely affected.

Structural subordination and insolvency of subsidiaries

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. There is a risk that the Issuer and its assets would not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group may result in the obligation of the Group to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross

defaults on certain borrowings, which could have a material adverse effect on the Group's business, financial position and results of operations and on the bondholders' recovery under the Bonds.

Certain material interest

The issuing agent and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or other services for the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the issuing agent and/or its affiliates having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests. Such conflicts of interest could adversely affect the Group's ability to renew or maintain existing financing or to obtain further financing and in turn have a material negative effect on the Group's operations, earnings and financial position and on the bondholders' recovery under the Bonds.

Risks related to early redemption, partial repayment and put option

Under the Terms and Conditions, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date, in which case the bondholders will have the right to receive an early redemption amount which exceeds the nominal amount of the Bonds. Furthermore, the Issuer has, under certain circumstances, an obligation to partially repay the outstanding Bonds *pro rata* at a price exceeding the Bonds' nominal amount. There is, however, a risk that the market value of the Bonds is higher than the early redemption amount or the prepayment price (as applicable) 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 will be subject to prepayment at the option of each bondholder (put option) if (i) a change of control event occurs, *i.e.*, an event or series of events whereby one or more persons (other than the Oscar Engelbert and his affiliates) acting together, acquire control over the Guarantor and where "control" means acquiring or controlling, directly or indirectly, more than 50 per cent. of the votes of the Guarantor, 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 Guarantor or the Issuer ceases to be a direct or indirect wholly-owned subsidiary of the Guarantor, (ii) if the aggregate outstanding nominal amount of the Bonds would fall below 50 per cent. of the Bonds' aggregate nominal amount of as of the issue date or (iii) if the Bonds have not been listed on a regulated market within 12 months after the issue date.

There is, however, a risk that the Issuer will not receive or have sufficient funds at the time to fulfil its obligation to make any mandatory repayment or prepayment of the Bonds in accordance with the Terms and Conditions (as described above), which could adversely affect the Issuer (*e.g.*, by causing insolvency or a payment default or another event of default under the Terms and Conditions) and thus have a material negative effect on the bondholders' recovery under the Bonds.

Risks relating to security and guarantee

The Bonds are secured through transaction security constituted by first priority share pledges over all the shares in Nacka 5 AB, Nacka 6 AB, Nacka 8 AB, Nacka 9 AB and Nacka 11 AB. The Guarantor is also unconditionally and irrevocably guaranteeing the Issuer's obligations under the Bonds. However, there is a risk that the proceeds from any enforcement of the pledged assets and/or the Guarantee would not be sufficient to satisfy all amounts then due on or in respect of the Bonds.

The value of the first priority share pledges over all the shares in Nacka 5 AB, Nacka 6 AB, Nacka 8 AB, Nacka 9 AB and Nacka 11 AB will be adversely affected by factors that adversely affect the operations or financial position of such companies. If a company whose shares have been pledged in favour of the bondholders is subject to dissolution, winding-up, liquidation, bankruptcy proceedings or similar events, the shares that are subject to such pledges may have limited or no value. The value of the shares may also decline over time. In addition, certain of the pledged assets may be illiquid and have no readily ascertainable market value. For example, the shares that are secured for the benefit of bondholders may provide for only limited repayment of the Bonds, in part because these shares may not be liquid and their value to other parties may be less than their value to the Issuer. Consequently, there is a risk that the secured assets will not be saleable or, even if saleable, that there will be delays in the realisation of the value thereof.

The Guarantee provides the agent and the bondholders (represented by the agent) with a direct claim against the Guarantor. However, there will be no additional security or collateral provided by the Guarantor in respect of the Guarantee and, accordingly, the Guarantee will rank *pari passu* with all other unsecured obligations of the Guarantor in relation to the Guarantor's assets. The obligations and liabilities of and the Guarantee issued by the Guarantor may be limited if required by the provisions of the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and will only apply to the extent permitted by the Swedish Companies Act.

The bondholders will be represented by the Agent in all matters relating to the transaction security and the Guarantee. There is a risk that the Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security and the Guarantee.

Risks relating to the enforcement of the security

The enforceability of the transaction security may be subject to a certain degree of uncertainty. According to Swedish bankruptcy laws, a transaction having a detrimental effect for the creditors of a company, may be revoked if the transaction was completed during a specific time period before the relevant company entered into bankruptcy. The mandatory Swedish bankruptcy laws may therefore, under specific circumstances, require that the security granted to secure the Bonds shall be recovered to the bankruptcy estate of the relevant company. Moreover, Swedish law also require that a security interest in certain assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party or the security provider. The transaction security may not be perfected if the security party or the relevant security provider is not able to or does not take the actions necessary to perfect or maintain the perfection of any such security. Such failure may result in the invalidity of the relevant transaction security or adversely affect the priority of such security interest in favour of third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same transaction security.

In connection with certain permitted divestments pursuant to the Terms and Conditions, pledges over shares may be released by the agent and pledged assets may be sold, provided that proceeds from such permitted divestments are applied towards partial repayment of the Bonds. Hence, the value of the transaction security may decrease during the lifetime of the Bonds and there is a risk that the remaining transaction security at the time of an enforcement will not be sufficient to repay all amounts due under or in respect of the Bonds.

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

No action against the Issuer and bondholders' representation

In accordance with the Terms and Conditions, the Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from or enforcing any security and/or guarantee and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is always a risk that a bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions), which could negatively impact an acceleration of the Bonds or other action against the Issuer. To enable the Agent to represent bondholders in court, the bondholders 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 will 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 impact 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 allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting. Consequently, the actions of the majority in such matters could impact 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 Securities Act, or any U.S. state securities laws. A bondholder of the Bonds may not offer or sell the Bonds in the United States. The Issuer 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 Issuer 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 the bondholder's obligation to ensure, at own cost and expense, that its 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's book-entry system

The Bonds are affiliated with Euroclear Sweden's account-based system, and no physical Bonds 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 Issuer 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 Condition

Responsible for the information in the Prospectus

The Company issued the Bonds on 13 February 2017. 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 Issuer is responsible for the information given in this Prospectus. 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 or the Group. 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.

Stockholm on 17 January 2018

NACKAHUSEN HOLDING 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 below 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” and “Guarantee” are used with the same meaning in this section unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

Summary of the Bonds

The Bonds are debt instruments (Sw. *skuldförbindelser*), intended for public market trading, which confirm that each Holder has a claim against the Issuer. The Issuer resolved to issue the Bonds and the Guarantor resolved to issue the Guarantee on 20 December 2017. The purpose of the issuance of Bonds was to raise funds to be used by the Issuer for the acquisition of the Property Companies, including repayment of Existing Intra-group Debt, with any remaining funds to be used for general corporate purposes of the Issuer and its subsidiaries. The Issue Date for the Bonds was 13 February 2017 and the Bonds will mature on 13 August 2020.

The aggregate nominal amount of the Bonds is maximum SEK 500,000,000 represented by Bonds denominated in SEK with ISIN SE0009548100, each with a Nominal Amount of SEK 1,000,000. The Bonds were issued at a price equal to 100 per cent. of the Nominal Amount. As of the date of this Prospectus, SEK 500,000,000 of the bond loan has been issued.

The Bonds have been issued in accordance with Swedish law and are connected to the account-based system of Euroclear Sweden AB, registration number 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Holders on a securities account (Sw. *VP-konto*). No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding of preliminary tax will be made through Euroclear’s book-entry system.

The Bonds constitute direct, general, unconditional, unsubordinated and secured 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.

The Guarantor has unconditionally and irrevocably guaranteed to the Agent and each Holder (as represented by the Agent) as for its own debts (Sw. *såsom för egen skuld*) the full and punctual payment by the Issuer of the Guaranteed Obligations in accordance with the Guarantee issued by the Guarantor in favour of the Agent and each Holder (as represented by the Agent).

As continuing security for the due and punctual fulfilment of the Issuer’s obligations under the Finance Documents, the Issuer has pledged to the Agent and the Holders (as represented by the Agent) a first ranking security over (i) all shares in Nacka 5, Nacka 6, Nacka 8, Nacka 9 and Nacka 11 and (ii) a deposit account and all funds standing to the credit of such deposit account from time to time.

The Issuer shall redeem all outstanding Bonds at 100 per cent. of the Nominal Amount together with accrued but unpaid Interest on the Final Redemption Date, unless previously redeemed or repurchased in accordance with Clause 11 “*Redemption, repurchase and partial repayment of the Bonds*” or terminated in accordance with Clause 14 “*Termination of the Bonds*” of the Terms and Conditions.

The Issuer may choose to redeem all, but not only some, of the Bonds in full on any Business Day prior to the Final Redemption Date, at an amount equal to the applicable Call Option Price together with accrued but unpaid Interest (see further Clause 11.3 “*Early voluntary redemption by the Issuer (call option)*” of the Terms and Conditions).

Upon a Change of Control Event, a Mandatory Repurchase Event or a Listing Failure occurring, each Holder has a right of pre-payment (put option) of its Bonds at a price equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest (see further Clause 11.4 “*Mandatory repurchase due to a Change of Control Event, a Mandatory Repurchase Event or a Listing Failure (put option)*” of the Terms and Conditions).

If the Conditions Precedent for Disbursement would not have been fulfilled within 15 Business Days after the Issue Date, the Issuer would have been obliged to redeem all Bonds at a price equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest (see further Clause 11.5 “*Mandatory redemption due to failure to fulfil the Conditions Precedent for Disbursement*” of the Terms and Conditions). However, the Conditions Precedent for Disbursement were fulfilled on 15 February 2017.

Upon a Permitted Divestment occurring, the Issuer shall make a partial repayment of all, but not only some, of the Bonds by way of reducing the Nominal Amount of each Bond *pro rata* (rounded down to a multiple of SEK 1,000) with a total amount corresponding to the applicable Mandatory Repayment Amount (for the avoidance of doubt, if the applicable Mandatory Repayment Amount exceeds the aggregate outstanding Nominal Amount at the time of the relevant repayment, the Mandatory Repayment Amount shall be reduced to the aggregate outstanding Nominal Amount). The repayment shall be made at a price equal to 105.00 per cent. of the repaid Nominal Amount, together with accrued but unpaid Interest on the repaid Nominal Amount (see further Clause 11.6 “*Mandatory partial repayment due to a Permitted Divestment*” of the Terms and Conditions).

The Company shall use its best endeavours to carry out a partial repayment of the Bonds in accordance with Clause 11.6 “*Mandatory partial repayment due to a Permitted Divestment*” of the Terms and Conditions as soon as reasonably possible once a zoning plan (Sw. *detaljplan*) covering any property or properties owned by Nacka 5, Nacka 6, Nacka 8, Nacka 9 or Nacka 11 (as applicable) has become final and legally binding.

Payment of the Nominal Amount and/or interest will be made to the person who is a Holder on the Record Date immediately preceding the relevant payment date. Payments shall be made in SEK. The right to receive payment of the Nominal Amount is time-barred and becomes void ten years from the relevant Redemption Date, unless the limitation period is duly interrupted.

The Bonds bear interest from, but excluding, the Issue Date up to, and including, the relevant Redemption Date at a floating rate of STIBOR (3 months) + 600 basis points *per annum*. Interest is paid quarterly in arrears on each Interest Payment Date and is calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360

(actual/360-days basis). The Interest Payment Dates are 13 February, 13 May, 13 August and 13 November each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 13 May 2017 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto). The right to receive payment of interest is time-barred and becomes void three years from the relevant due date for payment.

Intertrust (Sweden) AB, registration number 556625-5476, Sveavägen 9, P.O. Box 16285, SE-103 25 Stockholm, Sweden is acting as agent and security for the Holders in relation to the Bonds, and, if relevant, any other matter within its authority or duty in accordance with the Finance Documents. Even without a separate authorisation from the Holders and without having to obtain any Holder's consent (if not required to do so under the Terms and Conditions), the Agent, or a person appointed by the Agent, is entitled to represent the Holders in every matter concerning the Bonds and the Finance Documents. The Agent is authorised to act on behalf of the Holders whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Bonds). 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 to the Agent's satisfaction), as the Agent deems necessary for the purpose of carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Holder which does not comply with such request of the Agent.

An agreement was entered into between the Agent and the Issuer on or about the Issue Date regarding, *inter alia*, the remuneration payable to the Agent. The rights, obligations and the representation of the Agent are set forth in the Terms and Conditions which are available at the Issuer's web page, www.nackahusen.se.

Each of the Issuer, the Agent and Holders representing at least ten per cent. of the Adjusted Nominal Amount, may request that a Holders' Meeting is convened (see further Clause 17 "*Holders' Meeting*" of the Terms and Conditions) or request a Written Procedure (see further Clause 19 "*Written Procedure*" of the Terms and Conditions). Such Holders' Meeting or Written Procedure may, upon votes representing a relevant majority of Holders eligible for voting, cause resolutions to be validly passed and binding on all Holders.

If the Bonds have been duly declared due and payable due to an Event of Default, the available funds shall firstly be applied towards payment of all costs and expenses incurred by and any remuneration payable to the Agent under the Terms and Conditions and the Agent Agreement and other cost and expenses relating to the enforcement of the Transaction Security or the enforcement of the Guarantee, secondly in or towards payment of accrued but unpaid Interest under the Bonds, thirdly in or towards payment of any unpaid principal under the Bonds and fourthly in or towards payment of any other costs or outstanding amounts unpaid under the Finance Documents. Any excess funds shall be transferred to the Issuer or the Guarantor (as applicable).

The Bonds are freely transferrable and trading can occur from their date of issuance. Holders may, however, be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Holder may be subject (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) for business). Each Holder must ensure compliance with local laws and regulations applicable at their own cost and expense. All Bond transfers are

subject to the Terms and Conditions and the Terms and Conditions are automatically applicable in relation to all Bond transferees upon the completion of a transfer.

To simplify trading in the Bonds, the Issuer shall use its best endeavours to ensure that the Bonds are listed on Nasdaq Stockholm. If the Bonds have not been listed on Nasdaq Stockholm within twelve months after the Issue Date, the Bonds are subject to prepayment at the option of each Holder (put option). The number of Bonds issued being admitted to trading if the application for listing of the Bonds on Nasdaq Stockholm is approved, is 500. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is expected to be on or about 24 January 2018. The fact that an application regarding listing of the Bonds on Nasdaq Stockholm has been submitted does not mean that the application will be approved. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 400,000.

The Group and its operations

Introduction

Oscar Properties Holding AB (publ), the Guarantor, is a public limited liability company registered in Sweden with registration number 556870-4521, having its registered address at Linnégatan 2, P.O. Box 5123, SE-102 43 Stockholm, Sweden. The Company was formed on 17 October 2011 and registered with the Swedish Companies Registration Office on 3 November 2011.

Nackahusen Holding AB (publ), the Company, is a public limited liability company registered in Sweden with registration number 559053-2783, having its registered address at c/o Oscar Properties AB, P.O. Box 5123, SE-102 43 Stockholm, Sweden. The Company was formed on 24 February 2016 and registered with the Swedish Companies Registration Office on 1 March 2016.

Each of the Company and the Guarantor 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

Guarantor

According to articles of association of the Guarantor, the Guarantor's share capital shall be no less than SEK 40,000,000 and not more than SEK 160,000,000 divided into no less than 20,000,000 shares and not more than 80,000,000 shares. According to its articles of association, the Guarantor can issue four classes of shares; ordinary shares, ordinary shares of series B, preferential shares and preferential shares of series B. The Guarantor's current share capital amounts to SEK 60,909,180 divided among 28,563,496 ordinary shares, 1,483,166 preferential shares and 407,928 preferential shares of series B. The ordinary shares entitle the holder to one vote per share, while the ordinary shares of series B, the preferential shares and the preferential shares of series B entitles the holder to one tenth of a vote. All shares are denominated in SEK.

The Guarantor is publicly traded with its ordinary shares, preferential shares and preferential shares of series B being listed on Nasdaq Stockholm. As of 30 September 2017, the largest shareholders of the Guarantor are Oscar Engelbert (through company) with approximately 40.17 per cent. of the share capital and 42.11 per cent. of the votes and Staffan Persson (through company) with approximately 8.96 per cent. of the share capital and 9.45 per cent. of the votes.

The Guarantor's governance is based on its articles of association, the Swedish Companies Act, the listing rules of Nasdaq Stockholm, the Swedish Code of Corporate Governance and other relevant Swedish and international regulations. The shareholders exercise their voting rights at general meetings, *e.g.* with regard to the composition of the board of directors of Guarantor and election of external auditors. The main shareholder's influence is limited by the provisions of the Swedish Companies Act on minority rights.

Company

According to articles of association of the Company, the Company's share capital shall be no less than SEK 500,000 and not more than SEK 2,000,000 divided into no less than 5,000 shares and not more than 20,000 shares. According to its articles of association, the Company can issue one class of shares; ordinary shares. The Company's current share capital amounts to SEK 500,000 divided among 500 ordinary shares. The ordinary shares entitle the holder to one vote per share. The shares

are denominated in SEK. The shares of the Company are not publicly traded. The Company is a directly wholly-owned subsidiary of Oscar Properties Invest AB, which in turn is a directly wholly-owned subsidiary of the Guarantor. The Company is thus an indirectly wholly-owned subsidiary of the Guarantor.

To ensure that the control over the Company is not abused, the Company complies with the Swedish Companies Act. In addition, the Company acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Company.

Business and operations

The object of the Group's business is to acquire, develop and sell real properties for residential purposes in Stockholm. The Group's business is partly carried out by converting buildings which previously have not been used for residential purposes to residential units. Group also creates residential units through new building. The Company's vision is to develop residential units so unique that people would specifically aim for an Oscar Properties building when searching for a new residence.

The Guarantor is the parent company in the Group. However, a significant portion of the business is carried out through subsidiaries and joint ventures or associated companies which are owned together with professional partners on the real estate market. In fact, the majority of the revenues of the Group come from the Guarantor's operational subsidiaries, joint ventures and associated companies. Consequently, the Guarantor is dependent upon such subsidiaries, joint ventures and associated companies. As of 30 September 2017, the Group had a commitment, wholly or partly, in a total of 22 projects of which 19 are wholly-owned. In addition, the Group had four investment properties (Sw. *förvaltningsfastigheter*), all of which are wholly-owned. Further, the Group had five joint ventures. In these joint ventures, the Group mainly contributes by project management and creating business, while its partners contribute with capital and/or new projects. As of 30 September 2017, the Group's and its associated companies' holdings of residential units under construction amounted to approximately 1,116.¹

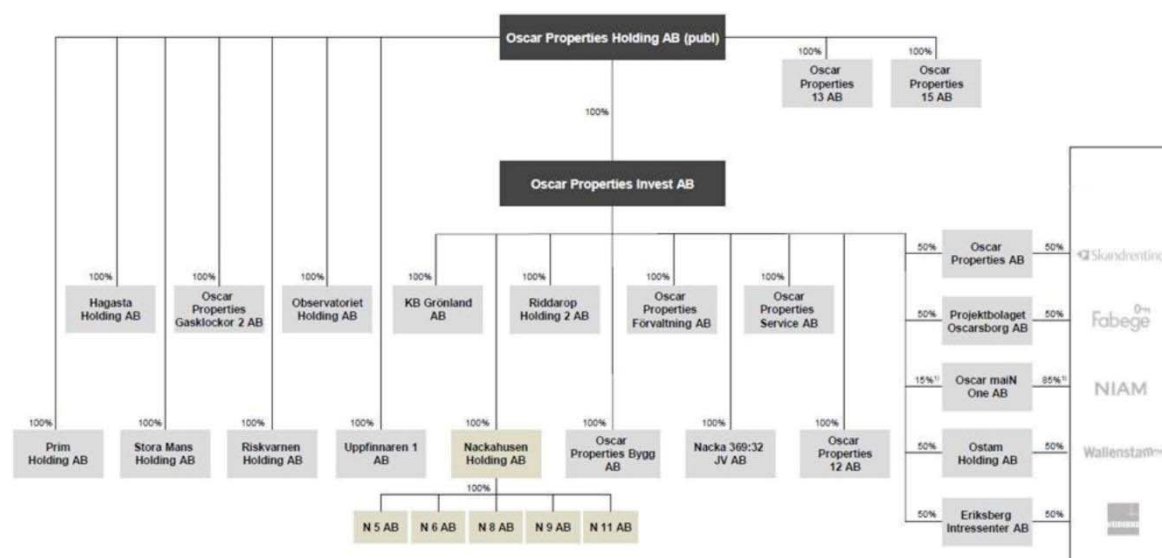
The object of the Company's business, as set out in its articles of association, is to, directly and indirectly, conduct properties and securities management, be able to incur external loan financing, including market loans, and conduct intra-group lending and financing activities and activities compatible therewith.

The Company was established as an indirectly wholly-owned subsidiary of the Guarantor for the sole purpose of acquiring and owning the property companies Nacka 5 AB, Nacka 6 AB, Nacka 8 AB, Nacka 9 AB and Nacka 11 AB (the "**Property Companies**"), holding certain real properties located in Nacka, Sweden. The net proceeds from the Bond Issue was used to finance the acquisition of the Property Companies, including repayment of existing intra-group debt, and the acquisition of the Property Companies was completed on 15 February 2017. The real properties held by the Property Companies consists of five subareas in Nacka Strand, designated for housing development, and each Property Company holds one subarea. New residential units are expected to be developed within all five subareas. The Group's property administration company is responsible for the current operations of the subareas, including technical administration, contacts with the tenants and leases,

¹ Source: Guarantor's interim financial report for the period 1 January – 30 September 2017, available at the Guarantor's web page www.oscarproperties.com. The Guarantor's interim financial report for the period 1 January – 30 September 2017 has been reviewed, but not audited, by the Guarantor's auditors.

up to commencement of the building process. As of 31 December 2017, the area vacancy amounted to 21 per cent. for the subareas and the financial vacancy amounted to 16 per cent. of the rental value. The Group's administration department is responsible for, and carries out, removals of all existing tenants in connection with commencement of the building process. General project management, including product design, marketing, sales and contacts with the municipality regarding zoning plans, is supplied by the Group's administration functions throughout the development process of the five subareas.

A high-level overview of the legal structure of the Group is set out in the chart below².



Litigation

Neither the Guarantor nor the Company has, during the previous twelve months, been involved in any, and none of them are aware of any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have, or have had in the recent past, significant effects on the Guarantor's, the Company's and/or the Group's financial position or profitability. However, Group is from time to time involved in legal proceedings in the ordinary course of business.

Material agreements

Neither the Company nor the Guarantor is party to any material agreement outside the ordinary course of business which could result in such company having a right or an obligation that could materially affect the Company's ability to fulfil its obligations under the Bonds or the Guarantor's ability to fulfil its obligations under the Guarantees.

Credit rating

Neither the Guarantor, 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 or the Guarantor since the date of publication of their last audited financial report, except for the revised forecast as stated

² The Property Companies are indicated by the letter N in the legal structure chart (e.g. N 5 AB means Nacka 5 AB).

below, and no significant change in the financial or market position of the Group since the end of the last financial period for which interim financial information has been published.

During the first quarter of 2017, the holders of preference shares of series B had the possibility to request the Guarantor to redeem such preference shares in accordance with the articles of association. At the end of the application period, 42 072 preference shares of series B had applied for redemption. The redemption occurred in June 2017 and the total redemption payment amounted to approximately SEK 21 million. The Guarantor's share capital decreased by SEK 84,144 as a result of the redemption.

During the second quarter of 2017, the Group acquired five properties, located on Kvarnvägen 14–20 at Skurusundet, at a purchase price of SEK 170 million, as well as three properties located in Södra Värtan at a purchase price of SEK 700 million.

During the second quarter of 2017, the Group entered into an addendum agreement with Patent- och registreringsverket as tenant regarding the property Uppfinnaren 1. The addendum extends the term of the lease by six years, beginning on 1 January 2020, and is worth approximately SEK 40 million.

During the second quarter of 2017, the Guarantor issued 142,817 new preference shares through a bonus issue. The Guarantor's share capital increased by SEK 285,634 as a result of the bonus issue.

During the third quarter of 2017, the Group divested its ownership interest, representing 50 per cent., in Murmästaren 3 to Fastighets AB Balder at a purchase price of approximately SEK 150 million. At the same time, the Group received repayment on shareholder loans in the amount of approximately SEK 50 million.

During the fourth quarter of 2017, the Group divested Biografen Penthouses to Axxonen Properties AB at a purchase price of SEK 125.3 million attributable to a part of the property Stockholm Ruddammen 29.

During the fourth quarter of 2017, the Guarantor revised its forecast for the financial year 2017 from SEK 500 million to SEK 400 million as regards its earnings before interest and taxes (*Sw.rörelseresultat*) less changes in value in investment properties. The revised forecast was made as a result of deteriorated market conditions and increased costs.

During the fourth quarter of 2017, the Group divested Uppfinnaren 1 to FastPartner AB at a purchase price of SEK 934 million before deduction for deferred tax of SEK 85 million.

During the fourth quarter of 2017, the Group divested Lybeck 2, Lybeck 3 and Ladugårdsgärdet 1:51 to CapManand for an underlying property value corresponding to SEK 745.5 million.

During the fourth quarter of 2017, the Group divested Stora Mans 1 to Estea Sverigefastigheter 3 AB for an underlying property value corresponding to SEK 220 million.

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

Shareholders' agreements

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

Guarantee arrangement

The Company's obligations under the Bonds are guaranteed by the Guarantor. The Guarantor has unconditionally and irrevocably guaranteed to the agent and each bondholder (as represented by the agent) as for its own debts (Sw. *såsom för egen skuld*) the full and punctual payment by the Company of the Guaranteed Obligations (as defined in the Terms and Conditions) in accordance with the Guarantee issued by the Guarantor in favour of the agent and each bondholder (as represented by the agent). For further information, please refer to section "*Guarantee*" below.

Board of directors, senior management and auditors

The business address for all members of the board of directors and the senior management of the Guarantor and the Company is: Oscar Properties Holding AB (publ), Linnégatan 2, P.O. Box 5123, SE-102 43 Stockholm, Sweden. The board of directors of the Guarantor currently consists of five members and the board of directors of the Company currently consists of three members. Information on the members of the board of directors and the senior management of the Guarantor and the Company, respectively, including significant assignments outside the Group which are relevant for the Group, is set forth below.

Board of directors

Guarantor

Oscar Engelbert

Born 1976 and of Swedish nationality. Managing director and board member of the Guarantor since 2011. Current assignments outside the Group include chairman of the board of directors in Heribert Engelbert, Heribert Produktion AB, Oscar Engelbert AB and Elar AB.

Jakob Grinbaum

Born 1949 and of Swedish nationality. Member of the board of directors of the Guarantor since 2012 and chairman of the board of directors since 2013. Current assignments outside the Group include board member in AB Sveriges Säkerställda Obligationer (publ), J Grinbaum Finanskonsult AB, Stiftelsen Östgötagården Uppsala and IK Sirius, and member of the advisory board in Genesta Property Nordic AB.

Johan Thorell

Born 1970 and of Swedish nationality. Member of the board of directors of the Guarantor since 2012. Current assignments outside the Group include chairman of the board of directors in Gamefederation svenska AB, Kallebäck Property Invest AB, Fastighetsaktiebolaget Apicius and Hållsta Fastighetsutveckling AB, board member and managing director in Gryningskust Holding AB, and board member in Hemsö Fastighets AB, Tagehus Holding AB, AB Sagax, Nicoccino Holding AB (publ), K2A Knaust & Andersson Fastigheter AB (publ), Delarka Holding AB (publ) and PH Bromma Invest AB.

Ann Grevelius

Born in 1966 and of Swedish nationality. Member of the board of directors of the Guarantor since 2015. Current assignments outside the Group include Partner at GP Bullhound, board member in Prisma Financial Tech AB, and member of the advisory board in Interim Search AB.

Staffan Persson

Born in 1956 and of Swedish nationality. Member of the board of directors of the Guarantor since 2015. Current assignments outside the Group include chairman of the board of directors and managing director in Swedia Capital AB, chairman of the board of directors in Synthetic MR AB (publ), Sveab Holding AB, Nortal Investments AB, Nortal Capital AB, Darkathlon AB, Fieldspring AB and Nortal Forest AB, and board member in Quizz Golf AB, The Lexington Company AB (publ) and Cinnober Financial Technology Aktiebolag.

Company

Navid Rostam Khesal

Born 1981 and of Swedish nationality. Managing director and board member of the Company since

2016. No current assignments outside the Group.

Thomas Perslund

Born 1971 and of Swedish nationality. Member and chairman of the board of directors of the Company since 2016. Current assignments outside the Group include board member in Perslund Management AB and Huddinge Tennisklubb.

Lars Neret

Born 1977 and of Swedish nationality. Member of the board of directors of the Company since 2016. No current assignments outside the Group.

Senior management

Guarantor

Oscar Engelbert

See section “Board of directors” above.

Thomas Perslund

Thomas Perslund is the deputy managing director of the Guarantor.

Lars Neret

Lars Neret is the financial manager of the Guarantor.

Malin Gangnor

Malin Gangnor is head of sales of the Guarantor.

Herman Persson

Herman Persson is head of design of the Guarantor.

Erik Alteryd

Erik Alteryd is the managing director of Oscar Properties Bygg AB.

Navid Rostam Khesal

Navid Rostam Khesal is head of finance of the Guarantor.

Company

Navid Rostam Khesal

Navid Rostam Khesal is the managing director of the Company.

The Company is managed as a subsidiary of the Guarantor and management is carried out by the Guarantor’s organisation (see further section ”Guarantor” above). The Company has no employees of its own, save for one accountant who is employed by the Company, and its managing director is employed by the Guarantor.

Auditors

Ernst & Young AB has been Guarantor’s auditor from April 2016 and onwards. Before then, Öhrlings PricewaterhouseCoopers AB was the Guarantor’s auditor. The auditor-in-charge for the period covered by the historical financial information incorporated into this Prospectus by reference has been Ola Salemyr from Ernst & Young AB and Ingemar Rindstig from Öhrlings PricewaterhouseCoopers AB. Both Ola Salemyr and Ingemar Rindstig are members of FAR. The business address to Ernst & Young AB is P.O. Box 7850, SE-103 99 Stockholm, Sweden. The

business address to Öhrlings PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

Ernst & Young AB has been Company's auditor from November 2016 and onwards. Bo Erik Berggren was the Company's auditor from February 2016, when the Company was formed, to November 2016. The auditor-in-charge for the period covered by the historical financial information incorporated into this Prospectus by reference has been Oscar Wall from Ernst & Young AB and Bo Erik Berggren. Both Oscar Wall and Bo Erik Berggren are members of FAR. The business address to Ernst & Young AB is P.O. Box 7850, SE-103 99 Stockholm, Sweden. The business address to Bo Erik Berggren is P.O. Box 285, SE-791 26 Falun, Sweden.

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

Conflicts of interests within the board of directors and senior management

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

Although there are currently no conflicts of interest than mentioned in the above section, 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 Group.

Interest of natural and legal persons involved in the Bond Issue

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

Financial interests

Several members of the board of directors and the senior management of the Guarantor and the Company have a financial interest in the Group through their, direct and indirect, holdings of shares in the Guarantor.

Overview of financial reporting and documents incorporated by reference

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

The financial information of the Guarantor for the financial years ending 31 December 2016 and 31 December 2015, as well the financial information of the Company for the financial year ending 31 December 2017, have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, RFR 1 (Sw. *Kompletterande redovisningsregler för koncerner*) and the Swedish Annual Accounts Act. The financial information of the Company for the financial year ending 31 December 2016, have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Reporting for Legal Entities. The Financial information of the Company's subsidiaries, Nacka 5 AB, Nacka 6 AB, Nacka 8 AB, Nacka 9 AB and Nacka 11 AB, for the financial year ending 31 December 2016 have been prepared in accordance with the Swedish Annual Accounts Act and general recommendations issued by Swedish Accounting Standards Board (Sw. *Bokföringsnämndens allmänna råd*).

The Guarantor's consolidated annual reports for the financial years ended 31 December 2016 and 31 December 2015, the Company's consolidated annual report for the financial year ended 31 December 2017 and unconsolidated annual report for the financial year ended 31 December 2016, as well as the Company's subsidiaries, Nacka 5 AB, Nacka 6 AB, Nacka 8 AB, Nacka 9 AB and Nacka 11 AB, unconsolidated annual reports for the financial year ended 31 December 2016, have been incorporated in this Prospectus by reference. These annual reports have been audited by the companies' respective auditors and the auditors' reports have been incorporated in this Prospectus through the annual reports for the financial years 2017, 2016 and 2015 (as applicable) by reference.

Financial information of the Company's subsidiaries, Nacka 5 AB, Nacka 6 AB, Nacka 8 AB, Nacka 9 AB and Nacka 11 AB, for the financial year ending 31 December 2017 are included in the Company's consolidated annual report for the financial year ended on 31 December 2017, which has been incorporated into this Prospectus by reference. Financial information of the Company for the financial year ending on 30 June 2016 (the Company's financial year was subsequently changed to the calendar year) is not incorporated into this Prospectus by reference as the Company during that period was not in operation.

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

Reference	Document	Page (section)
Financial information regarding the Guarantor and its subsidiaries, as well as the auditor's report, for the financial year ended 31 December 2016	The Guarantor's consolidated annual report for the financial year ended 31 December 2016	<ul style="list-style-type: none"> - 86 (Group's income statement with comments) - 86–87 (Group's consolidated statement on comprehensive income) - 88–89 (Group's balance sheet with comments) - 90 (Group's changes in equity) - 91 (Group's cash flow statement)

		<ul style="list-style-type: none"> - 92 (Guarantor's income statement with comments) - 93 (Guarantor's balance sheet) - 94 (Guarantor's changes in equity) - 95 (Guarantor's cash flow statement) - 96–119 (Accounting principles and notes, etc.) - 120–122 (Auditor's report)
Financial information regarding the Guarantor and its subsidiaries, as well as the auditor's report, for the financial year ended 31 December 2015	The Guarantor's consolidated annual report for the financial year ended 31 December 2015	<ul style="list-style-type: none"> - 73 (Group's consolidated statement on comprehensive income) - 74–75 (Group's consolidated statement of financial position) - 76 (Group's consolidated statement of changes in equity) - 77 (Group's consolidated cash flow statement) - 78 (Guarantor's statement on comprehensive income) - 79 (Guarantor's balance sheet) - 80 (Guarantor's statement of changes in equity) - 81 (Guarantor's cash flow statement) - 82–111 (Accounting principles and notes, etc.) - 112–113 (Auditor's report)
Financial information regarding the Company and its subsidiaries, as well as the auditor's report, for the financial year ended 31 December 2017	The Company's consolidated annual report for the financial year ended 31 December 2017	<ul style="list-style-type: none"> - 5 (The group's consolidated statement on comprehensive income) - 6 (The group's consolidated statement of financial position) - 7 (The group's consolidated statement of changes in equity) - 8 (The group's consolidated cash flow statement) - 9 (Company's income statement) - 10 (Company's balance sheet) - 11 (Company's statement of changes in equity) - 12 (Company's cash flow statement) - 13–25 (Accounting principles and notes, etc.) - 26–27 (Auditor's report)
Financial information regarding the Company, as well as the auditor's report, for the financial year ended 31 December 2016	The Company's unconsolidated annual report for the financial year ended 31 December 2016	<ul style="list-style-type: none"> - 4 (Income statement and statement on comprehensive income) - 5–6 (Balance sheet) - 7 (Changes in equity) - 8 (Cash flow statement) - 9–15 (Notes)

		- 16–17 (Auditor’s report)
Financial information regarding the Company’s subsidiary, Nacka 5 AB, as well as the auditor’s report, for the financial year ended 31 December 2016	Nacka 5 AB’s unconsolidated annual report for the financial year ended 31 December 2016	- 3 (Income statement) - 4–5 (Balance sheet) - 6–7 (Notes) - 8–9 (Auditor’s report)
Financial information regarding the Company’s subsidiary, Nacka 6 AB, as well as the auditor’s report, for the financial year ended 31 December 2016	Nacka 6 AB’s unconsolidated annual report for the financial year ended 31 December 2016	- 3 (Income statement) - 4–5 (Balance sheet) - 6–7 (Notes) - 8–9 (Auditor’s report)
Financial information regarding the Company’s subsidiary, Nacka 8 AB, as well as the auditor’s report, for the financial year ended 31 December 2016	Nacka 8 AB’s unconsolidated annual report for the financial year ended 31 December 2016	- 3 (Income statement) - 4–5 (Balance sheet) - 6–7 (Notes) - 8–9 (Auditor’s report)
Financial information regarding the Company’s subsidiary, Nacka 9 AB, as well as the auditor’s report, for the financial year ended 31 December 2016	Nacka 9 AB’s unconsolidated annual report for the financial year ended 31 December 2016	- 3 (Income statement) - 4–5 (Balance sheet) - 6–7 (Notes) - 8–9 (Auditor’s report)
Financial information regarding the Company’s subsidiary, Nacka 11 AB, as well as the auditor’s report, for the financial year ended 31 December 2016	Nacka 11 AB’s unconsolidated annual report for the financial year ended 31 December 2016	- 3 (Income statement) - 4–5 (Balance sheet) - 6–7 (Notes) - 8–9 (Auditor’s report)

The abovementioned reports are available in electronic form on the Company’s web page <http://www.nackahusen.se/index.php/finansiella-rappporter/> and the Guarantor’s web page <http://oscarproperties.com/for-investerare/finansiell-information/>, respectively, and can also be obtained from the Company in paper format in accordance with section “*Documents available for inspection*” below.

Investors should read all information which is incorporated in the Prospectus by reference. 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 and the Guarantor
- All documents which by reference are a part of this Prospectus, including historical financial information for the Guarantor, the Company and their subsidiaries

Terms and Conditions for the Bonds

**TERMS AND CONDITIONS FOR
NACKAHUSEN HOLDING AB (publ)
MAXIMUM SEK 500,000,000
SENIOR SECURED CALLABLE FLOATING RATE
BONDS 2017/2020**

ISIN: SE0009548100

Issue Date: 13 February 2017

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.

**TERMS AND CONDITIONS FOR
NACKAHUSEN HOLDING AB (publ)
MAXIMUM SEK 500,000,000
SENIOR SECURED CALLABLE FLOATING RATE
BONDS 2017/2020
ISIN: SE0009548100**

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 (i) the generally accepted local accounting principles, standards and practices in Sweden or (ii), if the Bonds have been listed on the corporate bond list of Nasdaq Stockholm or another Regulated Market, 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 the Issuer, a Group Company or an Affiliate of the Issuer or a Group Company, irrespective of whether such Person is directly registered as owner of such Bonds.

“**Advance Purchase Agreement**” means (i) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than ninety (90) calendar days after the date of supply or (ii) any other trade credit incurred in the ordinary course of business.

“**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 and security agent under these Terms and Conditions and, if relevant, the other Finance Documents, from time to time; initially Intertrust (Sweden) AB (reg. no. 556625-5476, Sveavägen 9, P.O. Box 16285, SE-103 25 Stockholm, Sweden).

“**Agent Agreement**” means the fee agreement entered into before the Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the Issue Date between the Issuer and an Agent.

“**Bond**” means debt instruments (Sw. *skuldförbindelser*), each 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.

“**Bond Issue**” means the issuance of the Bonds on the Issue Date.

“**Book Equity**” means the consolidated book value of the Guarantor Group’s aggregate shareholders’ equity according to the latest Financial Report.

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midсомmarafton*), 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.

“**Call Option Price**” means:

- (a) The Make Whole Price if the call option is exercised before the First Call Date;
- (b) one hundred and six (106.00) per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but excluding) the date falling twenty four (24) months after the Issue Date;
- (c) one hundred and four point fifty (104.50) per cent. of the Nominal Amount if the call option is exercised on or after the date falling twenty four (24) months after the Issue Date up to (but excluding) the date falling thirty (30) months after the Issue Date;
- (d) one hundred and three (103.00) per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty (30) months after the Issue Date up to (but excluding) the date falling thirty nine (39) months after the Issue Date; or
- (e) one hundred and one (101.00) per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty nine (39) months after the Issue Date up to (but excluding) the Final Redemption Date.

“**Cash**” means cash in hand held by the Guarantor Group Companies or with a reputable bank credited to an account in the name of a Guarantor Group Company, also including amounts that can be freely drawn upon in relation to revolving credit facilities or working capital facilities, and in each case to which a Guarantor Group Company is beneficially and legally entitled and which is immediately available to be applied towards the payment of the Guaranteed Obligations (for the avoidance of doubt, not including, *e.g.*, any cash subject to a pledge or similar arrangement, any amount standing on client accounts or construction credits (Sw. *byggnadskreditiv*)).

“**Cash Equivalents**” means, in respect of the Guarantor Group, (i) immediately available funds at bank or postal accounts and (ii) marketable debt securities held for cash management purposes that can be realised promptly and which has a credit rating of either A-1 or higher

by Standard & Poor's Rating Services, F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investor Services Limited, or, if no rating is available in respect of the commercial paper or debt securities, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating.

“**Cash Position**” means the aggregate amount of Cash and Cash Equivalents held by the Guarantor Group calculated on a consolidated basis in accordance with the latest Financial Report.

“**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: (i) one or more Persons (other than the Main Shareholder) acting together, acquire control over the Guarantor and where “**control**” means (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Guarantor, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Guarantor or (ii) the Issuer ceases to be a direct or indirect wholly-owned Subsidiary of the Guarantor.

“**Commercial Buildings**” means each of the following commercial buildings after that such commercial buildings have been transferred, at first hand, by way of land reallocation, to separate properties (i) the five boathouses (Sw. *sjöbodarna*) owned by Nacka 5 but currently forming part of the property Nacka Sicklaön 13:87 (“**Commercial Buildings 1**”) and (ii) the building with the address Augustendalsvägen 47–49, SE-131 52 Nacka Strand, Sweden, currently forming part of the property Nacka Sicklaön 13:135 owned by Nacka 5 and the building with the address Augustendalsvägen 51, SE-131 52 Nacka Strand, Sweden, currently forming part of the property Nacka Sicklaön 13:135 owned by Nacka 5 (“**Commercial Buildings 2**”).

“**Compliance Certificate**” means a certificate, in form and substance reasonably satisfactory to the Agent, signed by the Issuer certifying (i) 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 (ii) if provided in connection with a Financial Report being made available, that the Maintenance Test is met and including calculations and figures in respect of the ratio of Book Equity to Total Assets and the Cash Position.

“**Conditions Precedent for Disbursement**” means all actions and documents set forth in Clause 13.1.

“**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).

“**Deposit Account**” means the Issuer's bank account held with the account bank and which shall be pledged under the Deposit Account Pledge Agreement.

“Deposit Account Pledge Agreement” means the pledge agreement entered into between the Issuer and the Agent around the Issue Date in respect of a first priority pledge over the Deposit Account and all funds standing to the credit of the Deposit Account from time to time, granted in favour of the Agent and the Holders (represented by the Agent).

“Derivative Transaction” has the meaning set forth in paragraph (d) of the definition “Permitted Debt”.

“Divestment Proceeds” means the net sale proceeds received by a Group Company from any Permitted Divestment.

“Escrow Account” means the Issuer’s bank account held with the account bank and which has been pledged under the Escrow Account Pledge Agreement.

“Escrow Account Pledge Agreement” means the pledge agreement entered into between the Issuer and the Agent before the Issue Date in respect of a first priority pledge over the Escrow Account and all funds standing to the credit of the Escrow Account from time to time, granted in favour of the Agent and the Holders (represented by the Agent).

“Event of Default” means an event or circumstance specified in Clause 14.1.

“Existing Intra-group Debt” means any intra-group debt taken up by the Property Companies from their previous direct or indirect shareholders before the Issue Date in an aggregate amount, together with accrued interest, of SEK 162,393,029, which shall be repaid in full in accordance with Clause 4 (*Use of proceeds*).

“Final Redemption Date” means 13 August 2020.

“Finance Documents” means these Terms and Conditions, the Agent Agreement, the Escrow Account Pledge Agreement, the Share Pledge Agreement, the Guarantee, the Deposit Account Pledge Agreement and any other document designated by the Issuer and the Agent as a Finance Document.

“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, to the extent the arrangement is or would have been treated as a finance lease in accordance with the Accounting Principles as applicable on the Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles as applicable on the Issue Date shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as finance or capital leases;
- (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);

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- (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 paragraphs (a)–(f).

“**Financial Report**” means the annual audited consolidated financial statements of the Guarantor Group, the annual audited unconsolidated financial statements of the Guarantor, the quarterly interim unaudited consolidated reports of the Guarantor Group or the quarterly interim unaudited unconsolidated reports of the Guarantor, which the Issuer shall procure that the Guarantor prepares and makes available according to Clause 12.12 (c).

“**First Call Date**” means the date falling eighteen (18) months after the Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**Force Majeure Event**” has the meaning set forth in Clause 26.1.

“**Funds Flow Statement**” has the meaning set forth in Clause 13.1 (c).

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

“**Guarantee**” has the meaning set forth in Clause 5.2

“**Guaranteed Obligations**” means all present and future obligations and liabilities of the Issuer and/or the Group to the Holders and the Agent (or any of them) under each Finance Document, together with all costs, charges and expenses incurred by any Holder or the Agent in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities.

“**Guarantor**” means Oscar Properties Holding AB (publ) (reg. no. 556870-4521, P.O. Box 5123, SE-102 43, Stockholm, Sweden).

“**Guarantor Group**” means the Guarantor and all its Subsidiaries from time to time (each a “**Guarantor 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 17 (*Holders’ Meeting*).

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

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

“**Interest Payment Date**” means 13 February, 13 May, 13 August and 13 November each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 13 May 2017 and the last Interest Payment Date being the Final Redemption Date (or any final redemption date prior thereto)).

“**Interest Period**” means each period beginning on (but excluding) the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means a floating rate of STIBOR (3 months) + 600 basis points, *per annum*, with quarterly interest payments in arrears.

“**Issuer**” means Nackahusen Holding AB (publ) (reg. no. 559053-2783, c/o Oscar Properties AB, P.O. Box 5123, SE-102 43 Stockholm, Sweden).

“**Issuing Agent**” means DNB Markets, a part of DNB Bank ASA, Sweden Branch (reg. no. 516406-0161, Regeringsgatan 59, SE-105 88 Stockholm, Sweden) or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Issue Date**” means 13 February 2017.

“**Listing Failure**” means a situation where the Bonds have not been listed on the corporate bond list of Nasdaq Stockholm or another Regulated Market within twelve (12) months after the Issue Date.

“**Main Shareholder**” means Oscar Engelbert and his Affiliates (being the main shareholder of the Guarantor as of the Issue Date).

“**Maintenance Test**” the Maintenance Test is met if:

- (a) the ratio of Book Equity to Total Assets at all times is at least 0.25; and
- (b) the Cash Position amounts to not less than SEK 30,000,000 on the last day of each interim quarter;

and the Issuer and the Guarantor may in their sole discretion chose to calculate the Maintenance Test in accordance with the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC as applicable on the initial issue date for the Guarantor’s bonds with ISIN: SE0005936390 (*i.e.*, 3 September 2014), or as otherwise adopted or amended from time to time.

“**Make Whole Price**” means

- (a) the present value on the relevant Record Date of one hundred and six (106.00) per cent. of the Nominal Amount as if such payment originally should have taken place on the First Call Date; and
- (b) the present value on the relevant Record Date of the remaining interest payments (excluding accrued but unpaid Interest up to the relevant redemption date) up to and including the First Call Date (assuming that the Interest Rate for the period

from the relevant Record Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Holders);

both present values under paragraphs (a) and (b) above calculated by using a discount rate of fifty (50) basis points over the comparable Swedish Government Bond Rate (*i.e.* comparable to the remaining duration of the Bonds until the First Call Date).

“Mandatory Repayment Amount” means:

- (a) SEK 265,000,000 upon a Permitted Divestment of shares in Nacka 5 or substantially all of Nacka 5’s assets or operations;
- (b) SEK 137,500,000 upon a Permitted Divestment of shares in Nacka 6 or substantially all of Nacka 6’s assets or operations;
- (c) SEK 60,000,000 upon a Permitted Divestment of shares in Nacka 8 or substantially all of Nacka 8’s assets or operations;
- (d) SEK 116,500,000 upon a Permitted Divestment of shares in Nacka 9 or substantially all of Nacka 9’s assets or operations;
- (e) SEK 190,000,000 upon a Permitted Divestment of shares in Nacka 11 or substantially all of Nacka 11’s assets or operations;
- (f) SEK 100,000,000 upon a Permitted Divestment of Commercial Buildings 1; and
- (g) SEK 40,000,000 upon a Permitted Divestment of Commercial Buildings 2;

provided, however, if a Mandatory Repayment Amount of any Commercial Buildings has been applied by the Issuer towards a partial repayment of the Bonds in accordance with Clause 11.6 (*Mandatory partial repayment due to a Permitted Divestment*) following the divestment of the relevant Commercial Buildings, the amount set out in paragraph (a) above shall be reduced with the Mandatory Repayment Amount of such Commercial Buildings.

“Mandatory Repurchase Event” means a situation where the aggregate outstanding Nominal Amount falls below SEK 250,000,000 due to one or more partial repayments of the Bonds in accordance with Clause 11.6 (*Mandatory partial repayment due to a Permitted Divestment*).

“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 business, financial condition or operations of the Group taken as a whole, (ii) the Issuer’s (or the Guarantor’s if applicable) ability or willingness to perform and comply with its payment and other undertakings under the Finance Documents or (iii) the validity or enforceability of the Finance Documents.

”**Nacka 5**” means Nacka 5 AB (reg. no. 559006-0900).

”**Nacka 6**” means Nacka 6 AB (reg. no. 559006-0884).

”**Nacka 8**” means Nacka 8 AB (reg. no. 559006-0934).

”**Nacka 9**” means Nacka 9 AB (reg. no. 559006-0926).

”**Nacka 11**” means Nacka 11 AB (reg. no. 559006-0983).

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

”**Net Proceeds**” means the proceeds from the Bond Issue which, after deduction has been made for the transaction costs payable by the Issuer to the sole bookrunner and Issuing Agent for the services provided in relation to the placement and issuance of the Bonds, shall be transferred to the Escrow Account.

”**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.

”**Permitted Basket**” has the meaning set forth in paragraph (h) of the definition “Permitted Debt”.

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

- (a) incurred under the Finance Documents;
- (b) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (c) taken up from a Group Company;
- (d) arising under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes) (“**Derivative Transaction**”);
- (e) as a result of any Group Company acquiring another entity and which is due to that such acquired entity holds indebtedness, provided such Financial Indebtedness is repaid with equity (for the avoidance of doubt, including money raised under any Shareholder Loan) within ninety (90) calendar days of the date on which such entity is acquired;

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- (f) incurred in the ordinary course of business under Advance Purchase Agreements;
 - (g) incurred under any Shareholder Loan; and
 - (h) not permitted by paragraphs (a)–(g) above, in an aggregate amount not at any time exceeding SEK 10,000,000 and incurred in the ordinary course of the Group’s business (all such Financial Indebtedness is together referred to as the “**Permitted Basket**”).

“**Permitted Divestment**” means a situation where a Group Company sells, transfers or otherwise disposes of (i) shares in any Property Company, (ii) all or substantially all of any Property Company’s assets or operations and/or (iii) any Commercial Buildings, to any Person, provided that:

- (i) the Issuer notifies the Agent of any such transaction at least five (5) Business Days before the relevant Permitted Divestment is made;
- (ii) the Issuer commits to the Agent that the Divestment Proceeds, together with any other available funding, will suffice to carry out a partial repayment of the Bonds and the Issuer undertakes to carry out such partial repayment of the Bonds, in each case, in accordance with Clause 11.6 (*Mandatory partial repayment due to a Permitted Divestment*); and
- (iii) the Divestment Proceeds are immediately transferred to the Deposit Account and applied towards a partial repayment of the Bonds in accordance with Clause 11.6 (*Mandatory partial repayment due to a Permitted Divestment*).

“**Permitted Security**” means any security or guarantee:

- (a) provided in accordance with the Finance Documents;
- (b) provided in connection with a redemption of the Bonds in full and constituting a first priority pledge over a bank account in the name of the Issuer for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (c) provided in relation to a Derivative Transaction and not consisting of security interests in shares in any Group Company;
- (d) incurred as a result of any Group Company acquiring another entity and which is due to that such acquired entity has provided security, provided that the debt secured with such security constitutes Permitted Debt in accordance with paragraph (e) of the definition Permitted Debt;
- (e) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised); and
- (f) provided in relation to the Permitted Basket and not consisting of security interest in shares of any Group Company or, if provided in relation to financial leasing arrangements, is granted only in the leased asset in question.

“**Property Company**” means each of Nacka 5, Nacka 6, Nacka 8, Nacka 9 and Nacka 11.

“**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 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 15 (*Distribution of proceeds*), (iv) the date of a Holders’ Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

“**Regulated Market**” means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).

“**Restricted Payment**” has the meaning set forth in Clause 12.1 (*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.

“**Security Documents**” means the Share Pledge Agreement, the Escrow Account Pledge Agreement, the Deposit Account Pledge Agreement and any other pledge agreement entered into by a Group Company under these Terms and Conditions and such further agreements, assignments, certificates, instruments, consents, acknowledgements, confirmations and other documents which relate thereto or which are required in order to establish, maintain, preserve, protect and perfect the pledge created or purported to be created under such documents.

“**SEK**” means the lawful currency of Sweden (Swedish kronor).

“**Share Pledge Agreement**” means the pledge agreement entered into between the Issuer and the Agent on or about the Issue Date in respect of first priority pledges over all shares in the Property Companies, granted in favour of the Agent and the Holders (represented by the Agent).

“**Shareholder Loans**” means any loan raised by the Issuer from its current or previous direct or indirect shareholders, if such shareholder loan (i) according to its terms is subordinated to the obligations of the Issuer towards other creditors, (ii) according to its terms have a final repayment date or, when applicable, early repayment dates or instalment dates which occur after the Final Redemption Date and (iii) according to its terms yield only payment-in-kind interest.

“**STIBOR**” means:

- (a) the applicable percentage rate p.a. 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 rate is available for the relevant Interest Period, 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
- (c) if no quotation is available pursuant to paragraph (b) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period; and

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

“**Subsidiary**” means, in relation to any Person, any legal entity (whether incorporated or not), in respect of which such Person, 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.

“**Swedish Government Bond Rate**” means the yield to maturity at the time of computation of direct obligations of Sweden, acting through the Swedish National Debt Office (a Swedish Government Bond; Sw. *statsobligation*) with a constant maturity (such yield to be the weekly average yield as officially compiled and published in the most recent financial statistics that has become publicly available at least two (2) Business Days (but not more than five (5) Business Days) prior to the relevant Record Date for the Redemption Date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Issuer in good faith)) most nearly equal to the period from the Redemption Date to the First Call Date; provided, however, that if the period from the Redemption Date to the First Call Date is not equal to the constant maturity of a direct obligation of Sweden, acting through the Swedish National Debt Office for which a weekly average yield is given, the Swedish Government Bond Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth (1/12) of a year) from the weekly average yields of direct obligations of Sweden, acting through the Swedish National Debt Office, for which such yields are given, except that if the period from such Redemption Date to the First Call Date is less than one (1) year, the weekly average yield on actually traded direct obligations of Sweden, acting through the Swedish National Debt Office, adjusted to a constant maturity of one year shall be used.

“**Transaction Security**” means the security created or purported to be created under the Security Documents.

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

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 18 (*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) an “**enforcement**” of a Guarantee means making a demand for payment under a Guarantee;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) 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 SEK 500,000,000 which will be represented by Bonds, each of an initial nominal amount of SEK 1,000,000 or full multiples thereof (the “**Initial Nominal Amount**”). The nominal amount of each Bond will be the Initial Nominal Amount, less the aggregate amount by which each Bond has been partly repaid in accordance with Clause 11.6 (*Mandatory partial repayment due to a Permitted Divestment*) (the “**Nominal Amount**”). The ISIN for the Bonds is SE0009548100. All Bonds are issued

on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount. The minimum permissible investment in connection with the Bond Issue is SEK 1,000,000.

- 2.2 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.3 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 2.4 By subscribing for Bonds, each initial Holder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds each subsequent Holder confirms such agreements.

3. STATUS OF THE BONDS

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them. The Bonds are secured by the Transaction Security.

4. USE OF PROCEEDS

- 4.1 The Issuer shall establish the Escrow Account prior to the Issue Date. On the Issue Date, the Issuing Agent shall transfer the Net Proceeds to the Escrow Account. For the purpose of securing that the Conditions Precedent for Disbursement have been fulfilled before any disbursement of the Net Proceeds is made, the Escrow Account will be pledged in favour of the Agent and the Holders (represented by the Agent) in accordance with the Escrow Account Pledge Agreement.
- 4.2 Upon fulfilment of the Conditions Precedent for Disbursement, the Net Proceeds standing to the credit of the Escrow Account shall be released by the Agent and used by the Issuer for the acquisition of the Property Companies, including repayment of Existing Intra-group Debt. Any remaining Net Proceeds shall be used for general corporate purposes of the Group.

5. SECURITY AND GUARANTEE

- 5.1 As continuing security for the due and punctual fulfilment of the Issuer's obligations under the Finance Documents, the Issuer shall pledge to the Agent and the Holders (as represented by the Agent) a first ranking security over:
- (a) all shares in the Property Companies pursuant to the Share Pledge Agreement; and
 - (b) the Escrow Account and the Deposit Account and all funds standing to the credit of the Escrow Account and the Deposit Account from time to time pursuant to the Escrow Account Pledge Agreement and the Deposit Account Pledge Agreement, respectively.
- 5.2 The Guarantor shall unconditionally and irrevocably guarantee (Sw. *proprieborgen*) to the Agent and each Holder (as represented by the Agent) as for its own debts (Sw. *såsom för egen*

skuld) the full and punctual performance by the Issuer and/or the Group of the Guaranteed Obligations in accordance with a guarantee issued by the Guarantor in favour of the Agent and each Holder (as represented by the Agent) (the “**Guarantee**”).

- 5.3 The Issuer shall ensure that the Security Documents, the Guarantee and all documents relating thereto are duly executed in favour of the Agent and the Holders (as represented by the Agent) and that such documents are legally valid, perfected, enforceable and in full force and effect according to their terms. The Issuer shall execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Holders and the Agent to at all times maintain the security position and guarantee position envisaged under the Finance Documents.
- 5.4 The Agent shall hold the Transaction Security on behalf of itself and the Holders in accordance with the Finance Documents.
- 5.5 Except if otherwise decided by the Holders according to the procedures set out in Clauses 16 (*Decisions by Holders*), 17 (*Holders’ Meeting*) and 18 (*Written Procedure*), the Agent is, without first having to obtain the Holders’ consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent’s sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or the Guarantee or for the purpose of settling the Holders’ rights to the Transaction Security or the Guarantee, respectively. The Agent is entitled to take all measures available to it according to the Security Documents and the Guarantee.
- 5.6 If the Bonds are declared due and payable according to Clause 14 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Holders’ consent, entitled to enforce the Transaction Security and/or the Guarantee in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Security Documents and the Guarantee, respectively).
- 5.7 If a Holders’ Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security and/or the enforcement of the Guarantee, the Agent is obligated to take actions in accordance with the Holders’ decision regarding the Transaction Security and/or the Guarantee. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in these Terms and Conditions, the Agent shall not enforce any of the Transaction Security or the Guarantee. If the Holders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of any of the Transaction Security and/or enforcement of the Guarantee in accordance with the procedures set out in Clauses 16 (*Decisions by Holders*), 17 (*Holders’ Meeting*) and 18 (*Written Procedure*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security and/or enforce the Guarantee. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Holders in writing commit to holding the Agent indemnified and, at the Agent’s own discretion, grant sufficient security for the obligation.

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- 5.8 Funds that the Agent receives (directly or indirectly) on behalf of the Holders in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security or the enforcement of the Guarantee 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 any other interested party. The Agent shall promptly arrange for payments to be made to the Holders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 15 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with Clause 5.9, instruct the CSD to arrange for payment to the Holders.
- 5.9 For the purpose of exercising the rights of the Holders and the Agent under these Terms and Conditions and for the purpose of distributing any funds originating from the enforcement of any Transaction Security or the enforcement of the Guarantee, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Holders in accordance with Clause 5.8. To the extent permissible by law, the powers set out in this Clause 5.9 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction), which the Agent deems necessary for the purpose of carrying out its duties under Clause 5.8 (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 5.8 to the Holders through the CSD.
- 5.10 Upon the occurrence of a Permitted Divestment, and upon receipt of the Divestment Proceeds on the Deposit Account or the Agent receiving proof, in a form satisfactory to the Agent (acting reasonably), from the Issuer or the relevant buyer that an amount equivalent to the Divestment Proceeds is immediately available to be transferred to the Deposit Account, together with an undertaking to transfer such amount to the Deposit Account, the Agent shall (if necessary in order to carry out the relevant Permitted Divestment) release the pledge over the shares in the Property Company being subject the Permitted Divestment.
- 5.11 The Agent shall, upon the Issuer's written request and expense, promptly release the Guarantor from its obligations under the Guarantee when all the Guaranteed Obligations have been duly and irrevocably paid and discharged in full.

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.

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- 6.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents 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 the Finance Documents, the Issuing Agent shall at the request of the Agent obtain information from the debt register 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 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.

7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and 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 the Finance Documents, 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 the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Holder and may further delegate its right to represent the Holder by way of a further power of attorney.

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 the Finance Documents, 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 the Finance Documents 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 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 Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the Issue 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 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. REDEMPTION, REPURCHASE AND PARTIAL REPAYMENT OF THE BONDS

11.1 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 and if permitted under the CSD's applicable regulations, on the Business Day following from an application of the Business Day Convention, and otherwise on the first following Business Day) with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

11.2 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 or, if held by the Issuer or a Person appointed by the Issuer, cancelled by the Issuer.

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

11.3.1 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day prior to the First Call Date, at an amount equal to the Make Whole Price together with accrued but unpaid Interest.

11.3.2 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day falling on or after the First Call Date, but before the Final Redemption Date, at the applicable Call Option Price together with accrued but unpaid Interest.

11.3.3 Redemption in accordance with Clauses 11.3.1 and 11.3.2 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.

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

11.4.1 Upon a Change of Control Event, a Mandatory Repurchase Event or a Listing Failure 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 per Bond equal to (i) one hundred and one (101.00) per cent. of the Nominal Amount upon a Change of Control Event or a Listing Failure occurring and (ii) the applicable Call Option Price upon a Mandatory Repurchase Event occurring, in each case, together with accrued but unpaid Interest, during a period of fifteen (15) calendar days following receipt of a notice from the Issuer of the relevant event pursuant to Clause 12.12 (e). The fifteen (15) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, the Mandatory Repurchase Event or the Listing Failure (as applicable).

11.4.2 The notice from the Issuer pursuant to Clause 12.12 (e) 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 12.12 (e). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.4.1.

11.4.3 The Issuer shall comply with the requirements of any applicable securities 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 11.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.

11.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be retained, sold or cancelled in accordance with Clause 11.2 (*The Group Companies' purchase of Bonds*).

11.5 Mandatory redemption due to failure to fulfil the Conditions Precedent for Disbursement

If the Conditions Precedent for Disbursement have not been fulfilled within fifteen (15) Business Days after the Issue Date, the Issuer shall redeem all Bonds at a price equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest. The Net Proceeds standing to the credit of the Escrow Account shall in such case be applied towards redemption of the Bonds on behalf of the Issuer and any shortfall shall be covered by the Issuer. The redemption of the Bonds shall (i) be executed on the first Interest Payment Date (taking into account the rules and regulations of the CSD) and (ii) be made by the Issuer giving not less than ten (10) Business Days' notice to the Holders and the Agent, where such notice shall state the relevant Interest Payment Date on which the redemption shall be made, the redemption amount and the relevant Record Date.

11.6 Mandatory partial repayment due to a Permitted Divestment

11.6.1 Upon a Permitted Divestment occurring, the Issuer shall make a partial repayment of all, but not only some, of the Bonds by way of reducing the Nominal Amount of each Bond *pro rata* (rounded down to a multiple of SEK 1,000) with a total amount corresponding to the applicable Mandatory Repayment Amount (for the avoidance of doubt, if the applicable Mandatory Repayment Amount exceeds the aggregate outstanding Nominal Amount at the time of the relevant repayment, the Mandatory Repayment Amount shall be reduced to the aggregate outstanding Nominal Amount). The repayment shall be executed on the first possible Interest Payment Date (taking into account the rules and regulations of the CSD) following the Permitted Divestment and be made at a price equal to one hundred and five (105.00) per cent. of the repaid Nominal Amount, together with accrued but unpaid Interest on the repaid Nominal Amount.

11.6.2 Repayment in accordance with Clause 11.6.1 shall be made by the Issuer giving not less than ten (10) Business Days' notice to the Holders and the Agent. Any such notice is irrevocable and shall state the relevant Interest Payment Date on which repayment shall be made, the Nominal Amount to be repaid and the relevant Record Date. The Agent shall, upon the Issuer's request, release any amount standing to the credit of the Deposit Account, provided that such amount without delay shall be applied by the Issuer to partially repay the Bonds in accordance with this Clause 11.6.

12. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Clause 12.

12.1 Distributions

The Issuer shall not, and shall procure that none of its Subsidiaries will, (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 its 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 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.

12.2 **Listing of the Bonds**

The Issuer shall use its best endeavours to ensure (i) that the Bonds are listed on the corporate bond list of Nasdaq Stockholm or another Regulated Market within twelve (12) months after the Issue Date and (ii) that the Bonds, if admitted to trading on a Regulated Market, continue being listed thereon (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

12.3 **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 Issue Date. For the avoidance of doubt, any Permitted Divestment shall not be deemed to be a substantial change to the general nature of the business as carried out by the Group on the Issue Date.

12.4 **Financial Indebtedness**

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

12.5 **Negative pledge**

The Issuer shall not, and shall procure that none of its Subsidiaries will, create or allow to subsist, retain, provide, prolong or renew any guarantee or security over any of its/their assets (present or future), provided however that the Group Companies have a right to create or allow to subsist, retain, provide, prolong and renew any Permitted Security.

12.6 **Maintenance Test**

The Issuer shall procure that the Guarantor meets the Maintenance Test for as long as any Bond is outstanding.

12.7 **Disposals of assets**

The Issuer shall not, and shall procure that none of its Subsidiaries will, sell, transfer or otherwise dispose of shares in any Property Company or of all or substantially all of its or any Property Company’s assets or operations or of any Commercial Buildings, to any Person not being the Issuer or any Property Company, unless the transaction constitutes a Permitted Divestment.

12.8 **Partial repayment of the Bonds**

The Issuer shall use its best endeavours to carry out a partial repayment of the Bonds in accordance with Clause 11.6 (*Mandatory partial repayment due to a Permitted Divestment*) as soon as reasonably possible (taking into account any material commercial or legal considerations which may affect the timing of the relevant Permitted Divestment) once a zoning plan (Sw. *detaljplan*) covering any property or properties owned by Nacka 5, Nacka 6, Nacka 8, Nacka 9 or Nacka 11 (as applicable) has become final and legally binding. The Issuer shall also use its best endeavours to procure that each Property Company takes any action necessary to accomplish any such partial repayment as soon as reasonably possible.

12.9 **Security:**

The Issuer shall ensure that all shares in the Property Companies and all funds standing to the credit of the Escrow Account and the Deposit Accounts from time to time are pledged to the Agent and the Holders (represented by the Agent) as first ranking security in accordance with pledge agreements satisfactory to the Agent (acting reasonably). Such pledges and funds may only be released or withdrawn (as applicable) in accordance with the Finance Documents.

12.10 **Dealings with related parties**

The Issuer shall, and shall procure that its 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.

12.11 **Compliance with law etcetera**

The Issuer shall, and shall procure that its Subsidiaries, (i) comply in all material respects with all laws and regulations applicable from time to time 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.

12.12 **Financial reporting etcetera**

The Issuer shall:

- (a) prepare and provide the annual audited consolidated (if applicable) 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 not later than four (4) months after the expiry of each financial year;
- (b) prepare and provide the semi-annual interim unaudited consolidated (if applicable) financial statements of the Group and the semi-annual interim unaudited 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 not later than two (2) months after the expiry of each relevant interim period;

- (c) procure that the Guarantor prepares and makes available the Financial Reports not later than four (4) months after the expiry of each financial year and not later than two (2) months after the expiry of each relevant interim period (as applicable);
- (d) procure that the Guarantor issues a Compliance Certificate to the Agent (i) when a Financial Report is made available and (ii) at the Agent's request, within twenty (20) calendar days from such request;
- (e) promptly notify the Agent (and, as regards a Change of Control Event, a Mandatory Repurchase Event or a Listing Failure, the Holders) upon becoming aware of the occurrence of a Change of Control Event, a Mandatory Repurchase Event, a Listing Failure, a Divestment 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; and
- (f) prepare the financial statements referred to in paragraphs (a) and (b) above in accordance with the Accounting Principles and, if the Bonds have been listed on Nasdaq Stockholm or another Regulated Market, make them available in accordance with the rules and regulations of the relevant Regulated Market (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

12.13 **Agent Agreement**

12.13.1 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.

12.13.2 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.

12.14 **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.

13. CONDITIONS PRECEDENT FOR DISBURSEMENT

13.1 The Agent's approval of the disbursements from the Escrow Account of the Net Proceeds is subject to the following documents having been received by the Agent, in form and substance satisfactory to the Agent (acting reasonably):

- (a) copies of board resolutions and/or authorisations by each relevant person approving the Bond Issue, the terms of the Finance Documents and resolving to enter into such documents and any other documents necessary in connection therewith (as applicable);
- (b) written confirmation from the Issuer that (i) all closing actions under the share purchase agreement regarding the Property Companies, other than payment of the preliminary purchase price and repayment of Existing Intra-group Debt, have been fulfilled or will be fulfilled immediately after such payments have been made and (ii) all share certificates representing all shares in the Property Companies will be delivered to the Agent immediately upon closing of the acquisition of the Property Companies;
- (c) copy of duly executed funds flow statement evidencing that the amounts to be released from the Escrow Account shall be transferred to the Issuer (or as instructed by the Issuer) and used in accordance with Clause 4.2 ("**Funds Flow Statement**");
- (d) copies of duly executed Share Pledge Agreement and a confirmation from the Issuer that all measures have been or will be taken in order to perfect the security interests under the Share Pledge Agreement as soon as practically possible after the transfers set out in the Funds Flow Statement has been made;
- (e) evidence that the security interest under the Deposit Account Pledge Agreement has been duly provided and perfected;
- (f) copy of duly executed Guarantee; and
- (g) copies of (any other) duly executed Finance Documents.

13.2 When the Conditions Precedent for Disbursement set out in Clause 13.1 have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall without delay instruct the account bank to make the transfers set out in the Funds Flow Statement from the Escrow Account and thereafter release the pledge over the Escrow Account.

13.3 The Agent may assume that the documents presented under Clause 13.1 are correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such documents.

14. TERMINATION OF THE BONDS

14.1 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 14.6 or 14.7, 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 or the Guarantor fails to pay an amount on the date it is due in accordance with the Finance Documents 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 or the Guarantor does not comply with the Finance Documents in any other way than as set out under paragraph (a) above, unless the non-compliance (i) is capable of being remedied and (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer or the Guarantor 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-acceleration:**

- (i) Any Financial Indebtedness of a Group Company or the Guarantor is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described) under any document relating to Financial Indebtedness of any Group Company or the Guarantor,
- (ii) any security interest securing Financial Indebtedness over any asset of any Group Company or the Guarantor is enforced;

provided however that the amount of Financial Indebtedness referred to under paragraph (i) and/or (ii) above, individually or in the aggregate exceeds an amount corresponding to SEK 30,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

(d) **Insolvency:**

- (i) Any Group Company or the Guarantor 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 or the Guarantor;

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- (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 Issuer's Subsidiaries, solvent liquidations) in relation to:
- (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any 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;
- (f) **Mergers and demergers:**
- (i) A decision is made that any Group Company shall be merged or demerged into a company which is not a Group Company, unless the Agent has given its consent (not to be unreasonably withheld or delayed) in writing prior to the decision of the merger and/or demerger (where consent is not to be understood as a waiver of the rights that applicable law at the time assigns the concerned creditors); or
 - (ii) 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 thirty (30) 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 the Finance Documents or if the obligations under the Finance Documents 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 permitted merger or demerger as stipulated in (f) above, (ii) a solvent liquidation of a Group Company other than the Issuer or (iii) a Permitted Divestment) 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.

14.2 The Agent may not terminate the Bonds in accordance with Clause 14.1 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 14.1 (d).

- 14.3 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.
- 14.4 The Issuer is obligated to inform the Agent immediately if any circumstance of the type specified in Clause 14.1 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 14.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 14.1 and provide the Agent with all documents that may be of significance for the application of this Clause 14.
- 14.5 The Issuer is only obligated to inform the Agent according to Clause 14.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with Nasdaq Stockholm or any other Regulated Market (if applicable). If such a conflict would exist pursuant to the listing contract with the relevant Regulated Market or otherwise, the Issuer shall however be obligated to either seek the approval from the relevant Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 14.4.
- 14.6 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 14.1, 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 16 (*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.
- 14.7 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 16 (*Decisions by Holders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Holders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.

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- 14.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 14, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 14.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 14 without relevant decision by the Agent or following instructions from the Holders' pursuant to Clause 16 (*Decisions by Holders*).
- 14.10 If the Bonds are declared due and payable in accordance with this Clause 14, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable Call Option Price together with accrued but unpaid Interest.

15. DISTRIBUTION OF PROCEEDS

- 15.1 If the Bonds have been declared due and payable in accordance with Clause 14 (*Termination of the Bonds*), all payments by the Issuer or the Guarantor (as applicable) relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *firstly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the termination of the Bonds, the enforcement of the Transaction Security, the enforcement of the Guarantee or the protection of the Holders' rights under the Finance Documents, (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 the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer or the Guarantor (as applicable). The application of proceeds in accordance with paragraphs (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.

- 15.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1.
- 15.3 If the Issuer or the Agent shall make any payment under this Clause 15, 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.

16. DECISIONS BY HOLDERS

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

16.2 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 the Finance Documents 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.

16.3 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.

16.4 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 18.3, 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.

16.5 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 18.3:

- (a) waive a breach of or amend an undertaking set out in Clause 12 (*Special undertakings*);
- (b) release the Transaction Security or the Guarantee in whole or in part (other than such security or guarantee which shall be released in accordance with these Terms and Conditions without the requirement for the Agent to receive approval from the Holders);

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- (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 16.5 or 16.6.
- 16.6 Any matter not covered by Clause 16.5 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 18.3. This includes, but is not limited to, any amendment to or waiver of the terms of any Finance Document that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 19.1 (a), (b) or (c)), a termination of the Bonds or the enforcement of the Transaction Security or the Guarantee in whole or in part.
- 16.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Holders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Holders' Meeting shall be appointed by the Holders in accordance with Clause 16.6.
- 16.8 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount;
- (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.
- 16.9 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 17.1) or initiate a second Written Procedure (in accordance with Clause 18.1), 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 16.8 shall not apply to such second Holders' Meeting or Written Procedure.
- 16.10 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.11 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.
- 16.12 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.

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- 16.13 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.
- 16.14 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.
- 16.15 If a decision shall be taken by the Holders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 16.16 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.

17. HOLDERS' MEETING

- 17.1 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.
- 17.2 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 17.1 with a copy to the Agent. After a request from the Holders pursuant to Clause 20.4.3, 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 17.1.
- 17.3 The notice pursuant to Clause 17.1 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.
- 17.4 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 17.5 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.

- 17.6 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.
- 17.7 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.

18. WRITTEN PROCEDURE

- 18.1 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.
- 18.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18.1 to each Holder with a copy to the Agent.
- 18.3 A communication pursuant to Clause 18.1 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 18.1), (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 18.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 18.4 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.

- 18.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16.5 and 16.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.5 or 16.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

19. AMENDMENTS AND WAIVERS

- 19.1 The Issuer and the Agent (acting on behalf of the Holders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:

- (a) 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 applicable law, a court ruling or a decision by a relevant authority;
- (c) such amendment or waiver is necessary for the purpose of listing the Bonds 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; or
- (d) such amendment or waiver has been duly approved by the Holders in accordance with Clause 16 (*Decisions by Holders*).

- 19.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.

- 19.3 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 19.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents 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.

- 19.4 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Holders' Meeting, in the Written Procedure or by the Agent, as the case may be.

20. APPOINTMENT AND REPLACEMENT OF THE AGENT

20.1 Appointment of Agent

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

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- 20.1.2 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 the Finance Documents. The Agent is under no obligation to represent a Holder which does not comply with such request.
- 20.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 20.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as agent and security agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 20.1.5 The Agent may act as agent and/or security agent for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.
- 20.2 **Duties of the Agent**
- 20.2.1 The Agent shall represent the Holders in accordance with the Finance Documents. However, the Agent is not responsible for the execution or enforceability of the Finance Documents. 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.
- 20.2.2 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.
- 20.2.3 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Holders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 20.2.4 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 20.2.5 The Agent shall treat all Holders equally and, when acting pursuant to the Finance Documents, 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 the Finance Documents.
- 20.2.6 The Agent shall, subject to Clause 25.2.2, 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.

- 20.2.7 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all 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 the Finance Documents or (iii) when the Agent is to make a determination under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).
- 20.2.8 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 the Finance Documents.
- 20.2.9 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obligated to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 20.2.10 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.
- 20.2.11 The Agent shall give a notice to the Holders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents, or (ii) if it refrains from acting for any reason described in Clause 20.2.10.
- 20.3 **Limited liability for the Agent**
- 20.3.1 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 any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 20.3.2 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 engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.
- 20.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the 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.

20.3.4 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 16 (*Decisions by Holders*).

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

20.4 **Replacement of the Agent**

20.4.1 Subject to Clause 20.4.6, 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.

20.4.2 Subject to Clause 20.4.6, 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.

20.4.3 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.

20.4.4 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.

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

20.4.6 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.

20.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the

Holders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.

- 20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. 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.

21. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

- 21.1 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.
- 21.2 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, 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. APPOINTMENT AND REPLACEMENT OF THE CSD

- 22.1 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.
- 22.2 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, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

23. NO DIRECT ACTIONS BY HOLDERS

- 23.1 A Holder may not take any steps whatsoever against any Group Company or the Guarantor to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of any Group Company or the Guarantor in relation to any of the liabilities of such Group Company or the Guarantor under the Finance Documents.
- 23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Holders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Holder to provide documents in accordance with Clause 20.1.2), 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 the Finance Documents or by any reason described in Clause 20.2.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.11 before a Holder may take any action referred to in Clause 23.1.

- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 11.4 (*Mandatory repurchase due to a Change of Control Event, a Mandatory Repurchase Event or a Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Holders.

24. TIME-BAR

- 24.1 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.

- 24.2 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.

25. NOTICES AND PRESS RELEASES

25.1 Notices

- 25.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such email address as notified by the Agent to the Issuer from time to time;
 - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time;
 - (c) if to the Guarantor, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to such email address as notified by the Guarantor to the Agent from time to time; and
 - (d) 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.

25.1.2 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 or the Guarantor, 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 25.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1 or, in case of email to the Agent, the Issuer or the Guarantor, when received in legible form by the email address specified in Clause 25.1.1.

25.1.3 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.

25.2 **Press releases**

25.2.1 Any notice that the Issuer or the Agent shall send to the Holders pursuant to Clauses 11.3.3, 11.4, 11.5, 11.6.2, 12.12 (e), 14.6, 15.3, 16.16, 17.1, 18.1, 19.3, 20.2.11 and 20.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

25.2.2 In addition to Clause 25.2.1, 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.

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

26.1 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.

26.2 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.

26.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.

26.4 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

27. GOVERNING LAW AND JURISDICTION

27.1 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.

27.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 27.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.

27.3 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.

Guarantee

Guarantee

issued by

Oscar Properties Holding AB (publ)

in favour of

The Secured Parties

represented by

Intertrust (Sweden) AB

dated 13 February 2017

1 Parties

- 1.1 Oscar Properties Holding AB (publ), reg. no. 556870-4521 (the “**Guarantor**”), P.O. Box 5123, SE-102 43, Stockholm, Sweden.
- 1.2 Intertrust (Sweden) AB, reg. no. 556625-5476 (the “**Agent**”), Sveavägen 9, P.O. Box 16285, SE-103 25 Stockholm, Sweden, acting on its own behalf and in its capacity as agent and security agent for the Secured Parties from time to time.

2 Date of guarantee

This guarantee (this “**Guarantee**”) is issued by the Guarantor in favour of the Secured Parties as represented by the Agent on 13 February 2017.

3 Definitions and interpretation

3.1 Definitions

- 3.1.1 In this Guarantee the following capitalised terms shall have the meanings set forth below.

“ <i>Obligor</i> ”	means the Issuer and each Security Provider.
“ <i>Secured Documents</i> ”	means the Finance Documents.
“ <i>Secured Obligations</i> ”	means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to the Secured Parties (or any of them) under or in connection with each Secured Document, together with all costs, charges and expenses incurred by any Secured Party in connection with the protection, preservation or enforcement of its respective rights under the Secured Documents, or any other document evidencing or securing any such liabilities.
“ <i>Secured Parties</i> ”	means the Agent and each Holder.
“ <i>Security Provider</i> ”	means the Guarantor and any person providing security for the Secured Obligations.
“ <i>Terms and Conditions</i> ”	means the terms and conditions for the maximum SEK 500,000,000 senior secured callable floating rate bonds 2017/2020, with ISIN SE0009548100, issued by Nackahusen Holding AB (publ) on 13 February 2017 by which Nackahusen Holding AB (publ) and the Agent

have accepted to be bound on or about the date of this Guarantee.

3.1.2 Terms defined in the Terms and Conditions have the same meaning when used in this Guarantee and the rules of construction set out in the Terms and Conditions shall apply also to this Guarantee unless otherwise defined or set out in this Guarantee.

3.2 **Interpretation**

3.2.1 Save where the contrary intention appears, a reference in this Guarantee to any of the Secured Documents or any other document shall be construed as a reference to such Secured Document or such other document as amended, varied, novated, assigned, supplemented or restated from time to time, as the case may be, in accordance with its terms.

3.2.2 Save where the contrary intention appears, a reference in this Guarantee to any person or entity shall include any successor, assignee or transferee of such person or entity.

4 **Guarantee**

The Guarantor hereby unconditionally and irrevocably guarantees to each Secured Party, as represented by the Agent, as for its own debt (Sw. "*såsom för egen skuld*") the full and punctual payment by the Obligors of the Secured Obligations.

5 **Payment**

5.1 The Guarantor shall immediately upon demand make any payment due under this Guarantee to the Agent as representative for the Secured Parties.

5.2 All moneys received by the Agent, or its designee, in exercise of the rights under this Guarantee shall be applied by the Agent in discharge of the Secured Obligations in accordance with the terms of the Terms and Conditions.

5.3 All payments by the Guarantor under this Guarantee must be made without set-off or counterclaim and without any deduction or withholding for tax or otherwise, unless the deduction or withholding is required by law. If any deduction or withholding is required to be made, the amount of the payment due from the Guarantor will be increased to an amount which (after making the deduction or withholding) leaves an

amount equal to the payment which would have been due if no deduction or withholding had been required.

6 Special undertakings

6.1 The Guarantor hereby undertakes to procure that:

- (a) the Issuer and each of its Subsidiaries comply with the special undertakings set out in Clause 12 of the Terms and Conditions;
- (b) the Maintenance Test (calculated in accordance with the Terms and Conditions) is met for as long as any Bond is outstanding;
- (c) a Financial Report is prepared and made available not later than four (4) months after the expiry of each financial year and not later than two (2) months after the expiry of each relevant interim period (as applicable); and
- (d) a Compliance Certificate is issued to the Agent (i) when a Financial Report is made available and (ii) at the Agent's request, within twenty (20) calendar days from such request.

7 Continuing Guarantee

7.1 Subject to Clause 10, this Guarantee shall be a continuing guarantee and shall not be affected in any way by any variation, extension, waiver, compromise, release, intermediate payment, settlement or discharge in whole or in part of the Secured Obligations, any Secured Document or of any security or guarantee from time to time therefore. To the extent it can be avoided by any action of the Guarantor or otherwise, this Guarantee shall not be affected by any change in the laws, rules or regulations of any jurisdiction or by any present or future action of any governmental authority or court.

7.2 This Guarantee shall be in addition to and independent of any other guarantee, pledge or other security given or held by the Agent or any other Secured Party in respect of the Secured Obligations.

8 Immediate recourse

The Guarantor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this Guarantee. This waiver applies irrespective of any law or any provision of a Secured Document to the contrary.

9 Waiver

Until the Secured Obligations have been irrevocably paid in full, the Guarantor undertakes not to exercise any right:

- (e) of recourse or subrogation;
- (f) to be indemnified by an Obligor; or
- (g) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties or of any guarantee or other security taken pursuant to, or in connection with, the Secured Documents by any Secured Party,

it may have by reason of performance of its obligations under this Guarantee.

10 Release

When all the Secured Obligations have been duly and irrevocably paid and discharged in full, the Agent shall, upon the Guarantor's and/or the Issuer's request and expense, promptly release the Guarantor from its obligations under this Guarantee.

11 Costs and expenses

All costs and expenses (including external legal fees and other out of pocket expenses and value added tax or other similar tax thereon) reasonably incurred by the Agent or the Secured Parties in connection with (i) the execution, preservation or enforcement of this Guarantee, and (ii) any amendment, consent, suspension or release of rights (or any proposal for the same) requested by the Guarantor relating to this Guarantee shall be borne by the Guarantor and the Guarantor shall upon demand indemnify and hold the Agent and the Secured Parties harmless in respect of such costs and expenses reasonably incurred.

12 Assignments

- 12.1 Each Holder may assign and transfer all or a part of its rights and obligations (if any) under this Guarantee in connection with an assignment or transfer of Bonds.
- 12.2 The Agent may assign and transfer all or a part of its rights and obligations under this Guarantee to any assignee or successor appointed in accordance with the Terms and Conditions.
- 12.3 For the avoidance of doubt, any assignment or transfer of all or a part of its rights and obligations under the Secured Documents made by the

Agent or any other Secured Party in accordance with such Secured Documents (e.g., by way of a transfer of a Bond to another person) shall take effect as an assignment and assumption and transfer of a corresponding part of such Secured Party's rights and obligations under this Guarantee.

- 12.4 The Guarantor may not assign or transfer any part of its rights, benefits or obligations under this Guarantee.

13 Notices

All notices and communications to be made under or in connection with this Guarantee shall be made in accordance with the provisions of the Terms and Conditions.

14 Miscellaneous

- 14.1 No delay or omission in exercising any powers or privileges under this Guarantee shall be construed as a waiver thereof. Any exercise of any part of the rights shall not preclude subsequent enforcement of any such rights which have not, or have not fully, been exercised.
- 14.2 No amendment to this Guarantee shall be effective against any party unless made in writing and signed by each of the parties hereto.
- 14.3 The Guarantor agrees that none of its obligations under this Guarantee shall be subject to any counterclaim, set off or similar defence.

15 Governing law and jurisdiction

- 15.1 This Guarantee shall be governed by and construed in accordance with Swedish law.
- 15.2 Subject to Clause 15.3, the courts of Sweden shall have exclusive jurisdiction over matters arising out of or in connection with this Guarantee. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 15.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent or any other Secured Party to take proceedings against the Guarantor in any court which may otherwise exercise jurisdiction over the Guarantor or any of its assets.
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Addresses

Company (Issuer)

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 Tel: +46 (0)8-510 607 70
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Parent (Guarantor)

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