



CONSILIUM AB (publ)

**Prospectus for the admission to trading
on NASDAQ Stockholm of**

up to SEK 900,000,000

**SENIOR UNSECURED FLOATING RATE NOTES
2015/2020**

ISIN: SE0006800397

Sole Bookrunner



IMPORTANT INFORMATION

Words and expressions defined in the Terms and Conditions beginning on page 27 have the same meanings when used in this Prospectus, unless expressly stated or the context requires otherwise.

In this prospectus, the “**Issuer**” or the “**Company**” means Consilium AB (publ) or, depending on the context, the group in which the Issuer currently is the parent company. The “**Group**” or “**Consilium**” means the Issuer with all its subsidiaries from time to time (each a “**Group Company**”). The “**Sole Bookrunner**” means Nordea Bank AB (publ) (“**Nordea**”). The “**CSD**” means Euroclear Sweden AB. “**NASDAQ Stockholm**” refers to NASDAQ Stockholm AB. “**SEK**” refers to Swedish kronor, “**EUR**” refers to Euro, “**USD**” refers to U.S. dollars and “**GBP**” refers to Great British pound.

Notice to investors

On 25 March 2015 (the “**First Issue Date**”) the Issuer issued a note loan in an amount of SEK 600,000,000, being the total nominal amount of the initial notes (the “**Initial Notes**”). The nominal amount of each note is SEK 1,000,000 (the “**Nominal Amount**”). The Issuer may at one or several occasions issue subsequent notes (the “**Subsequent Notes**” and together with the Initial Notes, the “**Notes**”). The maximum aggregate nominal amount of the Notes may not exceed SEK 900,000,000 unless a consent from the Noteholders is obtained pursuant to the Terms and Conditions. This prospectus (the “**Prospectus**”) has been prepared for the listing of the loan constituted by the Notes on a Regulated Market. This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Notes.

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFSA**”) pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (*lagen (1991:980) om handel med finansiella instrument*) (the “**Trading Act**”). Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Prospectus is correct and complete.

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

This Prospectus may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Prospectus may come are required to inform themselves about, and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (the “**Securities Act**”) or the securities laws of any state or other jurisdiction outside Sweden. Subject to certain exemptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

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

Each potential investor in the Notes must determine the suitability of the investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Forward-looking statements and market data

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

Factors that could cause the Issuer’s and the Group’s actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in “**Risk factors**”. The forward-looking statements included in this Prospectus apply only to the date of the Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequent forward-looking information that can be ascribed to the Issuer and the Group or persons acting on the Issuer’s behalf is subject to the reservations in or referred to in this section.

The Prospectus contains market data and industry forecasts, including information related to the sizes of the markets in which the Group participates. The information has been extracted from a number of sources. Although the Issuer regards these sources as reliable, the information contained in them has not been independently verified and therefore it cannot be guaranteed that this information is accurate and complete. However, as far as the Issuer is aware and can assure by comparison with other information made public by these sources, no information has been omitted in such a way as to render the information reproduced incorrect or misleading. In addition to the above, certain data in the Prospectus is also derived from estimates made by the Issuer.

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Risk factors

Investments in corporate bonds always entail a certain degree of risk, including the risk of losing the value of the entire investment. A number of factors affect and may come to affect the Issuer's operations, result, financial position and the Notes. In this section a number of risk factors are described, including general risks attributable to the Issuer's operations and key risks linked to the Notes in their capacity as financial instruments. The intention is to describe risks that are linked to the Issuer's operations and thus also the Issuer's ability to fulfil its obligations in accordance with the terms and conditions regulating the rights and obligations with respect to the Notes (the "Terms and Conditions").

Before making a decision about acquisition of the Notes, any potential investors should carefully consider the risk factors outlined below, as well as any other information provided by the Issuer in relation to the Notes. In addition, an investor must, alone or together with its financial and other types of advisers, engage in a general evaluation of external facts, other information provided by the Issuer in relation to the Notes and general information about the renewable energy market from its own perspective. An investor should have adequate knowledge to evaluate the risk factors as well as sufficient financial strength to bear these risks. The below risk factors are deemed to be material but does not claim to be complete, nor are the risks ranked in order of importance.

Additional risk factors which are currently unknown or which are currently not deemed to be material may also affect the Issuer's future operations, result and financial position and thus also the Issuer's ability to fulfil its obligations in accordance with the Terms and Conditions.

RISKS RELATING TO THE ISSUER AND THE GROUP

Industry and market risks

Competition and price pressure

The market in which the Group operates is competitive, it is characterised by a continuous price pressure and the Group faces competition from several types of competitors with different technical platforms and business models. Large companies may also come to compete with the Group by acquiring existing competitors in the market. Moreover, some of the existing competitors of the Group could, in the future, pose a greater competitive threat, particularly if they consolidate or form strategic or commercial relationships among themselves or with larger and well-financed companies. Some of the Group's current and potential competitors have significantly greater resources in terms of finance, sales or other elements and offer a wider range of services. Compared to its competitors, there is a risk that the Group will not be in a position where it can offer sufficiently competitive products to its customers, which could adversely affect the Group's sales and pricing margins. Subsequently, this could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Changes in technology, safety requirements and customers' requirements to increase productivity and efficiency may affect the demand for the Group's products. To a certain extent, the Group's future growth depends on its ability to maintain its market position as well as to develop new and successful products in order to meet this demand and to avoid losing market shares to its competitors. New product development always entails a risk of unsuccessful product launches or commercialization, which could adversely affect the Issuer's and/or the Group's operations, financial position and results. Furthermore, there is a risk that the Group must invest additional amounts in product developments in the future to meet, for example, increased competition and new customer requirements, which could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Impact of the economy

The Group engages in worldwide operations, some of which are dependent on both the general economic trend and conditions that are unique for a certain industry, country or region. General market conditions affect the inclination and the capabilities of the Group's existing and potential customers to invest in the Group's products. A weak economic trend in the whole or part of the world, or a business area of the Group, could therefore result in lower market growth that falls below expectations. There is a risk that the Issuer's and/or the Group's operations, financial position and results may be adversely affected by a weak economic trend.

Customers and suppliers

The Group mainly operates in the two business areas, the largest of these two is the Marine & Safety business area. Within Marine & Safety, the Group's sales are well balanced between deliveries of

products to newly constructed commercial vessels, the aftermarket and to specific niches. Even if the customer risk is balanced due to the Group's global presence, a downturn or weak development in *e.g.* new construction of commercial vessels could adversely affect the Group's business. Moreover and although the Group has a high customer diversification, the Group's business may be adversely affected if the Group's customers do not meet their obligations or drastically reduce or terminate their operations.

The Group's products consist of components from different suppliers. To be in a position to manufacture, sell and deliver products, the Group is dependent upon deliveries from third parties in accordance with agreed requirements relating to, for example, quantity, quality and delivery times. Erroneous or default deliveries by suppliers can, subsequently, cause delay or default in the Group's deliveries, which can result in reduced sales and may adversely affect the Issuer's and/or the Group's operations, financial position and results.

Electronic, mechanic and other components and components prices

The Group depends on certain electronic, mechanic and other components for its production. The Group is therefore affected by fluctuations in the prices of such components. When rising component prices cannot be offset through higher prices for the Group's products, the Group's operations, financial position and results may be adversely affected. Moreover, interruptions in the supply of such components or temporary increase of delivery time of certain components may impact the Group's product deliveries, which could also adversely affect the Issuer's and/or the Group's operations, financial position and results.

Operational risks

Production disruptions and increased costs for production and distribution

Damages to production facilities caused by, for example, fire, and stoppages or disruptions in any part of the production process, such as breakdowns, weather conditions, geographical conditions, labor disputes, terrorist activities and natural disasters, may have adverse implications in the form of direct damage to property as well as interruptions that undermine the ability to meet obligations to customers. In turn, this may lead customers to choose alternative suppliers. Accordingly, such disruptions or interruptions may adversely affect the Group's operations, financial position and results.

Certain of the Group's products are currently manufactured in countries with lower cost and revenue levels than Sweden. The developments in these countries are in many cases rapid and there is a risk that the relatively low cost and revenue levels will not be maintained. Also, distribution costs from the countries in which the products are manufactured to members of the Group, or to the Group's customers, may increase as a result of an increase of the general price levels in the affected countries. There is a risk that such increased costs cannot fully be transferred to and born by the Group's customers, which in turn could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Complaints and product liability

The Group is exposed to complaints in the event that the Group's products fail to function in their designated manner. In such cases, the Group is normally obliged to correct or replace the defective products. There is always a risk that customers demand that suppliers cover costs in addition to replacing the product, such as the cost of dismounting, assembly and other ancillary costs. If a product causes damage to a person or property, the Group could be liable to pay damages. A major product liability claim could adversely affect the Issuer's and/or the Group's operations, financial position and results. Furthermore, there is a risk that the Group will not be able to maintain an insurance cover under acceptable conditions and that future claims will exceed or fall outside the scope of the Group's insurance coverage. Such costs could adversely affect the Group's operations, financial position and results.

Acquisitions and integration

Strategic acquisitions will be part of the growth strategy for the Issuer. However, there is a risk that the Group will not be able to find suitable acquisition targets and that the necessary financing for future acquisition targets cannot be obtained on terms acceptable to the Group.

The execution of acquisitions also implies risk. In addition to company-specific risks, the acquired businesses' relations with customers, suppliers and key personnel may be adversely affected. There is also a risk that integration processes may prove to be more costly or more time-consuming than estimated and that anticipated synergies in whole or in part fail to materialise, which could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Improvement programs

The Group continuously works with various improvement programs to strengthen the Group's position and competitiveness through, for example, rationalisation measures, restructurings and similar measures. There is a risk that such measures will not generate the anticipated outcome, which could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Human resources

The future success of the Group is largely dependent on the capacity to retain, recruit and develop competent key employees and other staff. Accordingly, being an attractive employer is an important success factor for the Group. Resignations of key employees or the Group's failure to attract competent personnel could adversely affect the Issuer's and/or the Group's operations, financial position and results.

The principal shareholder

The interests of Platanen Holding AB and its affiliates could conflict with those of the Noteholders (a "Noteholder" being a person who is registered on a securities account as direct registered owner (*ägare*) or nominee (*förvaltare*) with respect to a Note) and/or those of the Issuer and the Group, particularly if the Group encounters difficulties or is unable to pay debts as they fall due. The occurrence of such event could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Limited influence in associated companies and joint ventures

The Issuer conducts some of its activities through associated companies in which the Issuer does not have a controlling interest and consequently, the Issuer has limited influence over the businesses conducted. In some of these entities, the Issuer's partners have sole or shared control over key matters such as the approval of business plans and budgets, and decisions as to the timing and amount of cash distributions. The risk of actions outside the Group's control and adverse to the Group's interests, or disagreement or deadlock, is inherent in associated companies and jointly controlled entities and could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Legal risks

Legislation and regulations

As a result of its global operations within different areas, the Group is subject to numerous laws, ordinances, regulations, treaties and guidelines introduced by e.g. the International Maritime Organisation (IMO), the EU and individual countries, including those pertaining to certification of products (for example pursuant to the International Convention for the Safety of Life at Sea (SOLAS)), authorisations, health and safety, trade restrictions, competition, anti-corruption and currency regulations. Furthermore, insurance companies and trade associations may invoke certain terms and conditions which may develop into a local standard and affect the development of certain local markets. The Group continuously monitors the rules and regulations in each market, and strives to adjust the Group to any identified future changes in these areas. However, changes in legislation and regulations, customs rules and other trade barriers, price and currency controls as well as other public guidelines in the countries in which the Group operates, could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Intellectual property risks

There is a risk that competitors infringe on the Group's intellectual property rights. If required, the Group protects its intellectual property rights through legal action. However, there is a risk that the Group will not be able to defend its trademarks or other intellectual property rights or that submitted applications for registration will not be approved. The Group has a portfolio of trademarks worldwide, but does not enjoy the same level of protection in all countries. Accordingly, there is a risk that the Group may not obtain trademark registration or similar legal protection in respect of their brands in all relevant jurisdictions and that the Group's usage of such trademarks may infringe intellectual property rights of others in one or more countries. In addition, there is a risk that new technologies and products are developed which circumvent or surpass the Group's intellectual property rights.

To the Group's knowledge, it does not currently infringe any other company's intellectual property rights. However, there is a risk that a member of the Group will in the future be considered to infringe the intellectual property rights of others. Disputes regarding infringement of intellectual property rights could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Disputes

The Group is not currently party to any dispute which could adversely affect the Group's operations, financial position or results. However, there is a risk that the Group will from time to time become involved in judicial and administrative proceedings relating to the Group's business, including in respect of product liability and alleged errors in deliveries of goods. Such judicial and administrative proceedings may prove to be time-consuming, disrupt normal operations, involve large amounts and result in significant costs, which could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Sustainability risks

Sustainability risks refer to the risks of an adverse impact on the environment, health and safety, human rights and business ethics due to the commercial operations conducted by the Group. Changes in legislation and public regulations involving increased requirements and changed conditions with respect to the environment, health and safety, or a development towards a stricter application by the authorities of legislation and regulations, may require further investments and lead to increased costs and other commitments for the operations concerned within the Group and may adversely affect the Issuer's and/or the Group's operations, financial position and results.

Tax risks

The Group conducts its operations through companies in a number of countries. There is a risk that the Group's interpretation of applicable laws, tax treaties, tax regulations and administrative practice is not entirely correct, or that rules and practice may not change, possibly with retroactive effect. Decisions of tax authorities could change the Group's previous or current tax situation, which could adversely affect Issuer's and/or the Group's operations, financial position and results.

Financial risks

Interest rate risk

Interest rate risk refers to the risk that changes in market interest rates will have an adverse impact on the Group's net interest items. The speed with which a change in interest rates affects net interest items depends on the fixed or floating interest terms of assets and liabilities. Interest rate risk arises in two ways, namely where the Group has invested in interest-bearing assets, the value of which changes when the interest rate changes, and where the cost of the Group's borrowings fluctuates when the general interest rate situation changes. The Group's interest rate risk arises mainly from its borrowings. There is a risk that the Group's measures to reduce its exposure to interest rate changes and other interest risks are inefficient or insufficient, which could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Liquidity and refinancing risk

Liquidity and refinancing risk refers to the risk that financing opportunities will be limited when loans must be refinanced, and that payment commitments cannot be met as a result of insufficient liquidity. In order to make necessary investments or in other ways reach strategic goals, further financial resources may be required for the Group's future operations. The Group's ability to meet future capital requirements are highly dependent on the sale of the Group's products and services being successful. There is a risk that the Group will not be able to raise the necessary capital or that capital cannot be raised on terms acceptable to the Group. The availability of capital is dependent on a variety of factors, such as market conditions, the general credit availability, the overall credit availability within the financial markets, and the Group's credit rating, if any, and credit capacity. Furthermore, it should be noted that certain of the Group's borrowings, which in certain cases are guaranteed by the Issuer, matures prior to the Notes. Disruptions and uncertainty in the capital and credit markets may also limit access to the capital required to operate the business, which could adversely affect the Issuer's and/or the Group's operations, financial position and results.

Currency risk

Currency risk is the risk that currency exchange rate fluctuations will have an adverse effect on cash flow, income statement or balance sheet. Exchange rate fluctuations affect the Group's results partly when sales and purchases in foreign subsidiaries are conducted in different currencies (transaction exposure), and partly when income statements and balance sheets are translated into Swedish krona (translation exposure). Furthermore, the comparability of the Group's result between periods is affected by changes in currency exchange rates.

More than 90 per cent of the Group's sales are to markets outside of Sweden, while about two-thirds of the production is located in Sweden. The foreign currencies that have the largest impact on the Group's earnings and net assets are Euro, U.S. dollar and Great British pound. If the Group's hedging measures and other measures to control the effects of exchange rate movements should prove to be insufficient, the Issuer's and/or the Group's operations, financial position and results could be adversely affected.

Counterparty risk

Counterparty risk is the risk of incurring losses if counterparties fail to meet their obligations. Commercial counterparty risk encompasses the solvency of business partners or customers and the Group's main commercial counterparty risk is that receivables due from customers will not be settled. Financial counterparty risk arises when temporary excess liquidity is invested for the purpose of obtaining an increased return and includes the exposure to default of counterparties with which the Group has invested cash, short-term bank investments or contracted financial instruments. If the Group does not succeed in managing its counterparty risks, this could adversely affect the Issuer's and/or the Group's operations, financial position and result.

Capitalised development costs

A substantial share of the Group's intangible assets consists of capitalised development expenditures. Capitalised development expenditures are amortised using the straight-line method over a period of 3-5 years (the period in which future economic benefits are expected to flow to the Group) from the date on which commercial production begins. In the event that a development project does not materialise and this leads to an extra amortisation, this could adversely affect the Issuer's and/or the Group's financial position and results.

RISKS RELATING TO THE NOTES

Dependence on upstream funding

The Issuer holds no significant assets other than the shares in its direct and indirect subsidiaries and associated companies, and as such the Issuer is reliant on the ability of other entities within the Group and associated companies to advance loans, make dividend distributions or payment of royalties to the Issuer so as to enable it to make payments under the Notes. The Issuer is thus dependent upon receipt of sufficient income arising from the operations of the Group and associated companies. The Group's operating companies, joint ventures 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 or to make funds available for such payments. The ability of the Group's operating companies, joint ventures and associated companies to make such payments to the Issuer is subject to, among other things, the availability of funds, corporate restrictions, in case of joint ventures and associated companies, the agreements with the other shareholders, the terms of each operation's indebtedness and local law. In addition, certain of the Group's operating companies, joint ventures and associated companies have entered into financing arrangements, which may contain restrictions on payment of dividends to the Issuer.

Structural subordination and preferential right

The Issuer may retain, provide or renew security over certain of its current or future assets to secure bank loans or other debt instrument, either via the Issuer or any other member of the Group, with security interests normally constituting a preferential claim on the borrower. In addition, certain of the Group's operating companies have entered into financing arrangements, which may be guaranteed by the Issuer. No present or future subsidiary of the Issuer will guarantee the Notes. The Notes represent an unsecured obligation of the Issuer. This means that in the event of the Issuer's liquidation, company reorganisation or bankruptcy, the Noteholders normally receive payment after any prioritised creditors with security over certain assets have been paid in full. Furthermore, as all of the Issuer's subsidiaries' obligations must first be satisfied, potentially leaving little or no remaining assets in such companies, the Noteholders will also be subordinated, by way of so called structural subordination, to the creditors of such subsidiaries. There is a risk that the remaining assets would not be sufficient to satisfy all unsecured claims on the Issuer in full or that any such assets will exist.

Every investor should be aware that by investing in the Notes, it risks losing the entire or parts of its investment in the event of the Issuer's liquidation, company reorganisation or bankruptcy.

There has been no active trading market for the Notes

Pursuant to the Terms and Conditions, the Issuer will apply for the Notes to be admitted to trading on the corporate bonds list of NASDAQ Stockholm but there is a risk that such application will not be accepted or that the Notes will not be so admitted. A failure to obtain such listing may have a negative impact on the market value of the Notes. Prior to any admission to trading, there has been no public market for the Notes. Even if a listing will occur, there is a risk that an active trading market for the Notes will not evolve or, if evolved, will not be sustained. The nominal amount of the Notes may not be indicative of their market value after being admitted for trading on NASDAQ Stockholm. Furthermore, following a listing of the Notes, the liquidity and trading price of the Notes may vary substantially as a result of numerous factors, including market fluctuations and general economic conditions and irrespective of the performance of the Issuer and the Group. In addition, transaction costs in any secondary market may be high. Therefore, Noteholders may not be able to sell their Notes at the desired time or at a price level that will provide them with a yield comparable to similar investments that have a developed secondary market. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes. Investors must be prepared to hold the Notes until maturity.

Certain material interests

Nordea Bank AB (publ) (the “**Sole Bookrunner**”) has engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. In particular, it should be noted that the Sole Bookrunner may be the lender under certain credit facilities with a member of the Group as borrower. Therefore, conflicts of interest may exist or may arise as a result of the Sole Bookrunner 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. There is a risk that such conflict of interest could adversely affect the ability of the Issuer to make payments under the Notes.

Interest rate risk

As the Notes carry a floating interest rate, investments in the Notes could be subject to rapid and significant changes in interest rate. There is a risk that the underlying STIBOR decreases during the term of the Notes, upon which the interest paid under the Notes will decrease correspondingly.

Credit risk

A potential investor should assess the credit risks associated with the Issuer, the Group and the Notes. If the Issuer's or the Group's financial position deteriorates it is likely that the credit risk associated with the Notes will increase, given that there would be an increased risk that Issuer cannot fulfil its obligations under the Terms and Conditions. The Issuer's financial position is affected by numerous risk factors, some of which have been outlined above. An increased credit risk could result in the market pricing the Notes with a higher risk premium, which could adversely affect the value of the Notes. Another aspect of the credit risk is that a deteriorated financial position could result in a lower credit worthiness, which could affect the Issuer's ability to refinance the Notes and other existing debt, which could in turn adversely affect the Issuer's operations, result and financial position.

Noteholders' meeting

The Terms and Conditions include certain provisions regarding a Noteholders' meeting, which may be held in order to resolve on matters relating to the Noteholders' interests. Such provisions allow for designated majorities to bind all Noteholders, including Noteholders who have not participated in or voted at the actual meeting or who have voted differently than the required majority, to decisions that have been taken at a duly convened and conducted Noteholders' meeting.

Noteholders' representation

Pursuant to the Terms and Conditions, Nordic Trustee & Agency AB (publ) in its role as agent (the “**Agent**”) represents all Noteholders in all matters relating to the Notes. However, this does not rule out the possibility that the Noteholders, in certain situations, could bring their own action against the Issuer. To enable the Agent to represent the Noteholders in court, the Noteholders may have to submit a written power of attorney for legal proceedings. The failure of all Noteholders to submit such a power of attorney could adversely affect the enforcement of the Notes. Under the Terms and Conditions, the Agent has the right in some cases to make decisions and take measures that bind all Noteholders.

Clearing and settlement in the CSD's account-based system

The Notes are affiliated to and will continue to be affiliated to a central securities depository of notes, currently the CSD's account-based system, why no physical notes have been or will be issued. Clearing and settlement relating to the Notes, as well as payment of interest and redemption of principal amounts, will be performed within the CSD's account-based system. The Noteholders are therefore dependent on the functionality of the CSD's account-based system.

Early redemption of the Notes

The Issuer has, under the Terms and Conditions, reserved the possibility to redeem part or all of the outstanding Notes prior to the final redemption date. If the Notes are redeemed prior to the final redemption date, the Noteholders have the right, in most cases, to receive an early redemption amount which exceeds the nominal amount of the Notes. However, there is a risk that the market value of the Notes is higher than the early redemption amount.

Change of law

The Terms and Conditions are based on Swedish legislation applicable at the date hereof. There is a risk that any future change in legislation or administrative practice, for example as described above in the risk factor "Legislation and regulations", could adversely affect the ability of the Issuer to make payments under the Notes.

Description of the Notes and the use of proceeds

CERTAIN TERMS AND CONDITIONS OF THE NOTES

The following is a summary description of the terms and conditions of the Notes and is qualified in its entirety by the full Terms and Conditions included in the section "Terms and conditions of the Notes".

The Initial Notes and Subsequent Notes

The initial nominal amount of each Note is SEK 1,000,000 (the "**Initial Nominal Amount**"). The total nominal amount of the Initial Notes is SEK 600,000,000. All Initial Notes were issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.

Provided that the conditions for disbursement set out in the Terms and Conditions have been satisfied, the Issuer may, at one or several occasions, issue Subsequent Notes. The price of the Subsequent Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum aggregate nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 900,000,000 unless a consent from the Noteholders is obtained in accordance with the Terms and Conditions. Subsequent Notes shall benefit from and be subject to the Finance Documents, and the ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes.

ISIN and trading code

The Notes have been allocated the ISIN code SE0006800397. The Notes will also be allocated a trading code upon admission to trading. Such trading code has not been allocated at the date of this Prospectus.

Form of the Notes

The Notes are registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes are registered in accordance with the Financial Instruments Accounts Act (*lagen (1998:1479) om kontoföring av finansiella instrument*). Registration requests relating to the Notes shall be directed to an Account Operator.

The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

Status of the Notes

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

Issue date and redemption

The Initial Notes were issued on the First Issue Date, being 25 March 2015. Unless previously redeemed or purchased and cancelled in whole or in part in accordance with the Terms and Conditions, the Issuer shall redeem all outstanding Notes in full at a price per Note equal to the Nominal Amount (together with any accrued but unpaid Interest) on 25 March 2020 (the "**Final Maturity Date**").

Purchase of Notes by Group Companies

Any Group Company may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. Notes held by a Group Company may at such Group Company's discretion be retained or sold and, if held by the Issuer, cancelled by the Issuer.

Voluntary total redemption (call option)

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

- (a) any time prior to the First Call Date, at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, plus the Applicable Premium;
- (b) any time from and including the First Call Date to, but excluding, the first Business Day falling forty-two (42) months after the First Issue Date at an amount per Note equal to 104 per cent. of the Nominal Amount, together with accrued but unpaid Interest;

- (c) any time from and including the first Business Day falling forty-two (42) months after the First Issue Date to, but excluding, the first Business Day falling forty-eight (48) months after the First Issue Date at an amount per Note equal to 103 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (d) any time from and including the first Business Day falling forty-eight (48) months after the First Issue Date to, but excluding, the first Business Day falling fifty-four (54) months after the First Issue Date at an amount per Note equal to 102 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (e) any time from and including the first Business Day falling fifty-four (54) months after the First Issue Date to, but excluding, the first Business Day falling fifty-seven (57) months after the First Issue Date at an amount per Note equal to 101 per cent. of the Nominal Amount, together with accrued but unpaid Interest; or
- (f) any time from and including the first Business Day falling fifty-seven (57) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Note equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

Redemption shall be made by the Issuer giving not less than fifteen (15) and not more than thirty (30) Business Days' notice to the Noteholders and the Agent.

Mandatory partial redemption (put option)

Where the Issuer shall, pursuant to a disposal of assets as specified in the Terms and Conditions, use proceeds from a sale of assets to partially redeem the Notes outstanding (*pro rata* between Notes, the percentage redeemed being the "**Redeemed Percentage**"), such redemption shall occur on an Interest Payment Date occurring no later than three (3) months after the expiry of the period available for reinvestment. The redemption price per Note shall be (A) 101 per cent. of the Nominal Amount multiplied with the Redeemed Percentage (rounded down to the nearest SEK 1,000) plus (B) accrued but unpaid Interest on the Redeemed Percentage of the Nominal Amount.

Redemption shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent.

Early redemption due to illegality (call option)

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

The Issuer may give notice of redemption no later than twenty (20) Business Days after having received actual knowledge of any event specified above (after which time period such right shall lapse).

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

Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Noteholder shall, during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of a Change of Control Event or a Listing Failure Event pursuant to the Terms and Conditions (after which time period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest.

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

The Issuer shall not be required to repurchase any Notes if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in the Terms and Conditions (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If Notes tendered are not purchased within the time limits

stipulated in the Terms and Conditions, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.

Payments in respect of the Notes

Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes requested by a Noteholder pursuant to the Terms and Conditions, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due 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.

The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

Payment of Interest under the Notes

Each Initial Note carries Interest at STIBOR 3M plus 5.75 per cent. *per annum* (the “**Interest Rate**”) from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note issued before the Interest Payment Date falling immediately after the First Issue Date will carry interest from the First Issue Date. Any Subsequent Note carries Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.

Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period. Interest Payment Dates are 25 March, 25 June, 25 September and 25 December of each year, with the first Interest Payment Date being on 25 June 2015. Interest 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).

If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) percentage units 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.

Acceleration and prepayment of the Notes

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

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
 - i. is caused by technical or administrative error; and
 - ii. is remedied within five (5) Business Days from the due date;
- (b) the Issuer breaches any financial undertaking set out in the Terms and Conditions, unless such breach has been cured in accordance with the Term and Conditions;
- (c) the Issuer does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) or (b) above), unless the non-compliance:
 - i. is capable of remedy; and
 - ii. is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance

- (d) (i) any Financial Indebtedness of a Group Company is not paid when due, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), or (ii) any commitment for any Financial Indebtedness of a Group Company is cancelled or suspended by a creditor as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (d) if the aggregate amount of Financial Indebtedness referred to herein is less than SEK 10,000,000;
- (e) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a detrimental effect (directly or indirectly) on the interests of the Noteholders;
- (f) any Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent; or
- (g) any corporate action, legal proceedings or other procedures are taken (other than 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) in relation to (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (*företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company; (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or (iii) any analogous procedure or step is taken in any jurisdiction.

For further details on the provisions regarding acceleration and prepayment of the Notes, see the Terms and Conditions.

Undertakings

The Issuer makes certain undertakings in the Terms and Conditions. These include undertakings and limitations relating to:

- (a) nature of business;
- (b) authorisation;
- (c) mergers and de-mergers;
- (d) disposal of assets;
- (e) financial indebtedness;
- (f) negative pledge;
- (g) dividends and distributions;
- (h) listing of Notes;
- (i) undertakings relating to the Agency Agreement;
- (j) CSD related undertakings; and
- (k) financial undertakings.

The undertakings are subject to qualifications, see Sections 11 and 12 of the Terms and Conditions.

Financial Undertakings

The Issuer shall ensure that (i) the ratio of Net Debt to EBITDA on the last date of each Reference Period shall not exceed 4.00:1; and (ii) the amount of Unrestricted Cash is not less than SEK 40,000,000 on the last date of each Reference Period.

The Issuer shall after the last date of each Reference Period have the right to reduce the Net Debt on a 1:1 basis for the purpose of re-calculating the ratio of Net Debt to EBITDA for such Reference Period (an “**Equity Cure**”) provided that:

- (a) the amount used to reduce the Net Debt (the “**Cure Amount**”) shall be obtained by the Issuer as new share capital, shareholders’ contribution or as Subordinated Debt before the delivery of the

Compliance Certificate pursuant to the Terms and Conditions relating to the Reference Period to which the Equity Cure is attributable; and

- (b) on recalculating the ratio of Net Debt to EBITDA for any Reference Period following the receipt of a Cure Amount such amount shall reduce the Net Debt and be deemed to have been obtained immediately prior to last date of the Reference Period.

Admission to trading

The Issuer shall use its best efforts to ensure that the Note Loan is admitted to trading on the Regulated Market of NASDAQ Stockholm within sixty (60) days after the First Issue Date, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

Following an issuance of Subsequent Notes, the Issuer shall ensure that the volume of the Note Loan is promptly, and no later than ten (10) Business Days after the date of such issuance, increased accordingly.

It is estimated that the total costs in conjunction with the admission to trading will be no higher than SEK 150,000.

Decisions by Noteholders

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

Only a person who is, or who has been provided with a power of attorney pursuant to the Terms and Conditions from a person who is, registered as a Noteholder:

- (a) on the Business Day prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to the Terms and Conditions, in respect of a Written Procedure,

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Nominal Amount.

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

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

Prescription

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

Governing law

The Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, are governed by and construed in accordance with the laws of Sweden. The Issuer submits to the non-

exclusive jurisdiction of the Swedish courts, with the City Court of Stockholm (*Stockholms tingsrätt*) being the court of first instance.

Ratings

The Notes have not been assigned an official credit rating by any credit rating agency.

Use of proceeds

Upon fulfilment of the conditions set out in the Terms and Conditions, the Issuer shall apply the Net Proceeds from the issue of the Initial Notes towards (i) refinancing of the 2012/2017 Senior Unsecured Notes, and (ii) general corporate purposes of the Group. The Issuer shall use the proceeds from the issue of any Subsequent Notes for general corporate purposes of the Group.

The CSD

Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden, is initially acting as the CSD and registrar in respect of the Notes.

The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. For the purpose of or in connection with any Noteholders' 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 Notes. 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.

The Issuer shall issue any power of attorney to such employee(s) of the Agent as it instructs in order for the Agent (or an employee of it) to obtain information from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

THE ISSUING AGENT

Nordea Bank AB (publ), Swedish Reg. No. 516406-0120, address: 105 71 Stockholm, Sweden, is initially acting as Issuing Agent in accordance with the Terms and Conditions.

THE AGENT AND THE AGENCY AGREEMENT

Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, address: P.O. Box 7329, 103 90 Stockholm, Sweden, email: mail@nordictrustee.se (or such other details as the Agent may publish on its website from time to time), is acting as Agent.

Pursuant to the Agency Agreement entered into prior to the First Issue Date between the Issuer and the Agent, the Agent has undertaken to represent the Noteholders in accordance with the Terms and Conditions and the Agency Agreement. The Issuer has undertaken to, among other things, pay certain fees to the Agent and to indemnify the Agent against costs, losses or liabilities incurred by the Agent in acting as Agent under any Finance Documents.

The Agency Agreement is governed by Swedish law.

Business description

GENERAL CORPORATE AND GROUP INFORMATION

The Issuer's legal and commercial name is Consilium Aktiebolag (publ), and its Swedish Reg. No. is 556480-3327. The address of the Issuer is P.O. Box 5028/Västra Finnbodavägen 2-4, SE-131 05 Nacka, Sweden and the telephone number is +46 8 563 053 00. The Group has roots which date back to 1912, when the first marine product was developed. Most of its marine products were introduced in the centuries of 1950 and 1960. The Issuer was incorporated in Sweden on 24 November 1993 and registered with the Swedish Companies Registration Office (*Bolagsverket*) on 30 December 1993. The Issuer changed its name to Consilium AB in March 1994. The Issuer is a public limited liability company (*publikt aktiebolag*) governed by the Swedish Companies Act (*aktiebolagslagen (2005:551)*). The Issuer became the holding company of the companies within the Group before the listing of the Issuer's shares of class B on the Stockholm Stock Exchange.

Pursuant to the Issuer's Articles of Association, the object of the Issuer's business shall be to, through directly or indirectly owned subsidiaries, conduct development, manufacturing and sale of marine and industrial components and systems and any business incidental thereto, manage Group shared functions as well as to own and administer shares and other financial instruments.

The Issuer is a global niche company that develops, manufactures and markets products and systems that are used to protect people, material values and the environment. The operations of the Issuer is conducted in two business areas – Marine & Safety and Fire safety & Automation. The entire offering is based on delivering high-quality applications to customers in the global market, who need to protect large and complex environments with high material values or large numbers of people.

Share information

Pursuant to the Issuer's Articles of Association, the Issuer's share capital shall not be less than SEK 20,000,000 and not more than SEK 80,000,000, divided into not fewer than 4,000,000 shares and not more than 16,000,000 shares. The Issuer has two classes of shares, class A shares and class B shares. Each share of class A entitles the holder to ten votes and each share of class B entitles the holder to one vote. The Issuer's registered share capital is SEK 58,511,015, represented by 11,702,203 issued and fully paid shares, of which 907,490 are shares of class A and 10,794,713 are shares of class B. Each share has a quota value of SEK 5. The shares of class B of the Issuer are listed on the regulated market of NASDAQ Stockholm, small cap list.

The ten largest shareholders as at 31 December 2014

As at 31 December 2014, the ten largest shareholders held 81.2 per cent. of the share capital and 89 per cent. of the votes in the Issuer. As at 31 December 2014, the ownership of the Issuer was split between the ten major shareholders as shown in the table below.

Shareholder	A shares	B shares	Share capital (per cent)	Votes (per cent)
Platanen Holding AB	907,490	5,007,994	50.5	70.8
MCT Brattberg Aktiebolag		2,175,000	18.6	11.0
Magnus Wahlquist		550,000	4.7	2.8
Avanza Pension		227,180	1.9	1.1
Nordnet Pensionsförsäkring AB		149,748	1.3	0.8
Unionen		122,014	1.0	0.6
Ove Hansson		100,086	0.9	0.5
State Street Bank & Trust Com. Boston		100,000	0.9	0.5
Lott och Nils Rosenblads stiftelse		96,399	0.8	0.5
Soundgruppen		70,500	0.6	0.4
Total:	907,490	8,598,921	81.2	89

Platanen Holding AB, controlled by Carl Rosenblad and his family, controls a larger part of the votes in the Issuer. In addition, Carl Rosenblad is the Chairman of the Board of the Issuer. Platanen Holding AB and Carl Rosenblad and his family have therefore an essential influence and control of the Issuer, and possibly could have interests which necessarily are not the same as the interests of the Noteholders. However, the shares of class B of the Issuer are listed on the regulated market of NASDAQ Stockholm, small cap list. The Issuer must therefore follow the Swedish Code of Corporate Governance and

requirements such as independent board members and announcements of information. This makes it more difficult to abuse control of the Issuer.

Legal structure

The Issuer is the ultimate shareholder of the Group. The Issuer has built up a global marketing organisation encompassing 22 countries and has contracted sales and service representatives in more than 50 countries. The subsidiaries of the Issuer and its joint venture and associated companies as at the date of this Prospectus are illustrated by the table below.

Company	Swedish Reg. No.	Location	Ownership in per cent.
Swedish Subsidiaries			
Consilium Marine Group AB	556063-8503	Nacka	100
China Marine Techtrade AB	556560-0664	Nacka	100
Consilium Fire & Gas AB	556611-5811	Gothenburg	100
Consilium Marine & Safety AB	556070-9353	Gothenburg	100
Consilium Marine & Safety Group AB	556519-2134	Nacka	100
Consilium Transport Safety AB	556109-5794	Gothenburg	100
Consilium Security Group AB	556547-6123	Nacka	100
Consilium Navigation Group AB	556519-2126	Nacka	100
Consilium Navigation AB	556045-1733	Nacka	100
Consilium Research & Development AB	556080-5441	Nacka	100
Consilium Marine & Safety Sales & Support AB	556709-9220	Gothenburg	100
Consilium Nittan Research & Development AB	556599-4505	Gothenburg	100
Markground Industri AB	556046-1328	Nacka	100
Storm & Co. Skeppsradio AB	556083-7840	Gothenburg	100
Consilium Incendium AB	556828-7881	Kungälv	57
Foreign Subsidiaries			
Consilium Marine ApS		Copenhagen/Denmark	100
Consilium GmbH		Hamburg/Germany	100
Consilium Italy Srl		Florence/Italy	100
Consilium Shanghai Co. Ltd		Shanghai/China	100
Consilium Norway AS		Oslo/Norway	100
Consilium B.V.		Schonehoven/Holland	100
Consilium Marine US Inc.		Fort Lauderdale/US	100
Consilium Marine Korea Ltd		Pusan/Korea	100
Consilium Marine Italy Srl		Genoa/Italy	100
Consilium Hongkong Co. Ltd		Hong Kong/China	100
Consilium Trading Co. Ltd		Shanghai/China	100
Consilium Novamarine Pty. Ltd		Wickham/Australia	100
Consilium Middle East (FZC)		Dubai/United Arab Emirates	70
Consilium Qatar LLC		Doha/Qatar	70
Consilium Marine India Pte Ltd		Mumbai/India	70
Consilium JKK Group AS		Kristiansand/Norway	60
FireNor AS		Kristiansand/Norway	60
Fireproducts AS		Kristiansand/Norway	60
Passive Fire Protection AS		Kristiansand/Norway	60
SlokkeDesign AS		Kristiansand/Norway	60
Consilium Fire Safety Pvt Ltd		New Delhi/India	51
Consilium RMI Spain SA		Bilbao/Spain	51
Consilium Marine Singapore Ltd		Singapore/Singapore	51
Joint Venture Companies			
CN System AB	556714-2244	Gothenburg/Sweden	50
Consilium Nittan Japan Ltd		Tokyo/Japan	50
Consilium Marine Hellas Ltd		Pireaus/Greece	50
Consilium Säkerhet Väst AB	556702-3857	Gothenburg/Sweden	50
Consilium Säkerhet Öst AB	556693-0235	Stockholm/Sweden	50
Consilium Marine Oy		Helsinki/Finland	50
Associated Companies			
Consilium Säkerhet Syd AB	556629-7825	Lund/Sweden	33.3
Consilium Vietnam JSC		Vietnam	49
MicroData Due srl		Italy	40

BUSINESS OF THE GROUP

The Group's operations are organised into two business areas, Marine & Safety and Fire safety & Automation. Approximately 71 per cent. of the net sales from 2014 derived from the business area Marine & Safety, while approximately 29 per cent. derived from the business area Fire Safety & Automation. Each respective business area is organised into specific divisions.

The Group is a world-leading supplier of marine products and systems for safety, navigation and environment, which are grouped in its Marine & Safety business area. Within this business area there are also divisions for sales of fire alarms to the transportation market and fire alarms for buildings.

The Group also offers fire safety and automation systems, primarily to the oil and gas industry, through its Fire safety & Automation business area. Fire safety and Automation are separate divisions within the business area Fire safety & Automation.

Global company with local presence

Consilium values local presence and being close to its customers and markets. This derives from the fact that more than 96 per cent. of sales are to markets outside of Sweden. Consilium has built up a global market organisation with offices in 22 countries, being responsible for the bulk of the Group's sales and service volume. In addition, Consilium also has local representatives in more than 49 countries.

Dealings within the Group are mainly performed between certain product companies and sales companies. The Issuers' product companies are responsible for the development and maintenance of products and/or systems and are the owners of all rights related to such products/systems. These product companies are also responsible for marketing, sales, project engineering, after sales and fulfillment of deliveries to the customers. The Issuers' market companies operate in local markets and are responsible for system/product sales to customers within a local market, in order to support orders and sales for the product companies, and to provide after sales activities and services. Together, this forms a strong organisation for a global marketplace.



Business areas

Marine & Safety

Consilium's sales of products and solutions for the maritime market can be divided into sales to new construction of vessels and to the aftermarket. Consilium's customers are mainly international shipping companies and shipyards.

The Marine & Safety business area offers products and systems in the areas of safety, navigation and environment for international shipping, as well as fire alarms for trains, underground railways and large buildings. The product portfolio includes fire alarm systems, gas detection products and systems, safety management systems, navigation radars, speed logs, echo sounders, marine voyage data recorders, electronic sea charts, navigation bridges and systems for measuring of emission of nitrogen oxides and sulphur dioxide from vessels.

Consilium also offers tailored products for specific niche segments, such as military marine products and systems, fire alarms for the trains and underground railways and fire and gas alarms for offshore.

Consilium's production companies also sell some of its products and components to other system suppliers, and Consilium's marketing companies sell and provide service on certain complementary third party products.

Fire safety & Automation

The Fire safety & Automation business area offers products and systems for fire safety and automation solutions for the land based oil and gas industry. The offer includes fire and gas detection, detection of leaks in oil and gas pipelines, fire protection and fire extinguishing systems for tanks, emergency shutdown systems, lightning protection systems for tank farm inventory management, terminal automation systems and control systems for different types of oil and gas plants.

Consilium's end customers are large national and international tank farm operators and oil and gas companies, mainly in the Middle East but also in the Nordic region. Sales of new installations are often made through large engineering companies.

Research and development

Consilium is a technical knowledge company which aspires to be at the forefront of technological development in selected niches. The development of products, systems and production techniques is therefore a priority area.

Consilium has development units in Sweden, Norway and Italy. The units focus on developing of new products and solutions and improving the existing product portfolio. For a number of years, Consilium has worked on the development of a common technological platform for the business areas' offering. The new platform includes both hardware and software solutions. The important advantage of the new platform will be a reduced number of hardware products, which will result in less product maintenance and less products in stock. It will also be easier to service a wide product range with the new platform.

Board of Directors, Senior Management and auditor

BOARD OF DIRECTORS

Pursuant to the Consilium's Articles of Association, the Board shall consist of no less than three and no more than seven directors. The Board currently consists of seven directors elected by the general meeting of the shareholders (elected on the annual general meeting on 20 May 2014 until the annual general meeting to be held on 19 May 2015). The table below sets out the name and current position of each director of the Board.

Name	Position
Carl Rosenblad	Chairman
Carl Adam Rosenblad	Director
Thomasine Rosenblad	Director
Fredrik Nygren	Director
Peter Carlberg	Director
Ann-Marie Åström	Director
Erik Lindborg	Director

CARL ROSENBLAD

Born 1935. Chairman of the Board since 2000, director of the Board since 1994.

Principal education: LL.B. M.Sc Business and Economics.

Other on-going principal assignments: Chairman of the boards of Svenska Bostadsfonden 1-12 AB and of Platanen AB. Director of the boards of Tessin Fastighets AB, Svenska Bostadsfonden Management AB and Svenska Bostadsfonden Institution 1 AB.

Shareholding: 907,490 A shares and 5,007,994 B shares indirectly owned through Platanen Holding AB, which is controlled by Carl Rosenblad and his family.

CARL ADAM ROSENBLAD

Born 1965. Director of the Board since 1996.

Principal education: M.Sc Business and Economics.

Other on-going principal assignments: Director of Consilium's subsidiaries and of Platanen AB.

Shareholding: 24,000 B shares.

THOMASINE ROSENBLAD

Born 1964. Director of the Board since 2014.

Principal education: Bachelor of Arts.

Other on-going principal assignments: Director of the board of Career Planet AB.

Shareholding: 9,723 B shares.

FREDRIK NYGREN

Born 1966. Director of the Board since 2007.

Principal education: B.Sc. (Econ).

Other on-going principal assignments: Chairman of the boards of ExeoTech Invest AB (publ) including subsidiaries, Twinblade Technologies Holding Sweden AB and Advanced Inertial Measurement (AIMS AB) Systems Sweden AB. Director of the board of Josab International AB.

Shareholding: 0.

PETER CARLBERG

Born 1955. Director of the Board since 2008.

Principal education: Graduate engineer.

Other on-going principal assignments: CEO of Alfa Laval Korea Ltd. and chairman of the board of Swedish Chamber of Commerce of South Korea.

Shareholding: 1,000 B shares.

ANN-MARIE ÅSTRÖM

Born 1965. Director of the Board since 2009.

Principal education: LL.B

Other on-going principal assignments: CEO of Gotland Tankers AB. Director of the boards of Rederi AB Gotland, Wisby Shipmanagement AB and Hafnia Management A/S.

Shareholding: 1,000 B shares.

ERIK LINDBORG

Born 1952. Director of the Board since 2012.

Principal education: Master of Science.

Other on-going principal assignments: CEO of MCT Brattberg AB. Director of the boards of MCT Brattberg AB and Fururitas AB.

Shareholding: 0.

SENIOR MANAGEMENT

The senior management consists of a team of four persons. The table below sets out the name and current position of each member of the senior management.

Name	Position
Ove Hansson	President and Chief Executive Officer
Roger Orreteg	Group Controller
Carl Adam Rosenblad	Manager of the business area Marine & Safety
Anna Holmgren	Finance Manager and Treasurer

OVE HANSSON

Born 1955. President and Chief Executive Officer. Employed since 1986.

Principal education: LL.B. M.Sc Business and Economics.

Work experience: Director of the board of Consilium AB 2000-2004.

Shareholding: 100,086 B shares.

ROGER ORRETEG

Born 1956. Group Controller. Employed since 2003.

Principal education: M.Sc Business and Economics.

Work experience: CFO of Consilium's subsidiaries.

Shareholding: 1,500 B shares.

CARL ADAM ROSENBLAD

Born 1965. Manager of the business area Marine & Safety and director of Consilium Marine & Safety AB and subsidiaries.

Principal education: M.Sc. Business and Economics.

Work experience: Manager of the Marine & Safety Navigation Division.

Shareholding: 24,000 B shares.

ANNA HOLMGREN

Born 1965. Finance Manager and Treasurer. Employed since 1987.

Principal education: Diploma in Economics.

Work experience: CFO of Consilium's subsidiaries.

Shareholding: 0.

AUDITOR

Öhrlings PricewaterhouseCoopers AB (113 97 Stockholm, Sweden) is the Issuer's auditor since 1994. Sten Håkansson, born 1960, is the auditor in charge. Sten Håkansson is an authorised public accountant and member of FAR, the professional institute for accountants in Sweden.

ADDITIONAL INFORMATION ON THE BOARD AND THE SENIOR MANAGEMENT**Business address**

The address for all directors of the Board and members of the senior management is c/o Consilium AB (publ), P.O. Box 5028, SE-131 05 Nacka, Sweden.

Conflicts of interest

Except for what is described below, no director of the Board or member of the Issuer's senior management have any private interest that might conflict with the Issuer's interests. However, it is noted that several members of the Board and the Issuer's senior management have financial interests in the Issuer through direct and indirect shareholdings of the Issuer.

Carl Rosenblad, the Chairman of the Board of the Issuer and his family control Platanen Holding AB, which is the majority shareholder of the Issuer. See the section "Risk Factors – Risks relating to the Issuer and the Group - Operational risks - The principal shareholder".

The Issuer has entered into a consultancy agreement with the company Platanen AB. The Chairman of the Board and Carl Adam Rosenblad, member of the Board of the Issuer, are both members of the board of Platanen AB. Platanen AB is a subsidiary of Platanen Holding AB, which is controlled by Carl Rosenblad and his family. Platanen AB provides management and administrative services to the Issuer. The Issuer has also entered into a property lease agreement with the company Fastighetsbolaget Henriksborg HB. The two partners of Fastighetsbolaget Henriksborg HB are subsidiaries of Platanen AB.

Legal considerations and supplementary information

AUTHORISATION AND RESPONSIBILITY

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Notes and the performance of its obligations relating thereto. The issuance of the Initial Notes on 25 March 2015 was authorised by resolutions by the Board of the Issuer on 29 January 2015 and 19 February 2015.

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Board of the Issuer is, to the extent provided by law, responsible for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

MATERIAL CONTRACTS

The Group has not entered into any material contracts outside of the ordinary course of its business which could have any material impacts on the Issuer's ability to meet its obligations under the Notes.

Shareholders' agreement

As far as the Board of the Issuer is aware, there exist no shareholders' agreements or other agreements that could result in a change of control of the Issuer.

LEGAL AND ARBITRATION PROCEEDINGS

The Group conducts operations in several countries and is from time to time subject to disputes, claims and administrative proceedings as a part of the ordinary course of business. However, the Group is not currently and has not been a party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened which the Issuer is aware of) during the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's result or financial position.

CERTAIN MATERIAL INTERESTS

The Sole Bookrunner (and closely related companies) has engaged in, and may in the future engage in, investment banking and/or commercial banking or other services to the Issuer and the Group in the ordinary course of business. In particular, it should be noted that the Sole Bookrunner may be the lender under certain credit facilities with a member of the Group as borrower. Therefore, conflicts of interest may exist or may arise as a result of the Sole Bookrunner having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

TREND INFORMATION

There has been no material adverse change in the prospects of the Issuer since 23 April 2014, being the date of publication of the latest published audited financial information of the Issuer.

SIGNIFICANT CHANGES SINCE 31 DECEMBER 2014

There has been no significant change in the financial or trading position of the Group since 31 December 2014, being the date of the end of the latest financial period for which the last interim or year-end report of the Issuer have been published.

INCORPORATION BY REFERENCE

The following information has been incorporated into this Prospectus by reference and should be read as part of this Prospectus:

Annual Report for 2012	As regards the audited consolidated financial information and the audit report on pages 30 – 33 and 38 – 54.
Annual Report for 2013	As regards the audited consolidated financial information and the audit report on pages 30 – 33 and 38 – 54.
2014 Year-End Report	As regards the unaudited consolidated financial information for the period 1 January 2014 to 31 December 2014 (including comparable numbers for the period from January to December 2013 and from January to December 2012) on pages 7 – 9 and 11.

Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in the Notes or is covered elsewhere in the Prospectus.

The Issuer's Annual Reports for 2012 and 2013 have been prepared in accordance with international financial reporting standards as adopted by the European Union and in accordance with the Swedish Annual Report Act (*årsredovisningslag (1995:1554)*). With the exception of the Annual Reports, no information in this Prospectus has been audited or reviewed by the Issuer's auditor.

DOCUMENTS ON DISPLAY

Copies of the following documents are electronically available at www.consilium.se. Paper copies of the documents are also available at the Issuer's office, Västra Finnbodavägen 2-4, SE-131 05 Nacka, Sweden, during the validity period of this Prospectus (regular office hours):

- the Issuer's Articles of Association;
- the Issuer's Annual Reports (including auditor's report) for the financial years 2012 and 2013;
- the Issuer's 2014 Year-End Report;
- the Terms and Conditions; and
- the Agency Agreement.

Terms and Conditions of the Notes

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

“**2012/2017 Senior Unsecured Notes**” means the SEK 400,000,000 senior unsecured notes 2012/2017 issued by the Issuer under ISIN: SE0004869816.

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

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

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

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

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

“**Applicable Premium**” means the higher of:

- (a) 1.00 per cent. of the Nominal Amount; and
- (b) an amount equal to:
 - (i) 104 per cent. of the Nominal Amount; plus
 - (ii) all remaining scheduled Interest payments (assuming that the Interest Rate for the period from the relevant Redemption Date to the First Call Date will be equal to the interpolated SEK mid-swap rate for the remaining term from the relevant Redemption Date until the First Call Date plus 5.75 per cent. *per annum*) on the Notes until the First Call Date (but excluding accrued but unpaid Interest up to the relevant Redemption Date), discounted (for the time period starting from the relevant Redemption Date to the First Call Date) using a discount rate equal to the yield of the Swedish Government Bond Rate plus 0.50 per cent., minus
 - (iii) the Nominal Amount.

For the purpose of calculating the Applicable Premium, the “**Swedish Government Bond Rate**” means direct obligations of Sweden (*statsobligationer*) with a fixed maturity (as officially compiled and published in the most recent financial statistics that has become publicly available not more than five (5) and not less than two (2) Business Days prior to the Redemption Date (or if such financial statistics are not published or available, any publicly available source of similar market data selected by the Issuer acting in good faith)) most nearly equal to the period from the Redemption Date to the First Call Date, provided that:

- (a) if the period from the Redemption Date to the First Call Date is not equal to the fixed maturity of a direct obligation of Sweden for which a weekly average yield is given, the Swedish Government Bond Rate shall be obtained by linear interpolation from the weekly average yields of direct obligations of Sweden for which such yields are given; and
- (b) if the period from the Redemption Date to the First Call Date is less than one (1) year, the weekly average yield on actually traded direct obligations of Sweden adjusted to a fixed maturity of one year shall be used.

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (*midsonmarafton*), Christmas Eve (*julafton*) and New Year’s Eve (*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.

“**Change of Control Event**” means, in relation to shares of the Issuer, an event or series of events resulting in:

- (a) one person (or several persons who either (i) are, in respect of individuals, related, (ii) are, in respect of legal entities, members of the same group or (iii) who act or have agreed to act in concert), in each case other than a Rosenblad Party, acquiring fifty (50) per cent. or more of the shares in the Issuer or otherwise establishing control over fifty (50) per cent. or more of the shares and/or votes in the Issuer; or
- (b) all or part of the shares in the Issuer cease to be listed on a Regulated Market.

“**Compliance Certificate**” means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer (i) certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it, and (ii) if provided in connection with a financial report being made available, including relevant calculations and figures, as specified in a template form attached to the Agency Agreement or as otherwise agreed between the Agent and the Issuer.

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

“**Debt Instruments**” means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

“**EBITDA**” means earnings of the Group, before interest, taxes, depreciation and amortisation (without double counting) for any 12 months period ending on the last day of the period covered by the financial statements delivered pursuant to Clause 10.1.1(a) or 10.1.1(b), calculated in accordance with the Accounting Principles. For the purpose of calculating EBITDA, entities acquired or disposed of during a measurement period will be included or excluded (as applicable) for the entirety of that measurement period.

“**Escrow Account**” means a bank account held in the name of the Issuer with Nordea Bank AB (publ) and pledged under the Escrow Account Pledge Agreement.

“Escrow Account Pledge Agreement” means the pledge agreement entered into prior to the First Issue Date by the Issuer and the agent under the terms and conditions for the 2012/2017 Senior Unsecured Notes, pursuant to which the Issuer pledges with first ranking security the Escrow Account and all funds credited to the Escrow Account from time to time, in favour of the noteholders and the agent under the terms and conditions for the 2012/2017 Senior Unsecured Notes, for the purpose of securing the early redemption of the 2012/2017 Senior Unsecured Notes as soon as practically possible following the issue of the Initial Notes.

“Event of Default” means an event or circumstance specified in Clause 13.1.

“Final Maturity Date” means 25 March 2020.

“Finance Documents” means these Terms and Conditions, the Agency Agreement, any Compliance Certificate and any other document designated by the Issuer and the Agent as a Finance Document.

“Finance Lease” means any lease or hire purchase contract which would, in accordance with the Accounting Principles (as applied as of the date of these Terms and Conditions), be treated as a finance lease or a capital lease. For the avoidance of doubt, any type of leases treated as operating leases under the Accounting Principles as applied at the date of these Terms and Conditions shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as a Finance Lease.

“Financial Indebtedness” means:

- (a) moneys borrowed (including under any bank financing);
- (b) the amount of any liability under any Finance Lease;
- (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 other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (e) the marked-to-market value of derivative transactions entered into in connection with protection against, or in order to benefit from, the fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (g) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

“Financial Instruments Accounts Act” means the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*).

“First Call Date” means the date falling thirty-six (36) months after the First Issue Date.

“First Issue Date” means 25 March 2015.

“Force Majeure Event” has the meaning set forth in Clause 25.1.

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

“Initial Nominal Amount” has the meaning set forth in Clause 2.3.

“Initial Notes” means the Notes issued on the First Issue Date.

“Insolvent” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Noteholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

“Interest” means the interest on the Notes calculated in accordance with Clauses 8.1 to 8.3.

“Interest Payment Date” means 25 March, 25 June, 25 September and 25 December of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Initial Notes shall be 25 June 2015 and the last Interest Payment Date shall be the relevant Redemption Date.

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

“Interest Rate” means STIBOR plus 5.75 per cent. *per annum*.

“Issuer” means Consilium AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556480-3327.

“Issuing Agent” means Nordea Bank AB (publ), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD regulations applicable to the Notes.

“Listing Failure Event” means that the Issuer on the date falling one hundred twenty (120) calendar days from the First Issue Date has failed to ensure that the Notes are listed on the corporate bond list of NASDAQ Stockholm or, if such listing is not possible to obtain, on another Regulated Market in accordance with Clause 11.8 (*Listing of Notes*).

“Material Adverse Effect” means a material adverse effect on (a) the business, operations, assets, condition (financial or otherwise) of the Group taken as a whole, (b) the Issuer’s ability to perform and comply with its payment obligations under these Terms and Conditions, or (c) the validity or enforceability of the Finance Documents.

“Material Group Company” means a Group Company which together with its Subsidiaries (on a consolidated basis) has EBITDA or gross assets (excluding intra-group items) representing five (5) per cent. or more of the total consolidated EBITDA or gross assets (excluding intra-group items) of the Group, in each case calculated by reference to the then latest audited accounts of such Group Company (consolidated, if it has Subsidiaries, and if no consolidated accounts are prepared and audited, its consolidated EBITDA and consolidated gross assets shall be determined on the basis of *pro forma* consolidated accounts of the relevant Group Company and its Subsidiaries) and the then latest consolidated audited accounts of the Issuer.

“Net Debt” means, on a Group consolidated basis, the aggregate amount of all interest bearing obligations (including pension liabilities and Finance Lease obligations) other than Subordinated Debt:

less

- (a) cash and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value;

- (b) debt securities (i) for which a recognised trading market exists, (ii) which are issued by an issuer incorporated in any member state of the European Economic Area (other than Greece or Portugal) or Switzerland, (iii) which mature within five (5) year after the relevant date of calculation, and (iv) which have a credit rating of either BBB- or higher by S&P or BBB- or higher by Fitch or Baa3 or higher by Moody's, or, if no rating is available in respect of the debt security, the issuer of which has, in respect of its long term unsecured and non-credit enhanced debt obligations, an equivalent rating; and
- (c) any investments in money market funds which invest substantially all their assets in debt securities of the types described in paragraph (b) above;

provided that the total amount of reductions under paragraphs (b) and (c) above may not exceed an amount equal to the proceeds received by the Issuer from an issue of Notes which is not used to refinance the 2012/2017 Senior Unsecured Notes.

For the avoidance of doubt, the Net Debt shall not include the marked-to-market value of any derivative transaction referred to in paragraph (e) of the definition of Financial Indebtedness (unless entered into for speculative purposes). To the extent a Group Company has provided cash collateral for debt owed by itself or another Group Company, the amount of such debt and the corresponding cash collateral shall be excluded from the calculation of the Net Debt.

"Net Proceeds" means the gross proceeds from the offering of the relevant Notes, minus in respect of the Initial Notes, the costs incurred by the Issuer in conjunction with the issuance thereof.

"Nominal Amount" means in respect of each Note the Initial Nominal Amount, less the aggregate amount by which that Note has been redeemed in part pursuant to Clause 9.4 (*Mandatory partial redemption (put option)*).

"Note" means a debt instrument (*skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions, including the Initial Notes and any Subsequent Notes.

"Note Loan" means the loan constituted by these Terms and Conditions and evidenced by the Notes.

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

"Noteholders' Meeting" means a meeting among the Noteholders held in accordance with Clause 16 (*Noteholders' Meeting*).

"Permitted Financial Indebtedness" means:

- (a) any Financial Indebtedness between Group Companies;
- (b) any hedging arrangement or derivative transaction (unless for speculative purposes);
- (c) any guarantees and normal liabilities having the effect of Financial Indebtedness in the ordinary course of business with a maximum duration of 730 days;
- (d) any Financial Indebtedness arising in the ordinary course of business as referred to in paragraph (h) of the definition of Permitted Security;
- (e) any Financial Indebtedness of any person acquired by a Group Company which is in existence at the date of its acquisition, provided that the amount of such indebtedness does not exceed sixty (60) per cent. of the purchase price (on a debt free basis) of the acquired person; and

- (f) any Financial Indebtedness not permitted by paragraphs (a) to (e) above, provided that the aggregate amount of such indebtedness does not exceed the higher of (i) SEK 125,000,000; and (ii) 100 per cent. of the EBITDA of the Group for the last Reference Period (if higher than SEK 125,000,000 such Financial Indebtedness shall be permitted to subsist even if the EBITDA of the Group as at any subsequent Reference Period is decreased).

When calculating EBITDA under paragraph (f) above for the purposes of any acquisition, EBITDA shall be calculated on a *pro forma* basis and include the auditor reviewed (*översiktligt granskad*) EBITDA of the relevant entity to be acquired (determined from its latest audited financial statements) for the 12 months period ending on the last day of Reference Period covered by the financial statements delivered pursuant to Clause 10.1.1(a) or 10.1.1(b).

“Permitted Security” means:

- (a) any netting or set-off arrangement entered into by a Group Company in the ordinary course of its banking arrangements (including cash-pooling arrangements) for the purpose of netting debit and credit balances;
- (b) any Security for, or close-out netting or set-off arrangement in respect of, hedging transactions (unless for speculative purposes);
- (c) any lien arising by operation of law, retention-of-title arrangements relating to prepayments or similar arrangements, each in the ordinary course of business and not as a result of any default or omission by a Group Company; or
- (d) any Security over any asset leased under Finance Leases entered into in the ordinary course of business;
- (e) any Security over an asset, business or company acquired by a Group Company (directly or indirectly) which (i) existed on the date of the acquisition, (ii) is created for the purpose of securing Financial Indebtedness incurred or increased for the purpose of financing the relevant acquisition, or (iii) is renewed or extended upon renewal or extension or refinancing or replacement of the any Financial Indebtedness referred to in paragraph (i) or (ii), in each case provided that such Security may only secure Financial Indebtedness in an amount which does not exceed sixty (60) per cent. of the purchase price (on a debt free basis) of the acquired asset, business or company;
- (f) any Security over goods or documents of title to goods arising in the ordinary course of letter of credit (or equivalent contingent instruments) transactions entered into in the ordinary course of business;
- (g) any Security for local overdraft facilities securing indebtedness the principal amount of which does not in aggregate exceed SEK 20,000,000;
- (h) any cash collateral or other Security for (i) counter-indemnity obligation under any bank guarantee or letter of credit (or equivalent contingent instruments) issued by a bank or financial institution, (ii) drawings or Financial Indebtedness arising as a result of drawings under any such bank guarantee or letter of credit (or equivalent contingent instruments), and (iii) Financial Indebtedness incurred by a Group Company for the purpose of financing that Group Company’s performance under a supply contract or for the purpose of bridging liquidity issues arising for a Group Company due to delays in finalising a project to which it is a supplier (provided that such Group Company is not responsible for the delay), which in each case is provided in the ordinary course of business of the relevant Group Company;
- (i) Security over real property in a maximum amount of SEK 5,000,000;

- (j) Security over business mortgage certificates existing on the First Issue Date in (i) Consilium Marine & Safety AB in a maximum amount of SEK 22,000,000, (ii) FireNor AS in a maximum amount of SEK 30,800,000, and (iii) Consilium Incendium AB in a maximum amount of SEK 1,200,000;
- (k) any Security or preferential arrangement given with the prior consent of the Noteholders;
- (l) any Security over proceeds which have been utilised by the Issuer for the purpose of refinancing the Notes or refinancing the 2012/2017 Senior Unsecured Notes; and
- (m) any Security or preferential arrangement not permitted by paragraphs (a) to (l) above, securing indebtedness the principal amount of which does not in aggregate exceed SEK 20,000,000.

“Quotation Day” means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

“Record Date” means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 14 (*Distribution of proceeds*) or (iv) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“Redemption Date” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and repurchase of the Notes*).

“Reference Dates” means 31 March, 30 June, 30 September and 31 December in each year.

“Reference Period” means a twelve (12) month period ending on a Reference Date or such shorter period as the context may require.

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

“Rosenblad Party” means:

- (a) Platanen Holding AB and any of its Subsidiaries;
- (b) any of Carl Rosenblad or his children, siblings or children of siblings or any spouse of the foregoing persons;
- (c) any trust, foundation or similar legal entity where one or more of the persons mentioned in paragraph (b) is one of a limited number of beneficiaries; and
- (d) any other company (publicly listed or not), partnership or other legal entity under direct or indirect control by one or more of the persons or entities under paragraphs (a) and (b) above, where control, directly or indirectly, shall be deemed to be at hand if one or more of the persons under paragraphs (a) and (b) alone or jointly could exercise more than twenty-five (25) per cent. of the voting rights of the highest decision making body or have the benefit of more than twenty-five (25) per cent. of the economic rights from such a company, partnership or entity.

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

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

“**STIBOR**” means:

- (a) the applicable percentage rate *per annum* displayed on NASDAQ Stockholm’s website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor 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 Nordea Bank AB (publ), Swedbank AB (publ) and Skandinaviska Enskilda Banken AB (publ) (or such other banks as may be appointed by the Issuing Agent in consultation with the Issuer), for deposits of SEK 100,000,000 for the relevant period; or
- (c) if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor 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.

“**Subordinated Debt**” means any Financial Indebtedness owed by the Issuer which is subordinated to the Notes so that the lenders of any Subordinated Debt may not, without the Noteholders’ consent:

- (a) demand or receive payment, prepayment or repayment of, or interest on, or accept discharge by way of set-off, of any Subordinated Debt, other than as permitted by Clause 11.7 (*Dividends and distributions*);
- (b) receive or permit to subsist, any Security or other encumbrance, or receive or allow to subsist any financial support, for any Subordinated Debt;
- (c) assign, transfer or otherwise dispose of any Subordinated Debt to a third party; or
- (d) commence any proceedings against a Group Company in respect of any Subordinated Debt, including applying for enforcement of any amount outstanding or for liquidation or bankruptcy.

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

“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (*dotterföretag*) to such person, directly or indirectly, as defined in the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

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

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

“**Unrestricted Cash**” means any cash or cash equivalents (*likvida medel*) on a consolidated basis for the Group, as set out in the *Consolidated balance sheet* section of the Issuer’s annual audited consolidated financial statements or in the *Summary balance sheet* section of the Issuer’s periodical interim unaudited consolidated reports (as applicable).

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 17 (*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, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (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 When ascertaining whether a limit or threshold specified in Swedish Kronor 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 Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (*Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

1.2.3 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.

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

2. STATUS OF THE NOTES

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

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

2.3 The initial nominal amount of each Note is SEK 1,000,000 (the “**Initial Nominal Amount**”). The maximum aggregate nominal amount of the Initial Notes is SEK 600,000,000. All Initial Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.

2.4 Provided that (i) no Event of Default is continuing or would result from such issue and (ii) the conditions set out in Clause 4.4 have been satisfied, the Issuer may, on one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The issue price of the Subsequent Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum aggregate nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 900,000,000 unless a consent from the Noteholders is obtained in accordance with Clause 15.7(a). Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Notes.

- 2.5 The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other direct, unconditional, unsubordinated and unsecured obligations of the Issuer.
- 2.6 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

3. USE OF PROCEEDS

- 3.1 Upon fulfilment of the conditions set out in Clauses 4.1 and 4.2, the Issuer shall apply the Net Proceeds from the issue of the Initial Notes towards (i) refinancing of the 2012/2017 Senior Unsecured Notes, and (ii) general corporate purposes of the Group.
- 3.2 The Issuer shall use the proceeds from the issue of any Subsequent Notes for general corporate purposes of the Group.

4. CONDITIONS FOR DISBURSEMENT

- 4.1 Prior to the First Issue Date, the Issuer shall provide to the Agent the following documents and other evidence, in form and substance satisfactory to the Agent (acting reasonably):
- (a) a copy of the Articles of Association in respect of the Issuer;
 - (b) an up-to-date certificate of registration in respect of the Issuer;
 - (c) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial Notes and the terms of the Finance Documents, and resolving to enter into such documents and any other documents necessary in connection therewith;
 - (d) evidence that the person(s) who has/have signed the Finance Documents and any other documents in connection therewith on behalf of the Issuer is/are duly authorised to do so;
 - (e) a copy of the duly executed Terms and Conditions no later than 9.00 a.m. two (2) Business Days prior to the First Issue Date;
 - (f) a copy of the Agency Agreement duly executed; and
 - (g) such other documents and information as is agreed between the Agent and the Issuer.
- 4.2 As soon as possible following the issue of the Initial Notes on the First Issue Date, the Issuer shall provide to the Agent the following documents and other evidence, in form and substance satisfactory to the Agent (acting reasonably):
- (a) a copy of the duly executed Escrow Account Pledge Agreement and evidence that such pledge has been perfected;
 - (b) a copy of the unconditional and irrevocable call notice for the redemption of the 2012/2017 Senior Unsecured Notes; and

- (c) a calculation setting out the amount necessary to fully redeem the 2012/2017 Senior Unsecured Notes (including accrued interest) (the “**Redemption Amount**”).
- 4.3 The Agent shall confirm to the Issuing Agent when the conditions in Clauses 4.1 and 4.2 have been satisfied. Upon such confirmation, the Issuing Agent shall transfer the Redemption Amount (as defined above) to the Escrow Account and transfer the remaining proceeds from the issue of the Initial Notes to the Issuer.
- 4.4 The Issuing Agent shall pay the gross proceeds from the issuance of any Subsequent Notes to the Issuer on the later of (i) the date of the issue of such Subsequent Notes and (ii) the date on which the Agent notifies the Issuing Agent that it has received the following, in form and substance satisfactory to the Agent:
 - (a) if not included in Clause 4.1(c), a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Notes and resolving to enter into documents necessary in connection therewith;
 - (b) a Compliance Certificate duly signed by the Issuer, evidencing that no Event of Default is continuing or would result from such issue; and
 - (c) such other documents and information as is agreed between the Agent and the Issuer.
- 4.5 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1, 4.2 or 4.4 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.

5. NOTES IN BOOK-ENTRY FORM

- 5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.
- 5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 5.3 The Issuer (and the Agent when permitted under the CSD’s applicable regulations) shall at all times be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. For the purpose of or in connection with any Noteholders’ 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 Notes. 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.
- 5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.
- 5.5 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.

- 5.6 The Issuer and the Agent may use the information referred to in Clause 5.3 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 Noteholder or third party unless necessary for such purposes.

6. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

- 6.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 6.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 6.3 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 Clause 6.2 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 or the Agent has actual knowledge to the contrary.

7. PAYMENTS IN RESPECT OF THE NOTES

- 7.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes requested by a Noteholder pursuant to these Terms and Conditions, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due 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.
- 7.2 If a Noteholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 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 8.4 during such postponement.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

8. INTEREST

- 8.1 Each Initial Note carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note issued before the Interest Payment Date falling immediately after the First Issue Date will carry interest from the First Issue Date. Any Subsequent Note carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 8.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 8.3 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).
- 8.4 If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) percentage units 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.

9. REDEMPTION AND REPURCHASE OF THE NOTES

9.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

9.2 Purchase of Notes by Group Companies

Any Group Company may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. Notes held by a Group Company may at such Group Company's discretion be retained or sold and, if held by the Issuer, cancelled by the Issuer.

9.3 Voluntary total redemption (call option)

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

- (a) any time prior to the First Call Date, at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, plus the Applicable Premium;
- (b) any time from and including the First Call Date to, but excluding, the first Business Day falling forty-two (42) months after the First Issue Date at an amount per Note equal to 104 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) any time from and including the first Business Day falling forty-two (42) months after the First Issue Date to, but excluding, the first Business Day falling forty-eight (48) months after the First Issue Date at an amount per Note equal to 103 per cent. of the Nominal Amount, together with accrued but unpaid Interest;

- (d) any time from and including the first Business Day falling forty-eight (48) months after the First Issue Date to, but excluding, the first Business Day falling fifty-four (54) months after the First Issue Date at an amount per Note equal to 102 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (e) any time from and including the first Business Day falling fifty-four (54) months after the First Issue Date to, but excluding, the first Business Day falling fifty-seven (57) months after the First Issue Date at an amount per Note equal to 101 per cent. of the Nominal Amount, together with accrued but unpaid Interest; or
- (f) any time from and including the first Business Day falling fifty-seven (57) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Note equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

9.3.2 Redemption in accordance with Clause 9.3.1 shall be made by the Issuer giving not less than fifteen (15) and not more than thirty (30) Business Days' notice to the Noteholders and the Agent. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amount on the specified Redemption Date.

9.4 **Mandatory partial redemption (put option)**

9.4.1 Where the Issuer shall, pursuant to a disposal of assets as specified under Clause 11.4 (*Disposal of assets*), use proceeds from a sale of assets to partially redeem the Notes outstanding (*pro rata* between Notes, the percentage redeemed being the "**Redeemed Percentage**"), such redemption shall occur on an Interest Payment Date occurring no later than three (3) months after the expiry of the period available for reinvestment. The redemption price per Note shall be (A) 101 per cent. of the Nominal Amount multiplied with the Redeemed Percentage (rounded down to the nearest SEK 1,000) plus (B) accrued but unpaid Interest on the Redeemed Percentage of the Nominal Amount.

9.4.2 Partial redemption in accordance with Clause 9.4.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in part at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in Swedish Kronor.

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

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

9.5.2 The Issuer may give notice of redemption pursuant to Clause 9.5.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The Notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The Issuer is bound to redeem, or repurchase (in which case each relevant Noteholder is bound to sell), as the case may be, the Notes in full at the applicable amount on the specified Redemption Date.

- 9.6 **Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)**
- 9.6.1 Upon the occurrence of a Change of Control Event, each Noteholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event pursuant to Clause 10.1.2 (after which time period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- 9.6.2 Upon the occurrence of a Listing Failure Event, each Noteholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Listing Failure Event pursuant to Clause 10.1.2 (after which time period such right shall lapse) have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest.
- 9.6.3 The notice from the Issuer pursuant to Clause 10.1.2 shall specify the Record Date on which a person shall be registered as a Noteholder to receive interest and principal, the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 10.1.2. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.6.1 and 9.6.2.
- 9.6.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 0, the Issuer may comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 0 by virtue of the conflict.
- 9.6.5 Any Notes repurchased by the Issuer pursuant to this Clause 0 may at the Issuer's discretion be retained, sold or cancelled.
- 9.6.6 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 0, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in this Clause 0 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If Notes tendered are not purchased within the time limits stipulated in this Clause 0, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.
- 9.6.7 No repurchase of Notes pursuant to this Clause 0 shall be required if the Issuer has given notice of a redemption pursuant to Clause 9.3 (*Voluntary total redemption (call option)*) provided that such redemption is duly exercised.

10. INFORMATION TO NOTEHOLDERS

10.1 Information from the Issuer

10.1.1 The Issuer shall:

- (a) prepare and make available the annual audited consolidated financial statements of the Issuer to the Agent and on its website as soon as possible but not later than four (4) months after the expiry of each financial year;

- (b) prepare and make available periodical interim unaudited consolidated reports of the Issuer or the year-end report (*bokslutskommuniké*) (as applicable and at the frequency required by the NASDAQ Stockholm rulebook for issuers from time to time) to the Agent and on its website as soon as possible but not later than two (2) months after the expiry of each relevant interim period;
 - (c) as soon as practicable following an acquisition or disposal of Notes by a Group Company notify the Noteholders, by way of press release and by publication on the website of the Issuer, of the aggregate Nominal Amount held by Group Companies or the amount of Notes cancelled by the Issuer;
 - (d) any other information required by the Swedish Securities Markets Act (*lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to trading; and
 - (e) prepare its financial reports in accordance with the Accounting Principles.
- 10.1.2 The Issuer shall promptly notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event or a Listing Failure Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event.
- 10.1.3 When the financial statements and other information are made available to the Noteholders pursuant to Clause 10.1.1, the Issuer shall send copies of such financial statements and other information to the Agent. Together with the financial statements, the Issuer shall submit to the Agent a Compliance Certificate, attaching copies of any notices sent to the Regulated Market on which the Note Loan is admitted to trading.
- 10.2 **Information from the Agent**
- 10.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 10.2.2, the Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 10.2.2 If a committee representing the Noteholders' interests under the Finance Documents has been appointed by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.
- 10.3 **Information among the Noteholders**
- Upon request by a Noteholder, the Agent shall promptly distribute to the Noteholders any information from such Noteholder which relates to the Notes. The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so before any such information is distributed.
- 10.4 **Publication of Finance Documents**
- 10.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.
- 10.4.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

11. GENERAL UNDERTAKINGS

11.1 Nature of business

The Issuer shall procure that no material change (for the avoidance of doubt including a cessation or material downsizing of the Group's business to the extent such cessation or downsizing has or is reasonably likely to have a Material Adverse Effect) is made to the general nature or scope of the business of the Group as it is carried on as at the First Issue Date.

11.2 Authorisation

The Issuer shall (and shall procure that all Group Companies will) obtain, maintain, and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business if a failure to do so has or is reasonably likely to have a Material Adverse Effect.

11.3 Mergers and de-mergers

11.3.1 The Issuer shall not carry out any merger or other business combination or corporate reorganisation involving consolidating its assets and obligations with any company or entity, except for any corporate merger with a wholly owned Group Company where the Issuer is the surviving entity.

11.3.2 The Issuer shall procure that no other Group Company shall carry out any merger or other business combination or corporate reorganisation involving consolidating the assets and obligations of the relevant Group Company, other than:

- (a) with a wholly-owned Group Company (other than the Issuer);
- (b) a solvent reorganisation of any Group Company (other than the Issuer), or
- (c) a transaction that does not have, and is not reasonably likely to have, a Material Adverse Effect. The Issuer shall not carry out any de-merger or other corporate reorganisation involving splitting it into two or more separate companies or entities.

11.4 Disposal of assets

The Issuer shall not (and shall procure that no Group Company will) enter into a single transaction or a series of transactions (whether related or not) to sell, lease, transfer or otherwise dispose of any asset, except transactions on arm's-length terms:

- (a) made in the ordinary course of business;
- (b) in exchange for other assets in all material respects comparable or superior as to type, value and quality to those disposed of;
- (c) of obsolete, non-functioning or redundant assets for cash;
- (d) by a Group Company to another Group Company (a transaction permitted by this paragraph (d) does not have to be made on arm's-length terms);
- (e) of cash-equivalent investments for cash or in exchange for other cash-equivalent investments; or

- (f) not permitted by paragraphs (a) to (e) above entered into for cash consideration provided that, to the extent the cash consideration (after deducting reasonable expenses incurred by any Group Company with respect to such disposals and any amount of any tax incurred or required to be paid by the seller as a result of such disposals (as reasonably determined by the seller on the basis of existing rates and taking into account any available tax deductions or allowances)) exceeds SEK 20,000,000 per calendar year (the “**Excess Proceeds**”), such Excess Proceeds are either (i) used for reinvestment in any other assets (excluding cash and cash-equivalent investments) within 365 days after the end of such calendar year, (ii) used to repay Financial Indebtedness owing by any Group Company (other than to another Group Company) no later than three (3) months after the expiry of the 365 day-period referred to in paragraph (i) above, or (iii) used to make a partial redemption as specified under Clause 9.4 (*Mandatory partial redemption (put option)*)).

11.5 Financial Indebtedness

The Issuer shall procure that no Group Company (other than the Issuer) will incur or allow to subsist any Financial Indebtedness, except for Permitted Financial Indebtedness.

11.6 Negative pledge

The Issuer shall not (and shall procure that no other Group Company will) create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their present or future assets to secure any Financial Indebtedness, except for Permitted Security.

11.7 Dividends and distributions

The Issuer will not (i) make, pay or declare any dividend or other distribution in relation to any shares forming part of its issued share capital or make any repurchase of shares or (ii) repay or pay interest on any Subordinated Debt, except for any dividend resolved at the annual meeting of the shareholders and any repayment of or interest payment on Subordinated Debt, in each case which together does not exceed fifty (50) per cent. of the consolidated net profit for the immediately preceding financial year.

11.8 Listing of Notes

11.8.1 The Issuer shall use its best efforts to ensure that the Note Loan is admitted to trading on the Regulated Market of NASDAQ Stockholm within sixty (60) days after the First Issue Date, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

11.8.2 Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

11.8.3 Following an issuance of Subsequent Notes, the Issuer shall ensure that the volume of the Note Loan is promptly, and no later than ten (10) Business Days after the date of such issuance, increased accordingly.

11.9 Undertakings relating to the Agency Agreement

11.9.1 The Issuer shall, in accordance with the Agency Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;
- (c) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent; and

- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.
- 11.9.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders.
- 11.10 **CSD related undertakings**

The Issuer shall keep the Notes affiliated with a CSD and comply with all CSD regulations applicable to the Issuer and the Notes.
- 12. FINANCIAL UNDERTAKINGS**
- 12.1 The Issuer shall ensure that:
 - (a) the ratio of Net Debt to EBITDA on the last date of each Reference Period shall not exceed 4.00:1; and
 - (b) the amount of Unrestricted Cash is not less than SEK 40,000,000 on the last date of each Reference Period.
- 12.2 The Issuer shall after the last date of each Reference Period have the right to reduce the Net Debt on a 1:1 basis for the purpose of re-calculating the ratio of Net Debt to EBITDA for such Reference Period (an “**Equity Cure**”) provided that:
 - (a) the amount used to reduce the Net Debt (the “**Cure Amount**”) shall be obtained by the Issuer as new share capital, shareholders’ contribution or as Subordinated Debt before the delivery of the Compliance Certificate pursuant to these Terms and Conditions relating to the Reference Period to which the Equity Cure is attributable; and
 - (b) on recalculating the ratio of Net Debt to EBITDA for any Reference Period following the receipt of a Cure Amount such amount shall reduce the Net Debt and be deemed to have been obtained immediately prior to last date of the Reference Period.
- 13. ACCELERATION OF THE NOTES**
- 13.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 13.5, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:
 - (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
 - (i) is caused by technical or administrative error; and
 - (ii) is remedied within five (5) Business Days from the due date;
 - (b) the Issuer breaches any financial undertaking set out in Clause 12.1, unless such breach has been cured in accordance with Clause 12.2;

- (c) the Issuer does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) or (b) above), unless the non-compliance:
 - (i) is capable of remedy; and
 - (ii) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance;
 - (d) (i) any Financial Indebtedness of a Group Company is not paid when due, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), or (ii) any commitment for any Financial Indebtedness of a Group Company is cancelled or suspended by a creditor as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (d) if the aggregate amount of Financial Indebtedness referred to herein is less than SEK 10,000,000;
 - (e) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a detrimental effect (directly or indirectly) on the interests of the Noteholders;
 - (f) any Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent; or
 - (g) any corporate action, legal proceedings or other procedures are taken (other than 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) in relation to (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (*företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company; (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or (iii) any analogous procedure or step is taken in any jurisdiction.
- 13.2 The Agent may not accelerate the Notes in accordance with Clause 13.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 13.3 The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 13.4 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 13.5 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 13.6 If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 13.7 In the event of an acceleration of the Notes in accordance with this Clause 13, up to, but excluding, the First Call Date the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent. of the Nominal Amount plus the Applicable Premium and thereafter, as applicable considering when the acceleration occurs, the redemption amount specified in Clause 9.3 (*Voluntary total redemption (call option)*).

14. DISTRIBUTION OF PROCEEDS

- 14.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 13 (Acceleration of the Notes) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, or the protection of the Noteholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 19.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15.15, together with default interest in accordance with Clause 8.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;
 - (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
 - (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
 - (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 8.4 on delayed payments of Interest and repayments of principal under the Notes.

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

- 14.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14.1(a), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14.1(a).
- 14.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes constitute escrow funds (*redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 14 as soon as reasonably practicable.

- 14.4 If the Issuer or the Agent shall make any payment under this Clause 14, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7.1 shall apply and for any partial redemption in accordance with Clause 9.4 (*Mandatory partial redemption (put option)*) due but not made, the Record Date specified in Clause 9.4.2 shall apply.

15. DECISIONS BY NOTEHOLDERS

- 15.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 15.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 15.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 15.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 15.3 being applicable, the person requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall upon request provide the convening Noteholder with such information available in the debt register (*skuldbok*) kept by the CSD in respect of the Notes as may be necessary in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- 15.5 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 16.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 17.1, in both cases with a copy to the Agent. After a request from the Noteholders pursuant to Clause 19.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 16.1.
- 15.6 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is, registered as a Noteholder:
- (a) on the Business Day prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
 - (b) on the Business Day specified in the communication pursuant to Clause 17.2, in respect of a Written Procedure,
- may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Nominal Amount.

- 15.7 The following matters shall require the consent of Noteholders representing at least seventy-five (75) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.2:
- (a) the issue of any Subsequent Notes, if the total nominal amount of the Notes exceeds, or if such issue would cause the total nominal amount of the Notes to at any time exceed, SEK 900,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Notes are issued);
 - (b) a change to the terms of any of Clause 2.1, and Clauses 2.5 to 2.7;
 - (c) a change to the Interest Rate or the Nominal Amount (other than as a result of an application of Clause 9.4 (*Mandatory partial redemption (put option)*));
 - (d) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of proceeds*);
 - (e) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 15;
 - (f) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
 - (g) a mandatory exchange of the Notes for other securities; and
 - (h) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 13 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.
- 15.8 Any matter not covered by Clause 15.7 shall require the consent of Noteholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 18.1(a) or (b)) or an acceleration of the Notes.
- 15.9 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15.7, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' 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.
- 15.10 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 16.1) or initiate a second Written Procedure (in accordance with Clause 17.1), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Noteholders' consent. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 15.10, the date of request of the second Noteholders' Meeting pursuant to Clause 16.1 or second Written Procedure pursuant to Clause 17.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 15.9 shall not apply to such second Noteholders' Meeting or Written Procedure.

- 15.11 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 15.12 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 15.13 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 15.14 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- 15.15 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 15.16 If a decision is to be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate.
- 15.17 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each person registered as a Noteholder on the date referred to in Clause 15.6(a) or 15.6(a), as the case may be, and also be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

16. NOTEHOLDERS' MEETING

- 16.1 The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is registered as a Noteholder on a date selected by the Agent which is falling no more than five (5) Business Days prior to the date on which the notice is sent.
- 16.2 The notice pursuant to Clause 16.1 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 Noteholders), (iv) the day on which a person must be Noteholder in order to exercise Noteholders' rights at the Noteholders' Meeting, and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 16.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.

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

17. WRITTEN PROCEDURE

- 17.1 The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each person who is registered as a Noteholder on a date selected by the Agent which is no more than five (5) Business Days prior to the date on which the communication is sent.

- 17.2 A communication pursuant to Clause 17.1 shall include (i) each request for a decision by the Noteholders, (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 Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days from the communication pursuant to Clause 17.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

- 17.3 When consents from Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 15.7 and 15.8 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.7 or 15.8, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

18. AMENDMENTS AND WAIVERS

- 18.1 The Issuer and the Agent (acting on behalf of the Noteholders) 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 Noteholders as a group, 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; or
 - (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*).
- 18.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- 18.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 18.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 18.4 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

19. APPOINTMENT AND REPLACEMENT OF THE AGENT

19.1 Appointment of the Agent

- 19.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder, including the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 19.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- 19.1.3 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.
- 19.1.4 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 Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 19.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

19.2 Duties of the Agent

- 19.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents. Except as specified in Clause 4 (*Conditions for disbursement*), the Agent is not responsible for the execution or enforceability of the Finance Documents.
- 19.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall act in the best interest of the Noteholders as a group and carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 19.2.3 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.
- 19.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

- 19.2.5 The Agent is 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 after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders 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 14 (*Distribution of proceeds*).
- 19.2.6 The Agent shall enter into agreements with the CSD, and comply with CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 19.2.7 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 19.2.8 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 19.2.9 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 19.2.8.
- 19.3 **Limited liability for the Agent**
- 19.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 19.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 19.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 19.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 15 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 13.1.
- 19.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

19.4 Replacement of the Agent

- 19.4.1 Subject to Clause 19.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall, following consultations with the Issuer, appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 19.4.2 Subject to Clause 19.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 19.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 19.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 19.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 19.4.6 The Agent's resignation or dismissal shall only take effect upon the 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.
- 19.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 19.4.8 In the event that there is a change of the Agent in accordance with this Clause 0, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

20. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

- 20.1 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 Notes.

- 20.2 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.

21. APPOINTMENT AND REPLACEMENT OF THE CSD

- 21.1 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 Notes.
- 21.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Noteholder or the listing of the Notes on the Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*).

22. NO DIRECT ACTIONS BY NOTEHOLDERS

- 22.1 A Noteholder may not take any steps whatsoever against the Issuer 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 (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Agent.
- 22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 19.1.2), 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 of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 19.2.8, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.9 before a Noteholder may take any action referred to in Clause 22.1.
- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 0 (*Mandatory repurchase due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Noteholders.

23. PRESCRIPTION

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

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

24. NOTICES AND PRESS RELEASES

24.1 Notices

- 24.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch or by email to mail@nordictrustee.se;
 - (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; and
 - (c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Noteholder in order receive the communication, and by either courier delivery or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.
- 24.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1, or, in case of email, when received in readable form by the email recipient.
- 24.1.3 Any notice pursuant to the Finance Documents shall be in English.
- 24.1.4 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

24.2 Press releases

- 24.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Mandatory) partial redemption (put option)*), 9.5 (*Early redemption due to illegality (call option)*), 10.1.2, 13.3, 13.4, 15.17, 16.1, 17.1 and 18.3 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 24.2.2 In addition to Clause 24.2.1, if any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to issue such press release.

25. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 25.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 25.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 25.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 25.4 The provisions in this Clause 0 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

26. GOVERNING LAW AND JURISDICTION

- 26.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 26.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Stockholms tingsrätt*).
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