

AXACTOR

Securities Note

for

Axactor AB (publ)
FRN Senior Unsecured EUR 250,000,000 bonds 2018/2021

ISIN NO0010819725

Joint Lead Managers and Bookrunners:



Nordea

Co-manager:



Stockholm/Oslo, 12 June 2018

Important information*

The Securities Note has been prepared in connection with listing of the securities on the Oslo Børs. The Norwegian FSA ("Finanstilsynet") has controlled and approved the Securities Note pursuant to Section 7-7 of the Norwegian Securities Trading Act. Finanstilsynet has not controlled or approved the accuracy or completeness of the information included in this Securities Note. The approval by the Norwegian FSA only relates to the information included in accordance with pre-defined disclosure requirements. The Norwegian FSA has not made any form of control or approval relating to corporate matters described in or referred to in this Securities Note.

New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the Loan. Such information will be published as a supplement to the Securities Note pursuant to Section 7-15 of the Norwegian Securities Trading Act. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

Only the Borrower and the Joint Lead Managers and the Co-manager are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Approval of the Securities Note by the Norwegian FSA implies that the Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Borrower and the Joint Lead Managers and the Co-manager to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The Securities Note included the Summary dated 12 June 2018 together with the Registration Document dated 12 June 2018 constitutes the Prospectus.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

Contact the Borrower or the Joint Lead Managers and the Co-manager to receive copies of the Securities Note.

Factors which are material for the purpose of assessing the market risks associated with Bond:

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Securities Note and/or Registration Document or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets; and
- (v) 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.

*The capitalised words in the section "Important Information" are defined in Chapter 4: "Detailed information about the securities".

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1 Summary

'Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A Introduction and warning

| <i>Element</i> | <i>Disclosure requirement</i> | <i>Disclosure</i> |
|----------------|-------------------------------|--|
| A.1 | Warning. | This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities. |
| A.2 | Consent | Not applicable. There is no consent |

Section B Issuer and any guarantor

| <i>Element</i> | <i>Disclosure requirement</i> | <i>Disclosure</i> |
|----------------|--|---|
| B.1 | Legal and commercial name of the issuer. | The legal name is Axactor AB (publ.) and the commercial name is Axactor AB. |
| B.2 | Domicile and legal form of the issuer, the legislation under which the issuer operates and its country of incorporation. | The Company is registered with the Swedish Companies Registration Office (Sw. Bolagsverket) with registration number 556227-8043. The Company is a Swedish public limited liability company (Sw. publikt aktiebolag), organized and existing under the laws of Sweden, pursuant to the Swedish Companies Act (Sw. aktiebolagslagen). |
| B.4b | Description of any known trends affecting the issuer and the industries in which it operates. | The market for purchase of NPL portfolios remains strong and Axactor see interesting opportunities in both Spain, the Nordics and Italy, while Germany remains somewhat less active. The competition for NPL portfolios remains robust and some of the price pressure we experienced at the end of 2017 will continue in the beginning of 2018. In the Nordics we see an increasing interest from banks in doing forward flow agreements, typically for periods of 12 or 24 months, in parallel with larger one-off NPL sales being discussed. The REO market in Spain continues to present attractive investment opportunities for Axactor, and the company expect to deploy additional capital to this segment in the coming quarters. Axactor has become an established player in the European debt purchase- and service market, we will continue to drive |

| | | <p>efficiency and cost initiative through One Axactor.</p> <ul style="list-style-type: none"> • Solid 3PC pipeline • Nordic consumer unsecured NPL market appears strong • REO market in Spain still highly active • German NPL market shows positive trend • Axactor with significant ramp-up of cash flow and margin expansion in 2018 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|--|-------------------|-------------------|---------------|--------|--------|--------|--------|--------|------|-------|--------|---------------------|--------|--------|--------------------------|-------|---------|-------------------|-------|---------|---------------------------|-------|--------|---|-------------------|-------------------|--------------------------|---------|---------|----------------------|---------|--------|--------------|---------|---------|--------------|---------|---------|-------------------------------|---------|--------|---------------------------|--------|--------|----------------------------|---------|---------|---|-------------------|-------------------|---|--------|---------|---|----------|----------|---|---------|---------|--|--------|--------|--|----------------|----------------|---------------|--------|--------|--------|-------|-------|------|-------|------|---------------------|-------|--------|--------------------------|------|--------|-------------------|------|--------|---------------------------|--------|--------|
| B.5 | If the issuer is part of a group, a description of the group and the issuer's position within the group. | Axactor AB, the parent company of the Group, is a holding company and the operations of the Group are carried out through the collection services and portfolio owning subsidiaries of the Company. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.9 | Where a profit forecast or estimate is made, state the figure. | Not applicable. No profit forecast or estimate is made. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.10 | Description of the nature of any qualifications in the audit report on the historical financial information. | Not applicable. There are no qualifications in the audit reports. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.12 | Selected historical key financial information regarding the issuer, a statement that there has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change and a description of significant changes in the financial or trading position subsequent to the period covered by the historical financial information. | <p>There has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements.</p> <p>There has been no significant changes in the financial or trading position after Q1 2018.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Axactor AB (consolidated) – annual accounts (audited)</p> <table border="1"> <thead> <tr> <th>Income statement (EUR thousand)</th> <th>31.12.2017</th> <th>31.12.2016</th> </tr> </thead> <tbody> <tr> <td>Total revenue</td> <td>89,785</td> <td>37,074</td> </tr> <tr> <td>EBITDA</td> <td>14,815</td> <td>-6,488</td> </tr> <tr> <td>EBIT</td> <td>9,488</td> <td>-9,614</td> </tr> <tr> <td>Net financial items</td> <td>-7,515</td> <td>-2,283</td> </tr> <tr> <td>Profit/(loss) before tax</td> <td>1,974</td> <td>-11,897</td> </tr> <tr> <td>Net profit/(loss)</td> <td>2,585</td> <td>-11,169</td> </tr> <tr> <td>Earnings per share: basic</td> <td>0.002</td> <td>-0.013</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Statement of Financial Position (EUR thousand)</th> <th>31.12.2017</th> <th>31.12.2016</th> </tr> </thead> <tbody> <tr> <td>Total non current assets</td> <td>396,791</td> <td>205,046</td> </tr> <tr> <td>Total current assets</td> <td>225,700</td> <td>77,202</td> </tr> <tr> <td>Total assets</td> <td>622,491</td> <td>282,248</td> </tr> <tr> <td>Total equity</td> <td>291,833</td> <td>182,888</td> </tr> <tr> <td>Total non current liabilities</td> <td>246,459</td> <td>34,510</td> </tr> <tr> <td>Total current liabilities</td> <td>84,198</td> <td>64,850</td> </tr> <tr> <td>Total equity & liabilities</td> <td>622,491</td> <td>282,248</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Cash flow statement (EUR thousand)</th> <th>31.12.2017</th> <th>31.12.2016</th> </tr> </thead> <tbody> <tr> <td>Net Cash flow from operating activities</td> <td>23,393</td> <td>-13,765</td> </tr> <tr> <td>Net Cash flow from investing activities</td> <td>-361,741</td> <td>-125,436</td> </tr> <tr> <td>Net Cash flow from financing activities</td> <td>324,961</td> <td>164,215</td> </tr> <tr> <td>Cash and cash equivalents at end of period</td> <td>50,482</td> <td>63,986</td> </tr> </tbody> </table> <p>Axactor AB (consolidated) – interims account (unaudited)</p> <table border="1"> <thead> <tr> <th>Income statement (EUR thousand)</th> <th>Q1 2018</th> <th>Q1 2017</th> </tr> </thead> <tbody> <tr> <td>Total revenue</td> <td>35,800</td> <td>17,428</td> </tr> <tr> <td>EBITDA</td> <td>6,097</td> <td>1,004</td> </tr> <tr> <td>EBIT</td> <td>4,757</td> <td>-423</td> </tr> <tr> <td>Net financial items</td> <td>5,450</td> <td>-1,094</td> </tr> <tr> <td>Profit/(loss) before tax</td> <td>-693</td> <td>-1,517</td> </tr> <tr> <td>Net profit/(loss)</td> <td>-996</td> <td>-1,653</td> </tr> <tr> <td>Earnings per share: basic</td> <td>-0,001</td> <td>-0,001</td> </tr> </tbody> </table> | | | Income statement (EUR thousand) | 31.12.2017 | 31.12.2016 | Total revenue | 89,785 | 37,074 | EBITDA | 14,815 | -6,488 | EBIT | 9,488 | -9,614 | Net financial items | -7,515 | -2,283 | Profit/(loss) before tax | 1,974 | -11,897 | Net profit/(loss) | 2,585 | -11,169 | Earnings per share: basic | 0.002 | -0.013 | Statement of Financial Position (EUR thousand) | 31.12.2017 | 31.12.2016 | Total non current assets | 396,791 | 205,046 | Total current assets | 225,700 | 77,202 | Total assets | 622,491 | 282,248 | Total equity | 291,833 | 182,888 | Total non current liabilities | 246,459 | 34,510 | Total current liabilities | 84,198 | 64,850 | Total equity & liabilities | 622,491 | 282,248 | Cash flow statement (EUR thousand) | 31.12.2017 | 31.12.2016 | Net Cash flow from operating activities | 23,393 | -13,765 | Net Cash flow from investing activities | -361,741 | -125,436 | Net Cash flow from financing activities | 324,961 | 164,215 | Cash and cash equivalents at end of period | 50,482 | 63,986 | Income statement (EUR thousand) | Q1 2018 | Q1 2017 | Total revenue | 35,800 | 17,428 | EBITDA | 6,097 | 1,004 | EBIT | 4,757 | -423 | Net financial items | 5,450 | -1,094 | Profit/(loss) before tax | -693 | -1,517 | Net profit/(loss) | -996 | -1,653 | Earnings per share: basic | -0,001 | -0,001 |
| Income statement (EUR thousand) | 31.12.2017 | 31.12.2016 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total revenue | 89,785 | 37,074 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EBITDA | 14,815 | -6,488 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EBIT | 9,488 | -9,614 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net financial items | -7,515 | -2,283 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit/(loss) before tax | 1,974 | -11,897 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net profit/(loss) | 2,585 | -11,169 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Earnings per share: basic | 0.002 | -0.013 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Statement of Financial Position (EUR thousand) | 31.12.2017 | 31.12.2016 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total non current assets | 396,791 | 205,046 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total current assets | 225,700 | 77,202 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total assets | 622,491 | 282,248 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total equity | 291,833 | 182,888 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total non current liabilities | 246,459 | 34,510 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total current liabilities | 84,198 | 64,850 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total equity & liabilities | 622,491 | 282,248 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash flow statement (EUR thousand) | 31.12.2017 | 31.12.2016 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net Cash flow from operating activities | 23,393 | -13,765 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net Cash flow from investing activities | -361,741 | -125,436 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net Cash flow from financing activities | 324,961 | 164,215 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash and cash equivalents at end of period | 50,482 | 63,986 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Income statement (EUR thousand) | Q1 2018 | Q1 2017 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total revenue | 35,800 | 17,428 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EBITDA | 6,097 | 1,004 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EBIT | 4,757 | -423 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net financial items | 5,450 | -1,094 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit/(loss) before tax | -693 | -1,517 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net profit/(loss) | -996 | -1,653 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Earnings per share: basic | -0,001 | -0,001 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Statement of Financial Position (EUR thousand) | | Q1 2018 | Q1 2017 |
|---|---|--|----------------|
| Total non current assets | | 435,441 | 270,797 |
| Total current assets | | 406,554 | 70,040 |
| Total assets | | 841,995 | 340,837 |
| Total equity | | 295,873 | 181,348 |
| Total non current liabilities | | 441,045 | 32,287 |
| Total current liabilities | | 105,077 | 127,203 |
| Total equity & liabilities | | 841,995 | 340,837 |
| Cash flow statement (EUR thousand) | | Q1 2018 | Q1 2017 |
| Net Cash flow from operating activities | | 21,423 | 675 |
| Net Cash flow from investing activities | | -50,916 | -1,709 |
| Net Cash flow from financing activities | | 176,743 | -9,241 |
| Cash and cash equivalents at end of period | | 197,732 | 54,276 |
| B.13 | Description of any recent events particular to the issuer which are to a material extent relevant to the evaluation of the issuer's solvency. | <p>On 15 February 2018 Axactor entered into a two year forward flow contract with Monobank ASA. The claims will be acquired on a monthly basis, and Axactor estimates the annual capex to be EUR 15-20 million. This transaction will be a valuable contribution for increasing the regular NPL volumes and to build critical scale in the Norwegian business unit.</p> <p>Axactor acquired on 22 February 2018 a portfolio with a total outstanding balance of EUR 133 million from "Santander Consumer Finance", one of the largest financial institution in Spain. The portfolio consists of more than 15,000 cases coming from non-performing loans on auto market.</p> <p>On 12 March 2018 Axactor entered into a forward flow contract with a leading consumer financing company in Sweden. The claims will be acquired on a monthly basis, and Axactor estimates the annual outstanding balance to be EUR 7-10 million. This transaction will be a valuable contribution for increasing the regular NPL volumes and to continue growing the Swedish business unit.</p> <p>Axactor acquired on 22 March 2018 a REO portfolio with the appraisal value of more than EUR 26 million from the financial institution Cajamar. The portfolio consists of approximately 650 assets and is the second portfolio acquisition in Spain this year. The acquisition will be financed through Axactor's exciting funding facilities.</p> <p>On 23 March 2018 Axactor AB announced her intention to relocate its registered office from Sweden to Norway in order to reduce the burden of administrative expenses and achieve a more efficient group structure. The contemplated transfer of the Company from Sweden to Norway will be carried out in two separate steps by first i) converting the Company's legal form from a Swedish AB into a so called Societas Europaea or SE-company and thereafter ii) change its registered office from Sweden to Norway. The listing of the Company's shares on Oslo Børs will not be affected by the contemplated relocation.</p> <p>Axactor signed on 23 March 2018 a new portfolio transaction with a large Spanish financial group. The portfolio consists of two different segments, a REO segment and unsecured consumer loans. The total capex is close to EUR 40 million and will be done through the investment companies co-owned with Geveran. The transaction has been executed as a bilateral process. The REOs segment has an</p> | |

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| | | <p>appraisal value in excess of EUR 75 million and consists of more than 1,500 assets.</p> <p>In April 2018, Axactor entered into a 24 months forward flow contract with a Swedish consumer bank. The claims will be acquired on a monthly basis, and Axactor estimates the annual outstanding balance to be between EUR 3 and 4 million.</p> <p>On 17 April 2018, Axactor announced the successful negotiation for one of the largest unsecured NPL forward flow contracts in the Nordics. The claims are originated by Komplett Bank in Norway and the contract has a duration of 18 months, plus an option to extend for a further 6 months. This contract is expected to generate an annual capex of circa EUR 60 million per annum when fully operational. The contract represents Axactor's largest forward flow acquisition to date.</p> |
| B.14 | If the issuer is dependent upon other entities within the group, this must be clearly stated. | The Issuer is a holding entity without any operation and is dependent upon its subsidiaries to service their obligations and the payments under the Bond Issue, as the Groups cash flows originate from portfolio investments and operational platforms located in the subsidiaries. |
| B.15 | A description of the issuer's principal activities. | <p>Axactor is a Nordic-based debt management company with operations in five European countries. We have a solid growth track-record and a strong financial position, and are continuously investigating new growth opportunities within existing and new markets.</p> <p>Axactor was established in 2015. With strong industry knowledge through our highly experienced management team we are one of the top 10 providers within the industry in Europe, and our ambitions are high.</p> <p>Axactor is challenging its competitors through an extreme efficiency, based on its innovative, cost efficient and forward looking solutions within it and operations, that in Axactor's opinion will revolutionize the industry. Axactor is investing significantly in new technology, IT infrastructure and digital solutions, and Axactor has developed a technological platform specifically designed for scaling up its next-generation debt management business. Axactor operates without the legacy of old structures and methods, building a lean and efficient organization, fit for the future of its industry.</p> <p>Over the last two years Axactor has acquired large portfolios from some of the most reputable European and Nordic banks, as well as winning significant contracts with well-known financial institutions. Geveran Trading joined Axactor as the largest owner and co-investor from august 2017. They provide Axactor with a solid financial platform as well as valuable experience from the industry. This opens new opportunities to compete for even larger and more attractive portfolios from an even broader range of international banks and financial institutions.</p> <p>Axactor's high performance culture and firm commitment to sustainable solutions for its customers and debtors, makes Axactor strongly committed to deliver high quality and a continuous drive for operational excellence.</p> <p>Axactor's main focus has been on the market of unsecured Business to Consumer (B2C) loans, but in 2017 Axactor has also invested in portfolios of secured non-performing loans (NPLs). Going forward, Axactor will continue to build service capabilities to cover both the unsecured and secured Non Performing Loans markets.</p> |

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| | | <p>With Axactor's entrance into the Swedish market, Axactor now has operations in five markets; Germany, Spain, Italy, Sweden and Norway. In the future, Axactor will prioritize growing and increasing its efficiency and earnings further in existing markets, but the Company has an opportunistic attitude towards opportunities that may emerge in other markets.</p> <p>Axactor's services/business segments</p> <p>Axactor offers services within debt collection, accounts receivable management, as well as portfolio purchases.</p> <p>Axactor divides its operations into four main business segments: NPL portfolios, REOs, 3PC and ARM, all of which fall under the credit management services industry.</p> <p>The NPL segment invests in portfolios of non-performing loans. Subsequently, the outstanding debt is collected through either amicable or legal proceedings.</p> <p>The REOs segment invests in real estate assets held for sale. Subsequently, the real estate assets are prepared for sale and offloaded to third parties.</p> <p>The 3PC segments main focus is to perform debt collection services on behalf of third-party clients. They apply both amicable and legal proceedings in order to collect the non-performing loans, and typically receive a commission for these services. They also help creditors to prepare documentation for future legal proceedings against debtors, and for this they typically receive a fixed fee.</p> <p>ARM handles claims between the invoice date and the default date. The customer issue an invoice to the debtor, and Axactor ARM monitors the claim and makes sure the payment is made in due time. If a debtor defaults on the payment, the claim is typically transferred to 3PC for debt collection services.</p> <p>Axactor reports its business through reporting segment which corresponds to the operating segments. Segment profitability and country profitability are the two most important dimensions when making strategic priorities and deciding where to allocate the Groups resources.</p> |
| B.16 | To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control | Not applicable. However, the company is Stock listed with two major owners representing 12.66% and 6.91% of the total issued share capital. |
| B.17 | Credit ratings assigned to the Issuer or its debt securities. | Not applicable. There are no official credit ratings assigned to the Issuer or its debt securities. |

Section C Securities

| <i>Element</i> | <i>Disclosure requirements</i> | <i>Disclosure</i> |
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| C.1 | Description of the securities, including ISIN code. | ISIN code NO0010819725. Senior unsecured bond issue. Issue date 23 March 2018, Maturity Date 23 June 2021. Floating interest rate, payable quarterly each year. The bonds mature in full at par on the Maturity Date. Bondholders have put option. |
| C.2 | Currency of the securities issue. | EUR |
| C.5 | Any restrictions on the free transferability of the securities. | The Bonds are freely transferable and may be pledged, subject to the following: Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be |

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| | | <p>responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.</p> <p>A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.</p> |
| <p>C.8</p> | <p>Description of the rights attached to the securities, limitations to those rights and ranking of the securities.</p> | <p><i>Put Option:</i></p> <p>Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “Put Option”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount (plus accrued interest).</p> <p>The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (Put Option Event) in the Bond Terms. Once notified, the Bondholders’ right to exercise the Put Option is irrevocable and will not be affected by any subsequent events related to the Issuer.</p> <p>Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of the 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Redemption Date.</p> <p>If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.2 (Mandatory repurchase due to a Put Option Event) in the Bond Terms, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 20 calendar days after the Put Option Repayment Date. Such prepayment may occur at the earliest on the 15th calendar day following the date of such notice.</p> <p><i>Early redemption option due to a tax event</i></p> <p>If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (Taxation) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.</p> <p>At the Bondholders’ meeting each Bondholder has one vote for each bond he owns.</p> <p>Denomination: EUR 1,000 - each and ranking pari passu among themselves.</p> |

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| | | The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are mandatorily preferred by law). |
| C.9 | Information about interest and representative of debt security holders. | <p>Coupon Rate is Reference Rate + Margin, where Reference Rate means 3 month EURIBOR and Margin.</p> <p>7.00 % p.a. for the interest period ending on 25 June 2018.</p> <p>Margin” means: 7.00 per cent per annum.</p> <p>Interest bearing from and including: 23 March 2018 (the Issue Date).</p> <p>Interest bearing to: 23 June 2021 (the Maturity Date).</p> <p>Interest is payable each 23 March, 23 June, 23 September and 23 December in each year. Any adjustment will be made according to the Business Day Convention. The first Interest Payment Date being 25 June 2018.</p> <p>The Bonds shall mature in full on the Maturity Date, and shall be repaid at par (100%) by the Issuer.</p> <p>Upon the occurrence of a Put Option Event, each Bondholder shall have the right to require that the Issuer redeems its Bonds (a “Put Option”) at a price of 101 % of par plus accrued interest.</p> <p>Dependent on the market price. Yield for the Interest Period (23 March 2018 – 25 June 2018) is 7.186 per cent p.a. assuming a price of 100 %.</p> <p>Nordic Trustee AS (as the Bond Trustee) enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> |
| C.10 | If the security has a derivative component in the interest payment, provide a clear and comprehensive explanation of how the value of the securities is affected by the value of the underlying instrument(s). | N/A. There is no derivative component in the interest payment. |
| C.11 | Indication as to whether the securities offered are or will be the object of an application for admission to trading. | <p>An application for admission to trading on the Oslo Børs will be made once the Prospectus has been approved.</p> <p>Due to the Bond Terms the Issuer has applied, or shall within 6 months of the Issue Date apply, for the Bonds to be admitted to listing on the Exchange (Oslo Børs).</p> |

Section D Risks

| <i>Element</i> | <i>Disclosure requirements</i> | <i>Disclosure</i> |
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| D.2 | Key information on the key risks that are specific to the issuer. | <p><i>Risk relating to the Group's Credit Management Services Business:</i></p> <ul style="list-style-type: none"> The Group operates in competitive markets. There is a risk that the Group will be unable to compete with businesses that offer more attractive pricing levels, and the Group's competitors may have or develop competitive strengths that the Group cannot match and that this will negatively affect the Group's ability to compete in the market. Reputation is critical to the Group's business and there is a risk that any event that could harm the Group's reputation will adversely affect its business such as attracting new clients. |

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| | | <ul style="list-style-type: none"> • The availability of debt collection contracts and debt portfolios for purchase depends on several factors which are outside of the Group's control and there is a risk that the Group will not be able to implement its acquisition strategy. If the Group is unable to enter into debt collection contracts or purchase portfolios at appropriate prices, there is a risk that the Group's business and its ability to implement its business plan will be materially adversely affected. • There is a risk that the Group will make acquisitions that prove unsuccessful which could have a material adverse effect on the financial position of the Group. • If the information and the documentation on which the decision to acquire the subsidiaries acquired by the Company was based on was not correct and complete, there is a risk that this will affect the Group's business, financial condition and results of operation • The Group will be subject to applicable regulations in the jurisdictions in which it operates from time to time. There is a risk that a failure to comply with such regulations will negatively affect the Group's financial position as well as its ability to operate in such jurisdictions. • There is a risk that the Group will not be able to implement its strategic plans and grow its business. • The Group's success depends on its ability to employ and retain skilled personnel and there is a risk that failure to do so will materially adversely affect the business of the Group. • The Group relies on third-party service providers and there is a risk that failure to retain such third-party service providers will materially adversely affect the business of the Group. • There is a risk that the manner in which the Group, or third-party service providers on the Group's behalf, undertakes collection processes will materially adversely affect the Group's business and reputation. • The Group is subject to risks associated with its contracts for debt collection. There is a risk that failure to collect under the contracts will materially adversely affect the financial position of the Group. • When the Group purchases debt portfolios, it will make a number of assumptions. If such assumptions prove to be inaccurate there is a risk that this will negatively affect the financial position of the Group. • There is a risk that the statistical models and analytical tools used by the Group will prove to be inaccurate and that as a result the Group will not be able to achieve the recoveries forecasted. • There is a risk that the Group will not be able to successfully maintain and develop its IT platform or anticipate, manage or adopt technological advances within its industry which could result in a loss of business of the Group. • There is a risk that a failure to protect customer data will negatively affect the Group's business. • The Group will not fully control decisions pertained to the planned Portfolio Investment Company and will be dependent on its investment partner in order to make decisions (including any decisions on portfolio acquisitions) that it believes is in the best interest of the Group. |
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| | | <p><i>Risks Relating to the Group's Financing and Certain Other Financial Risks:</i></p> <ul style="list-style-type: none"> • There is a risk that the Group will not be able to procure sufficient funding at favourable terms to purchase further debt collection service providers or debt portfolios and that this will negatively impact the growth plans of the Group. • The Group is subject to restrictive debt covenants under its debt facilities and there is a risk that this will limit its ability to finance its future operations and capital needs and pursue business opportunities and activities. Servicing the Group's future indebtedness limits funds available for other purposes such as necessary investments. Borrowing under debt facilities will require the Group to dedicate a part of its cash flow from operations to payment of interest on its indebtedness. These payments limit funds available for working capital, capital expenditures and other purposes. • The Group is exposed to the risk of currency fluctuations and there is a risk that this will negatively impact the results of the Group. <p><i>Certain Additional Risks:</i></p> <ul style="list-style-type: none"> • The Group is subject to risks relating to its historical use of tax deductible losses and there is a risk that this will negatively affect the financial position of the Group. • The Group operates in Spain, Norway, Germany, Italy and Sweden and will be exposed to local risks in the different European markets in which it operates from time to time. |
| D.3 | Key information on the key risks that are specific to the securities. | <p>All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors.</p> <p>Interest rate risk is the risk that results from the variability of the EURIBOR interest rate. The coupon payments, which depend on the EURIBOR interest rate and the Margin, will vary in accordance with the variability of the EURIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (EURIBOR 3 months) over the 3 year tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.</p> <p>Credit risk is the risk that the Borrower fails to make the required payments under the Loan (either principal or interest).</p> <p>The Issuer may in the future be required to refinance certain or all of its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance such debt is</p> |

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| | | dependent on the conditions of the financial markets in general at such time, and deterioration in the financial position of the Group |
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Section E Offer

| <i>Element</i> | <i>Disclosure requirements</i> | <i>Disclosure</i> | | | | | | | | | | | | |
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| E.2b | Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks. | <p>Estimated total expenses related to the offer:</p> <table border="0"> <tr> <td><i>External party</i></td> <td><i>Cost</i></td> </tr> <tr> <td>The Norwegian FSA</td> <td>NOK 76,000</td> </tr> <tr> <td>The stock exchange</td> <td>NOK 57,120</td> </tr> <tr> <td>The Bond Trustee, p.a.</td> <td>NOK 120,000</td> </tr> <tr> <td>Legal fee</td> <td>NOK 700,000</td> </tr> <tr> <td>The Joint Lead Managers and the Co-Manager</td> <td>EUR 1,500,000</td> </tr> </table> <p>The Issuer will use the net proceeds from the Initial Bond Issue for:</p> <ul style="list-style-type: none"> (i) an intra-group loan to Reolux; (ii) portfolio investments; (iii) REOs; and (iv) general corporate purposes. <p>The Issuer will use the net proceeds from the issuance of any Additional Bonds for general corporate purposes.</p> | <i>External party</i> | <i>Cost</i> | The Norwegian FSA | NOK 76,000 | The stock exchange | NOK 57,120 | The Bond Trustee, p.a. | NOK 120,000 | Legal fee | NOK 700,000 | The Joint Lead Managers and the Co-Manager | EUR 1,500,000 |
| <i>External party</i> | <i>Cost</i> | | | | | | | | | | | | | |
| The Norwegian FSA | NOK 76,000 | | | | | | | | | | | | | |
| The stock exchange | NOK 57,120 | | | | | | | | | | | | | |
| The Bond Trustee, p.a. | NOK 120,000 | | | | | | | | | | | | | |
| Legal fee | NOK 700,000 | | | | | | | | | | | | | |
| The Joint Lead Managers and the Co-Manager | EUR 1,500,000 | | | | | | | | | | | | | |
| E.3 | Description of the terms and conditions of the offer. | Not applicable. There are no terms and conditions of the offer | | | | | | | | | | | | |
| E.4 | Description of any interest that is material to the issue including conflicting interests. | <p>The involved persons in the Issuer have no interest, nor conflicting interests that are material to the Bond Issue.</p> <p>DNB Bank ASA, DNB Markets and Nordea Bank AB (publ) Branch in Norway (together the "Joint Lead Managers") and Artic Securities (the Co-manager) have assisted the Company in preparing the Prospectus. The Joint Lead Managers and the Co-manager and/or affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in the Prospectus, and may perform or seek to perform financial advisory or banking services related to such instruments. The Joint Lead Managers' and the Co-manager's corporate finance department may act as manager or co-manager for this Company in private and/or public placement and/or resale not publicly available or commonly known.</p> <p>The Securities Note included the Summary dated 12 June 2018 together with the Registration Document dated 12 June 2018 constitutes the Prospectus.</p> | | | | | | | | | | | | |
| E.7 | Estimated expenses charged to the investor by the issuer or the offeror. | Not applicable. There is no estimated expenses charged to the investor by the issuer or the offeror | | | | | | | | | | | | |

2 Risk Factors

Investing in bonds issued by Axactor AB (the “Issuer”) involves inherent risks. Prospective investors should consider, among other things, the risk factors set out in the Prospectus, including those related to the Issuer as set out in the Registration Document, before making an investment decision. The risks and uncertainties described in the Prospectus, including those set out in the Registration Document, are risks of which the Issuer is aware and that the Issuer considers to be material to its business. If any of these risks were to occur, the Issuer’s business, financial position, operating results or cash flows could be materially adversely affected, and the Issuer could be unable to pay interest, principal or other amounts on or in connection with the bonds. Prospective investors should also read the detailed information set out in the Registration Document dated 12 June 2018 and reach their own views prior to making any investment decision.

Risk related to the market in general

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. There are five main risk factors that sum up the investors' total risk exposure when investing in interest bearing securities: liquidity risk, interest rate risk, settlement risk, credit risk and market risk (both in general and issuer specific) and tax risk.

Liquidity risk is the risk that a party interested in trading bonds cannot do it because nobody in the market wants to trade the bonds. Missing demand for the bonds may result in a loss for the bondholder.

The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuer’s business activities, the price of a bond may fall independent of this fact.

Interest rate risk is the risk that results from the variability of the EURIBOR interest rate. The coupon payments, which depend on the EURIBOR interest rate and the Margin, will vary in accordance with the variability of the EURIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (EURIBOR 3 months) over the 3year tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

Settlement risk is the risk that the settlement of bonds does not take place as agreed. The settlement risk consists of the failure to pay or the failure to deliver the bonds.

Credit risk is the risk that the Borrower fails to make the required payments under the Loan (either principal or interest).

Market risk is the risk that the value of the bonds will decrease due to the change in value of the market risk factors. The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuers business activities, the price of a bond may fall independent of this fact. Bond issues with a relatively short tenor and a floating rate coupon rate do however in general carry a lower price risk compared to bonds with a longer tenor and/or with a fixed coupon rate.

No market-maker agreement is entered into in relation to this bond issue, and the liquidity of bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.

Tax risk are due to tax laws and regulations that are highly complex and subject to interpretation. Consequently, the Group is subject to changing tax laws, treaties and regulations in and between countries in which it operates.

Risk related to the Bonds

The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds; (ii) have access to and knowledge of the appropriate analytical tools to evaluate an investment in the Bonds; (iii) have sufficient financial resources and liquidity to bear the risks associated with investment in the

Bonds; (iv) understand the terms of the Bonds and the behaviour of the relevant financial markets; and (v) be able to evaluate possible scenarios for economic interest rate and other factors that may affect its investment.

Risks of being unable to repay the Bonds

During the lifetime of the Bonds, the Company will be required to make payments on the Bonds. The Company's ability to generate cash flow from operation and to make scheduled payments on and to repay the Bonds, will depend on the future financial performance of the Company. If the Company is unable to generate sufficient cash flow from operations in the future to service its debt, it will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing indebtedness or seeking equity capital. The Company cannot assure investors that any of these alternative strategies could be effected on satisfactory terms, if at all, or that they would yield sufficient funds to make required payments on or to repay the Bonds. Inability to effect such strategies may have a material adverse effect on the Company's business, results of operations, financial position and/or prospects.

Investing in Bonds involves inherent risks

Investing in Bonds inherently involves the risk that the value of the Bonds will decrease or that the Company will be unable to fulfil its obligations to repay the Bonds or pay interest under the Bonds. Thus, any prospective investor must be able to suffer such economic risk, and to withstand a complete loss of an investment in Bonds.

3 Persons Responsible

3.1 Persons responsible for the information

Persons responsible for the information given in the Securities Note are:
Axactor AB, Hovslagargatan 5 B, SE-111-48 Stockholm, Sweden

3.2 Declaration by persons responsible

Responsibility statement:

Axactor AB, confirms, taken all reasonable care to ensure that such is the case, that the information contained in the prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Stockholm, 12 June 2018

Johnny Tsolis (CFO)

4 Detailed information about the securities

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| ISIN code: | NO 0010819725 |
| The Loan/The Reference Name/The Bonds: | "Axactor AB (publ) Senior Unsecured EUR 250,000,000 bonds 2018/2021". |
| Borrower/Issuer/Company: | Axactor AB (publ), a company existing under the laws of Sweden with registration number 556227-8043. |
| Security Type: | Open Bond issue with floating rate. |
| Borrowing Limit – Tap Issue: | EUR 250,000,000 |
| Borrowing Amount/First Tranche: | EUR 150,000,000 |
| Denomination/Face Value – Each Bond: | EUR 1,000 - each and ranking pari passu among themselves |
| Securities Form: | The Bonds are electronically registered in book-entry form with the Securities Depository. |
| Disbursement/Settlement/Issue Date: | 23 March 2018. |
| Interest Bearing From and Including: | Disbursement/Settlement/Issue Date. |
| Interest Bearing To: | Maturity Date. |
| Maturity Date: | 23 June 2021. |
| Reference Rate: | EURIBOR 3 months |
| Margin: | 7.00 per cent per annum |
| Coupon Rate: | Reference Rate + Margin. 7.00 % p.a. for the interest period ending on 25 June 2018. |
| EURIBOR floor: | Zero (0%). |
| Day Count Fraction - Coupon: | Act/360 – in arrears. |
| Business Day Convention: | Means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (Modified Following). |
| Interest Rate Determination Date/Interest Quotation Day : | 21 march 2018, and thereafter two Business Days prior to each Interest Payment Day. |
| Interest Rate Adjustment Date: | Coupon Rate determined on an Interest Rate Determination Date will be effective from and including the accompanying Interest Payment Date. |
| Interest Payment Date: | Each 23 March, 23 June 23 September and 23 December in each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention. |
| #Days first term: | 94 days. |
| Issue Price: | 100 % (par value). |

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| Yield: | <p>Dependent on the market price. Yield for the Interest Period (23 March 2018 –25 June 2018) is 7.186 per cent p.a. assuming a price of 100 %.</p> <p>The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» prepared by Norske Finansanalytikeres Forening in 2001 (http://www.finansanalytiker.no/innhold/publikasjoner/Konvensjoner_oktober14.pdf)</p> |
| Business Day: | <p>Means a day on which both the relevant CSD settlement system is open, and which is a TARGET-Day.</p> |
| TARGET Day: | <p>Means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in euro.</p> |
| Put option: | <p>Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "Put Option") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount (plus accrued interest).</p> <p>The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (Put Option Event) in the Bond Terms. Once notified, the Bondholders' right to exercise the Put Option is irrevocable and will not be affected by any subsequent events related to the Issuer.</p> <p>Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of the 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Redemption Date.</p> <p>If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.2 (Mandatory repurchase due to a Put Option Event) in the Bond Terms, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 20 calendar days after the Put Option Repayment Date. Such prepayment may occur at the earliest on the 15th calendar day following the date of such notice.</p> |
| Put Option Event:: | <p>Means a De-Listing Event or a Change of Control Event.</p> |
| Change of Control Event: | <p>Means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.</p> |
| Amortisation: | <p>The Bonds will run without installments and be repaid in full at Maturity Date at par.</p> |
| Early redemption option due to a tax event: | <p>If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (Taxation) in the Bond Terms as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.</p> |
| Redemption: | <p>Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.</p> |

| | |
|-----------------------------------|---|
| Status of the Bonds and security: | <p>The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are mandatorily preferred by law).</p> <p>The Bonds are unsecured.</p> |
| Finance Document: | <p>Means these Bond Terms, the Bond Trustee Fee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.</p> |
| Security: | <p>Means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.</p> |
| Undertakings: | <p>The Issuer undertakes from the date of the Bond Agreement and until such time that no amounts are outstanding under the Bond Agreement or any other Finance Document, to the Bond Trustee, as further set out in Clause 12 and 13 in the Bond Terms</p> |

1. General covenants

(a) Reporting

The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively by arranging for publication on Stamdata) as soon as they become available, and not later than 120 days after the end of the financial year.

The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively by arranging for publication on Stamdata) as soon as they become available, and not later than 60 days after the relevant Calculation Date.

(b) Mergers and de-mergers

- (a) The Issuer shall not, and shall procure that no other Group Company will, carry out:
- (i) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other companies or entities other than; or
 - (ii) any demerger or other corporate reorganisation involving a split of the Issuer or any other Group Company into two or more separate companies or entities;

if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

(c) Continuation of business

The Issuer shall not cease to carry on its business, and the Issuer shall procure that no substantial change is made to the general nature of the business of the Group compared to the business as of the Issue Date. Other than the conversion of the Issuer into a European public company (Societas Europaea or SE-company) and the possible relocation to Norway, the Issuer shall not change its type of organization or jurisdiction of incorporation.

(d) Disposals

The Issuer shall not, and shall procure that no other Group Company will, sell, liquidate, transfer or otherwise dispose of all or a substantial part of the Group's assets or operations, unless the transaction is carried out at fair market value, on terms and conditions customary for such transactions and such transaction would not have a Material Adverse Effect.

(e) Related party transactions

Without limiting Clause 13.2 (Compliance with laws) in the Bond Terms, the Issuer shall not, and the Issuer shall ensure that no other Group Company will, enter into any transaction with any person outside the Group except on arm's length terms

and at fair market value.

(f) Corporate status

The Issuer shall not change its type of organization or jurisdiction of incorporation.

(g) Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, carry on its business in accordance with acknowledged, careful and sound practices in all aspects and comply in all respects with all laws and regulations it or they may be subject to from time to time, including without limitation any laws, regulations or orders concerning any trade, economic or financial sanctions or embargoes. Breach of these obligations shall be regarded as noncompliance only if such breach would have a Material Adverse Effect.

(h) Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time if a failure to do so would have Material Adverse Effect.

(j) Negative pledge

- (a) Except as permitted under paragraph (b) below, the Issuer shall not, and shall procure that no other Group Company will, create, permit to subsist or allow to exist any Security over any of its present or future assets (including shares in the other Group Companies) or its revenues.
- (b) Paragraph (a) above does not apply to any Permitted Security.

2. Special covenants

(a) Dividends

The Issuer shall not, during the term of the Bonds, declare or make any Distribution to its shareholders exceeding, for each financial year, 50% of the Issuer's consolidated net profit after taxes based on the Annual Financial Statement for the previous financial year. Notwithstanding the foregoing, the Issuer may purchase own shares in relation the employee share option programme or other purchases for up to 5% of outstanding shares in total during the tenor of the Bonds.

(b) Financial Indebtedness restrictions

- (a) Except as permitted under paragraph (b) below, the Issuer shall not, and shall procure that no other Group Company will, incur create or permit to subsist any Financial Indebtedness.
- (b) Paragraph (a) above shall not prohibit any Group Company to incur, maintain or prolong any Permitted Financial Indebtedness.

(c) Negative Pledge

- (a) Except as permitted under paragraph (b) below, the Issuer shall not, and shall procure that no other Group Company will, create, permit to subsist or allow to exist any Security over any of its present or future assets (including shares in the other Group Companies) or its revenues.
- (b) Paragraph (a) above does not apply to any Permitted Security.

(d) Subsidiaries' distributions

Save for obligations under the Permitted Financial Indebtedness, the Issuer shall not permit any Group Company to create or permit to exist any contractual obligation (or encumbrance) restricting the right of any Group Company to:

- (a) make Distributions to its shareholders;
- (b) service any Financial Indebtedness to the Issuer;
- (c) make any loans to the Issuer; or
- (d) transfer any of its assets and properties to the Issuer;

if the creation of such contractual obligation would prevent the Issuer from complying with any of its obligations under these Bond Terms. Notwithstanding the foregoing, and to the extent not prevented by any applicable legal prohibitions,

restrictions on financial assistance, dividend restrictions or the incurrence of personal liability of management or shareholders, the Issuer shall procure that the Group Companies always make the required Distributions in the form of dividends, loans or otherwise to enable the Issuer to service its payment obligations under the Bonds.

(e) Financial Support Restrictions

The Issuer shall not, and shall ensure that no other Group Company shall, grant any Financial Support, other than:

- (a) in the ordinary course of business (including, for the avoidance of doubt, in the form of shareholder loans granted by a Group Company to a joint venture in which the relevant Group Company holds an interest);
- (b) intra-group loans made, granted or given by any Group Company to or for the benefit of any other Group Company; or
- (c) Financial Support in the form of Security or guarantees from Group Companies granted in relation to the Permitted Financial Indebtedness incurred under paragraph (a), (b), (c), (f) and (g) of the definition of "Permitted Financial Indebtedness".

3. Financial covenants

(a) Interest Cover Ratio

The Issuer shall maintain an Interest Cover Ratio of minimum 4.0x.

(b) Leverage Ratio

The Issuer shall maintain a Leverage Ratio of maximum 4.0x.

(c) Total Loan to Value Ratio

The Issuer shall maintain a Total Loan to Value Ratio of maximum 75%.

(d) Total Secured Loan to Value Ratio

The Issuer shall maintain a Total Secured Loan to Value Ratio of maximum 65%.

The Financial Covenants set out in paragraph (a)-(d) in this Clause 13.12 shall be calculated on a consolidated basis of the Group.

Definitions: Please see Bond Terms paragraph 1.1

Events of Default:

The Bond Terms includes standard event of default provisions, subject to standard cure periods, including cross default provisions for the Group with a threshold of EUR 5,000,000, or the equivalent thereof in other currencies

See clause 14 in the Bond Terms for further information.

Listing:

The Issuer has applied, or shall within 6 months of the Issue Date apply, for the Bonds to be admitted to listing on the Exchange.

Listing will take place as soon as possible after the prospectus has been approved by the Norwegian FSA.

Purpose/Use of proceeds::

- (a) The Issuer will use the net proceeds from the Initial Bond Issue for:
 - (i) an intra-group loan to Reolux;
 - (ii) portfolio investments;
 - (iii) REOs; and
 - (iv) general corporate purposes.
- (b) The Issuer will use the net proceeds from the issuance of any Additional Bonds for general corporate purposes.

Estimated total expenses related to the offer:

| <u>External party</u> | <u>Cost</u> |
|--|--|
| The Norwegian FSA | See “Estimate of total expenses related to the admission to trading” below |
| The stock exchange | See “Estimate of total expenses related to the admission to trading” below |
| The Bond Trustee, p.a. | NOK 120,000 |
| Legal fee | NOK 700,000 |
| The Joint Lead Managers and the Co-manager | EUR 1,500,000 |

EURIBOR:

Means the European Interbank Offered Rate being;

- (a) the applicable percentage rate per annum displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Interest Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or,
- (b) if no screen rate is available for the relevant Interest Period;
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
 - (ii) a rate for deposits in the bond currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if no quotation is available under paragraph (b), the interest rate which according to the reasonable assessment of the Bond Trustee and the Issuer best reflects the interest rate for deposits in the bond currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

Approvals:

The Bonds were issued in accordance with the approval of the Issuer’s Board of Directors dated 14 March 2018.

The Norwegian FSA has controlled and approved the Securities Note pursuant to Section 7-7 of the Norwegian Securities Trading Act (see Important notice on page 2 for duties and responsibility of the Norwegian FSA).

The Norwegian FSA has approved the Prospectus by e-mail 12 June 2018.

The prospectus has also been sent to the Oslo Børs ASA for control in relation to a listing application of the bonds.

Bond Agreement/Bond Terms:

By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.

The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

The Bond Terms is attached as Appendix 1 to this Securities Note. The Bond Terms is also available through the Bond Trustee, the Joint Lead Managers and the Co-manager or from the Borrower.

Bondholders’ meeting:

At the Bondholders’ meeting each Bondholder may cast one vote for each voting bond owned at close of business on the day prior to the date of the Bondholders’ meeting in the records registered in the Securities Depository.

In order to form a quorum, at least half (1/2) of the voting bonds must be represented at the Bondholders' meeting. See also clause 15.3 in the Bond Terms.

Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, however, a majority of at least 2/3 of the voting bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of the Bond Agreement.

(For more details, see also clause 15 in the Bond Terms)

Availability of the Documentation: <https://www.axactor.com>

Bond Trustee: Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway.

The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.

(For more details, see also Bond Terms clause 16)

Joint Lead Managers and Bookrunners:

DNB Bank ASA, DNB Markets, Dronning Eufemias gt. 30, N-0191 Oslo, Norway; and
Nordea Bank AB (publ), Branch in Norway, P.O. Box 1166 Sentrum, NO-0107 Oslo, Norway

Co-manager:

Artic Securities AS, Haakon VIIIs gate 5, 0161 Oslo, Norway

Paying Agent:

DNB Bank ASA, Verdipapirservice, Dronning Eufemias gt. 30, N-0191 Oslo, Norway.

The Paying Agent is in charge of keeping the records in the Securities Depository.

Calculation Agent:

The Bond Trustee.

Central Securities Depository (CSD):

The Securities depository in which the bonds are registered, in accordance with the Norwegian Act of 2002 no. 64 regarding Securities depository.

On Disbursement Date the Securities Depository is the Norwegian Central Securities Depository ("VPS"), P.O. Box 1174 Sentrum, 0107 OSLO.

Restrictions on the free transferability:

Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

| | |
|---|---|
| | <p>A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.</p> |
| Market-Making: | <p>There is no market-making agreement entered into in connection with the Bond Issue.</p> |
| Prospectus: | <p>The Registration Document dated 12 June 2018 and this Securities Note with Summary dated 12 June 2018.</p> |
| Registration Document: | <p>Document describing the Issuer</p> |
| Securities Note: | <p>This document with Summary</p> |
| Summary: | <p>A summary of the Prospectus</p> |
| Estimate of total expenses related to the admission to trading: | <p>Prospectus fee (NFSA) Registration Document NOK 60,000 Prospectus fee (NFSA) Securities Note NOK 16,000 Listing fee 2018 (Oslo Børs): NOK 51,220 (at NOK 9.57 per EUR) Registration fee (Oslo Børs): NOK 5,900 Compulsory notification in a newspaper (estimated): NOK 12,000</p> |
| Legislation under which the Securities have been created: | <p>Norwegian law.</p> |
| Fees and Expenses: | <p>The Borrower shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Borrower is responsible for withholding any withholding tax imposed by Norwegian law.</p> |

5 Additional Information

The involved persons in the Issuer have no interest, nor conflicting interests that are material to the Bond Issue.

The Issuer has mandated DNB Bank ASA, DNB Markets and Nordea Bank AB (publ) Branch in Norway as Joint Lead Managers and Artic Securities as Co-manager for the issuance of the Loan. The Joint Lead Managers and the Co-manager have acted as advisors to the Issuer in relation to the pricing of the Loan.

Statement from the Joint Lead Managers:

DNB Bank ASA, DNB Markets and Nordea Bank AB (publ) Branch in Norway (the Joint Lead Managers) and Artic Securities (the Co-manager) have assisted the Borrower in preparing the prospectus. The joint Lead Managers and the Co-manager have not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made, and the Joint Lead Managers and the Co-manager expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this prospectus or any other information supplied in connection with bonds issued by the Borrower or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Borrower. Each person receiving this prospectus acknowledges that such person has not relied on the Joint Lead Managers and the Co-manager nor on any person affiliated with them in connection with its investigation of the accuracy of such information or its investment decision.

Oslo (Norway), 12 June 2018

DNB BANK ASA, DNB MARKETS
Joint Lead Manager

NORDEA BANK AB (PUBL) BRANCH IN NORWAY
Joint Lead Manager

ARTIC SECURITIES AS
Co-manager

Listing of the Loan:

The Prospectus will be published in Norway. An application for listing at Oslo Børs will be sent as soon as possible after the Issue Date. Each bond is negotiable.

6 Appendix 1: Bond Terms

BOND TERMS

FOR

**Axactor AB (publ) FRN senior unsecured EUR 250,000,000 bonds
2018/2021**

ISIN NO0010819725

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SCHEDULE 1 COMPLIANCE CERTIFICATE

| BOND TERMS between | |
|--|--|
| ISSUER: | Axactor AB (publ), a company existing under the laws of Sweden with registration number 556227-8043 and LEI-code 549300P5VT8OMA17TJ33; and |
| BOND TRUSTEE: | Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85. |
| DATED: | 22 March 2018 |
| These Bond Terms shall remain in effect for so long as any Bonds remain outstanding. | |

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

“**A-Notes**” means the EUR 30 million deeply subordinated income-sharing Class A2 Notes issued by Wiking SPV to Sterna Finance Ltd., an Affiliate of Geveran.

“**Additional Bonds**” means Bonds issued under a Tap Issue.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person who has Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity who has Decisive Influence (directly or indirectly) over that person.

“**Annual Financial Statements**” means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with GAAP, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means each of the attachments to these Bond Terms.

“**Bond Terms**” means these terms and conditions, including all Attachments which shall form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating among other things to the fees to be paid by the Issuer to the Bond Trustee for its obligations relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

“**Bondholders' Meeting**” means a meeting of Bondholders as set out in Clause 14 (*Bondholders' Decisions*).

“**Bonds**” means the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds.

“**Business Day**” means a day on which both the relevant CSD settlement system is open, and which is a TARGET-Day.

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

“**Calculation Dates**” means each of 31 March, 30 June, 30 September and 31 December in each calendar year.

“**Cash EBITDA**” means, in relation to any period, the aggregate of the operating profit of the Group on a consolidated basis (and for the avoidance of doubt taking into account profit sharing agreements to the extent not included as a Financial Indebtedness);

- (a) minus interest income on debt portfolios during such period of the Group on a consolidated basis;
- (b) plus negative changes in debt portfolio collection estimates during such period of the Group on a consolidated basis;
- (c) minus positive changes in debt portfolio collection estimates during such period of the Group on a consolidated basis;
- (d) plus paid in on debt portfolios during such period of the Group on a consolidated basis;
- (e) plus any exceptional items during such period of the Group, capped at EUR 5 million for each financial year;
- (f) minus any unrealized exchange gains and/or plus any unrealized exchange losses during such period of the Group;

- (g) minus any losses (and/or plus any gains) during such period of the Group attributable to disposals of any assets (not being any disposals made in the ordinary course of business);
- (h) plus depreciation of tangible fixed assets during such period; and
- (i) plus amortisation of intangible fixed assets during such period.

“**Cash and Cash Equivalents**” means on any date, the aggregate equivalent in EUR on such date of the then current market value of:

- (a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with a reputable bank; and
- (b) time deposits with reputable banks and certificates of deposit issued, and bills of exchange accepted, by a reputable bank,

in each case to which any Group Company is beneficially entitled at the time and to which any Group Company has free and unrestricted access and which is not subject to any security.

“**Change of Control Event**” means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 hereto.

“**Credit Facility**” means the EUR 200 million multi-currency term and revolving credit facility with an additional EUR 150 million accordion option maturing December 2020, as amended from time to time, entered into between, inter alia, Axactor Platform Holding AB and Axactor Portfolio Holding AB as borrowers, the Issuer as guarantor, DNB Bank ASA and Nordea Bank AB (publ), filial i Norge as lenders and DNB Bank ASA as agent.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

“**De-Listing Event**” means an event where the Issuer's shares are de-listed from the Exchange.

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

When determining the relevant person's number of voting rights in the other person or the right to elect and remove members of the board of directors, rights held by a direct or indirect parent company or the majority shareholder of the relevant person shall also be included.

“**Default Notice**” means a written notice to the Issuer as described in Clause 14.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Distribution**” means, whether in cash or kind, any:

- (a) payment of dividend on shares;
- (b) repurchase of own shares;
- (c) redemption of share capital or other restricted equity with repayment to shareholders; or
- (d) other similar distribution (including, but not limited to total return swaps related to shares in the Issuer), granting of any loans or other transfers of value to the direct and/or indirect shareholders of any Group Company or the Affiliates of such direct and/or indirect shareholders (including group contributions).

“**Event of Default**” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Exchange**” means Oslo Børs (the Oslo Stock Exchange).

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument other than the A-Notes, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a financial or capital lease (meaning that the lease is capitalized as an asset and booked as a corresponding liability in the balance sheet);
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under GAAP are met);
- (f) any derivative transaction entered into and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due

as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);

- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under GAAP;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under GAAP; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“Financial Reports” means the Annual Financial Statements and the Interim Accounts.

“Financial Support” means any loans, guarantees, Security or other financial assistance (whether actual or contingent).

“GAAP” means the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

“Geveran” means Geveran Trading Co. Limited, a company indirectly controlled by trusts established by Mr. John Fredriksen for the benefit of his immediate family.

“Geveran Facility” means the EUR 120 million subordinated loan from Sterna Finance Ltd, an Affiliate of Geveran, to Wiking SPV.

“Group” means the Issuer and its Subsidiaries from time to time.

“Group Book Value” means the total aggregate sum of the book value as per GAAP (all as per Group consolidated accounts) of all debt portfolios and REOs owned by any member of the Group, however adjusted for any profit sharing arrangements entered into by any member of the Group to the extent such arrangements constitute Financial Indebtedness and any related goodwill.

“Group Company” means any person which is a member of the Group.

“**Initial Bond Issue**” means the aggregate Nominal Amount of all Bonds issued on the Issue Date.

“**Initial Nominal Amount**” means the nominal amount of each Bond as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its center of main interest as such term is understood pursuant to Council Regulation (EC) no. 1346/2000 on insolvency proceedings (as amended).

“**Interest Cover Ratio**” means the ratio of Pro-Forma Adjusted Cash EBITDA to the Group’s net interest expenses calculated for the Relevant Period.

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 23 June 2018 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the period between 23 March, 23 June, 23 September and 23 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Quotation Day**” means, in relation to any period for which Interest Rate is to be determined, the day falling two (2) Business Days before the first day of the relevant Interest Period.

“**Interest Rate**” means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on each 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with GAAP.

“**ISIN**” means International Securities Identification Number, being the identification number of the Bonds.

“**Issue Date**” means 23 March 2018.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer’s Bonds**” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“**Leverage Ratio**” means Total Net Interest Bearing Debt over Pro-Forma Adjusted Cash EBITDA calculated for the Relevant Period.

“**Managers**” means DNB Markets, a part of DNB Bank ASA and Nordea Bank AB (publ) as joint lead managers and bookrunners.

“**Margin**” means 7.00 per cent per annum.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under any of the Finance Documents; or
- (b) the validity or enforceability of any of the Finance Documents.

“**Maturity Date**” means 23 June 2021, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” shall have the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Nominal Amount**” means the Initial Nominal Amount (less the aggregate amount by which each Bond has been partially redeemed, if any) pursuant to Clause 10 (*Redemption and repurchase of Bonds*) or any other amount following a split of Bonds pursuant to Clause 16.2, paragraph (j).

“**Outstanding Bonds**” means any Bonds not redeemed or otherwise discharged.

“**Overdue Amount**” means any amount required to be paid by the Issuer under any of the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

“**Payment Date**” means any Interest Payment Date or any Repayment Date.

“**Permitted Financial Indebtedness**” means:

- (a) any Financial Indebtedness arising in connection with and as permitted under the Credit Facility;
- (b) Financial Indebtedness under any other facility or loan provided by a reputable credit institution or bank, or a syndicate of reputable credit institutions or banks;
- (c) the existing Wiking SPV RCF, or any refinancing, amendment or replacement of the facility with any type of debt instrument for an amount up to EUR 240 million, provided such replacement having a maturity date after the Maturity Date;

- (d) unsecured Financial Indebtedness incurred by the Issuer or a Group Company having a maturity date after (and with no call options prior to) the Maturity Date;
- (e) any intra-group loan or credit granted by a Group Company to another Group Company;
- (f) the existing Geveran Facility, and any new Financial Indebtedness provided by Geveran (or its Affiliates) to any Group Company having a maturity date after the Maturity Date;
- (g) any Financial Indebtedness in Axactor Italy and its Subsidiaries, not exceeding EUR 100 million in total and not having any recourse to any other company within the Group;
- (h) any Financial Indebtedness by a Group Company under any hedging arrangements as part of the Group's ordinary course of business and for non-speculative purposes;
- (i) other Financial Indebtedness in the ordinary course of business and not included in (a)-(h) up to EUR 5 million; and
- (j) any refinancing, amendment or replacement of any of (a)-(h) above from time to time.

"Permitted Security" means:

- (a) Security granted in relation to the Permitted Financial Indebtedness incurred under paragraph (a), (b), (c), (f), (g) and (h) of the definition of "Permitted Financial Indebtedness";
- (b) any lien arising by operation of law in the ordinary course of business;
- (c) any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group (if applicable); and
- (d) any Security for obligations or liability incurred by any Group Company in the ordinary course of business and as part of the daily operation by any such Group Company.

"Pro-Forma Adjusted Cash EBITDA" means, in respect of any Relevant Period, the Cash EBITDA, adjusted by including 80% of the Pro-Forma Adjustments (without double counting).

"Pro-Forma Adjustments" means, in respect of any Relevant Period, the pro forma Cash EBITDA for the remainder of that Relevant Period for all portfolios without full twelve (12) months trading for a Group Company.

"Put Option" shall have the meaning ascribed to such term in Clause 10.2 (*Mandatory repurchase due to a Put Option Event*).

"Put Option Event" means a De-Listing Event or a Change of Control Event.

“**Put Option Repayment Date**” means the settlement date for the Put Option Event pursuant to Clause 10.2 (*Mandatory repurchase due to a Put Option Event*).

“**Reference Rate**” shall mean:

EURIBOR (European Interbank Offered Rate) being;

- (a) the applicable percentage rate per annum displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Interest Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or,
- (b) if no screen rate is available for the relevant Interest Period;
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
 - (ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if no quotation is available under paragraph (b), the interest rate which according to the reasonable assessment of the Bond Trustee and the Issuer best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Period**” means, at the date of calculation, the 12 months immediately preceding such date.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time;
- (b) for the purpose of casting a vote in a Bondholders’ Meeting, the date falling on the immediate preceding Business Day to the date of that Bondholders’ Meeting being held, or another date as accepted by the Bond Trustee; and
- (c) for the purpose of casting a vote in a Written Resolution:
 - (i) the date falling three (3) Business Days after the Summons have been published; or,
 - (ii) if the requisite majority in the opinion of the Bond Trustee has been reached prior to the date set out in paragraph (i) above, on the date falling on the

immediate Business Day prior to the date on which the Bond Trustee declares that the Written Resolution has been passed with the requisite majority.

“**REO**” means real estate owned assets.

“**Repayment Date**” means any the Default Repayment Date, the Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

“**Securities Trading Act**” means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

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

“**Subsidiary**” means a company over which another company has Decisive Influence.

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Tap Issue**” shall have the meaning ascribed to such term in Clause 2.1 (*Amount, denomination, ISIN and tenor*).

“**Tap Issue Addendum**” shall have the meaning ascribed to such term in Clause 2.1 (*Amount, denomination, ISIN and tenor*).

“**TARGET Day**” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in euro.

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.3 (*Early redemption option due to a tax event*).

“**Total Loan to Value Ratio**” means Total Net Interest Bearing Debt to Group Book Value.

“**Total Net Interest Bearing Debt**” means the aggregate amount of all interest bearing debt of the Group at any time on a consolidated basis according to GAAP but:

- (a) for the avoidance of doubt, excluding any debt obligations to any other member of the Group and the A-Notes;
- (b) including, in the case of financial leases only, their capitalised value; and
- (c) deducting the aggregate amount of free Cash and Cash Equivalents held by any member of the Group at that time,

and so that no amount shall be included or excluded more than once.

“**Total Secured Loan to Value Ratio**” means Total Secured Net Interest Bearing Debt to Group Book Value.

“**Total Secured Net Interest Bearing Debt**” means the aggregate amount of all interest bearing debt of the Group with any Security at any time on a consolidated basis according to GAAP but:

- (a) for the avoidance of doubt, excluding any debt obligations to any other member of the Group and the A-Notes;
- (b) including, in the case of financial leases only, their capitalised value; and
- (c) deducting the aggregate amount of free Cash and Cash Equivalents held by any member of the Group at that time,

and so that no amount shall be included or excluded more than once.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds and a Voting Bond shall mean any single one of those Bonds.

“**Wiking SPV**” means Luxco Invest 1 S.à r.l., a joint venture controlled by the Issuer holding 50% of the shares, Gevaran controls the remaining shares.

“**Wiking SPV RCF**” means the revolving credit facility maturing 24 November 2019, entered into between Wiking SPV as borrower and DNB Bank ASA as lender and agent. The initial amount is EUR 80 million with a EUR 40 million accordion feature.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European time unless otherwise stated;
- (e) references to a provision of “**law**” is a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;

- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*),
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds in the maximum amount of EUR 250,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of EUR 150,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met and subject to other relevant restrictions on the Issuer's ability to incur further Financial Indebtedness, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).

The Bonds are denominated in Euro (EUR), being the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

- (b) The Initial Nominal Amount of each Bond is EUR 1,000.
- (c) The ISIN of the Bonds is NO 0010819725. All Bonds issued under the same ISIN will have identical terms and conditions as set out in these Bond Terms.

2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

2.3 Use of proceeds

- (a) The Issuer will use the net proceeds from the Initial Bond Issue for:
 - (i) an intra-group loan to Reolux;
 - (ii) portfolio investments;

- (iii) REOs; and
 - (iv) general corporate purposes.
- (b) The Issuer will use the net proceeds from the issuance of any Additional Bonds for general corporate purposes.

2.4 Status of the Bonds

The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are mandatorily preferred by law).

2.5 Transaction Security

The Bonds are unsecured.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one

or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 (*Bondholders' rights*) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer has applied, or shall within 6 months of the Issue Date apply, for the Bonds to be admitted to listing on the Exchange.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

(a) Payment of the net proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:

- (i) these Bond Terms duly executed by all parties hereto;
- (ii) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
- (iii) a certified copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;

- (iv) certified copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v) copies of the Issuer's latest Financial Reports (if any);
 - (vi) confirmation that the applicable prospectus requirements (ref the EU prospectus directive (2003/71 EC)) concerning the issuance of the Bonds have been fulfilled;
 - (vii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
 - (viii) confirmation that the Bonds are registered in the CSD;
 - (ix) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (x) the Bond Trustee Fee Agreement duly executed by the parties thereto; and
 - (xi) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).
- (b) The Bond Trustee, acting in its reasonable discretion, may, regarding this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*), waive the requirements for documentation, or decide in its discretion that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

6.2 Distribution

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 above.

6.3 Tap Issues

The Issuer may issue Additional Bonds if:

- (a) the Bond Trustee has executed a Tap Issue Addendum; and
- (b) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself and in respect of each Group Company to the Bond

Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) at the date of these Bond Terms;
- (b) at the Issue Date; and
- (c) at the date of issuance of any Additional Bonds:

7.1 Status

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

(i) No Event of Default exists or is likely to result from the making of any drawdown under these Bond Terms or the entry into, the performance of, or any transaction contemplated by, any Finance Document.

(ii) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorizations and consents

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings, notarizations or registrations required:

(i) to enable it to enter into, exercise its rights and comply with its obligations under this Bond Terms or any other Finance Document to which it is a party; and

(ii) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with GAAP, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under these Bond Terms.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4.

7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond

Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.

- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary have been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus an additional three (3) per cent. per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 (*Default interest*) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any principal amount due but unpaid.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount

due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;

- (i) the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (Acceleration of the Bonds), or
- (ii) as a result of a resolution according to Clause 15 (Bondholders' decisions).

8.4 Taxation

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by applicable law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the denomination of the Bonds set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*). If, however, the denomination differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within five (5) Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Interest will accrue on the Nominal Amount of any Additional Bond for each Interest Period starting with the Interest Period commencing on the Interest Payment Date immediately prior to the issuance of the Additional Bonds (or, if the date of the issuance is not an Interest Payment Date and there is no Interest Payment Date prior to such date of issuance, starting with the Interest Period commencing on the Issue Date).
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

10.2 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount (plus accrued interest).
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders’ right to exercise the Put Option is irrevocable and will not be affected by any subsequent events related to the Issuer.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of the 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Redemption Date.

- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.2 (*Mandatory repurchase due to a Put Option Event*), the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 20 calendar days after the Put Option Repayment Date. Such prepayment may occur at the earliest on the 15th calendar day following the date of such notice.

10.3 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer's purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion, (including with respect to Bonds purchased pursuant to Clause 10.2 (*Mandatory repurchase due to a Put Option Event*)).

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively by arranging for publication on Stamdata) as soon as they become available, and not later than 120 days after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively by arranging for publication on Stamdata) as

soon as they become available, and not later than 60 days after the relevant Calculation Date.

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports are fairly representing its financial condition as at the date of those Financial Reports and setting out (in reasonable detail) computations evidencing compliance with Clause 13.12 (*Financial Covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using GAAP consistently applied.

12.3 Put Option Event

The Issuer shall inform the Bond Trustee in writing as soon as possible after becoming aware that a Put Option Event has occurred.

12.4 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on the Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13 (*General and financial Undertakings*).

13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time if a failure to do so would have Material Adverse Effect.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, carry on its business in accordance with acknowledged, careful and sound practices in all aspects and comply in all respects with all laws and regulations it or they may be subject to from time to time, including without limitation any laws, regulations or orders concerning any trade, economic or financial sanctions or embargoes. Breach of these obligations shall be regarded as non-compliance only if such breach would have a Material Adverse Effect.

13.3 Continuation of business

The Issuer shall not cease to carry on its business, and the Issuer shall procure that no substantial change is made to the general nature of the business of the Group compared to the business as of the Issue Date. Other than the conversion of the Issuer into a European public company (*Societas Europaea* or SE-company) and the possible relocation to Norway, the Issuer shall not change its type of organization or jurisdiction of incorporation.

13.4 Mergers and de-mergers

- (a) The Issuer shall not, and shall procure that no other Group Company will, carry out:
- (i) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other companies or entities other than; or
 - (ii) any demerger or other corporate reorganisation involving a split of the Issuer or any other Group Company into two or more separate companies or entities;

if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

13.5 Financial Indebtedness

- (a) Except as permitted under paragraph (b) below, the Issuer shall not, and shall procure that no other Group Company will, incur create or permit to subsist any Financial Indebtedness.
- (b) Paragraph (a) above shall not prohibit any Group Company to incur, maintain or prolong any Permitted Financial Indebtedness.

13.6 Negative pledge

- (a) Except as permitted under paragraph (b) below, the Issuer shall not, and shall procure that no other Group Company will, create, permit to subsist or allow to exist any Security over any of its present or future assets (including shares in the other Group Companies) or its revenues.
- (b) Paragraph (a) above does not apply to any Permitted Security.

13.7 Financial support

The Issuer shall not, and shall ensure that no other Group Company shall, grant any Financial Support, other than:

- (a) in the ordinary course of business (including, for the avoidance of doubt, in the form of shareholder loans granted by a Group Company to a joint venture in which the relevant Group Company holds an interest);
- (b) intra-group loans made, granted or given by any Group Company to or for the benefit of any other Group Company; or
- (c) Financial Support in the form of Security or guarantees from Group Companies granted in relation to the Permitted Financial Indebtedness incurred under paragraph (a), (b), (c), (f) and (g) of the definition of "Permitted Financial Indebtedness".

13.8 Disposals

The Issuer shall not, and shall procure that no other Group Company will, sell, liquidate, transfer or otherwise dispose of all or a substantial part of the Group's assets or operations, unless the transaction is carried out at fair market value, on terms and conditions customary for such transactions and such transaction would not have a Material Adverse Effect.

13.9 Related party transactions

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall not, and the Issuer shall ensure that no other Group Company will, enter into any transaction with any person outside the Group except on arm's length terms and at fair market value.

13.10 Dividends

The Issuer shall not, during the term of the Bonds, declare or make any Distribution to its shareholders exceeding, for each financial year, 50% of the Issuer's consolidated net profit after taxes based on the Annual Financial Statement for the previous financial year. Notwithstanding the foregoing, the Issuer may purchase own shares in relation the employee share option programme or other purchases for up to 5% of outstanding shares in total during the tenor of the Bonds.

13.11 Subsidiary distribution

Save for obligations under the Permitted Financial Indebtedness, the Issuer shall not permit any Group Company to create or permit to exist any contractual obligation (or encumbrance) restricting the right of any Group Company to:

- (a) make Distributions to its shareholders;

- (b) service any Financial Indebtedness to the Issuer;
- (c) make any loans to the Issuer; or
- (d) transfer any of its assets and properties to the Issuer;

if the creation of such contractual obligation would prevent the Issuer from complying with any of its obligations under these Bond Terms. Notwithstanding the foregoing, and to the extent not prevented by any applicable legal prohibitions, restrictions on financial assistance, dividend restrictions or the incurrence of personal liability of management or shareholders, the Issuer shall procure that the Group Companies always make the required Distributions in the form of dividends, loans or otherwise to enable the Issuer to service its payment obligations under the Bonds.

13.12 Financial Covenants

The Issuer shall comply with the following:

(a) *Interest Cover Ratio*

The Issuer shall maintain an Interest Cover Ratio of minimum 4.0x.

(b) *Leverage Ratio*

The Issuer shall maintain a Leverage Ratio of maximum 4.0x.

(c) *Total Loan to Value Ratio*

The Issuer shall maintain a Total Loan to Value Ratio of maximum 75%.

(d) *Total Secured Loan to Value Ratio*

The Issuer shall maintain a Total Secured Loan to Value Ratio of maximum 65%.

The Financial Covenants set out in paragraph (a)-(d) in this Clause 13.12 shall be calculated on a consolidated basis of the Group.

14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) *Non-payment*

The Issuer fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five (5) Business Days following the original due date; or

- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five (5) Business Days following the original due date.

(b) *Breach of other obligations*

The Issuer does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within twenty (20) Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within twenty (20) Business Days of the earlier of the Bond Trustee giving notice to the Issuer or the Issuer becoming aware of such misrepresentation.

(d) *Cross default*

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness 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
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of EUR 5,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

Any Group Company:

- (i) is Insolvent; or

- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganization; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above; or
 - (E) for (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company,

however this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within twenty (20) Business Days of commencement.

(f) Creditor's process

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above and is not discharged within twenty (20) Business Days.

(g) Unlawfulness

It is or becomes unlawful for the Issuer to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at a price equal to 100% of the Nominal Amount at the following dates (and regardless of the Default Repayment Date set out in the Default Notice):

- (i) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the price applicable at the date when such Event of Default occurred; and
- (ii) for any other Event of Default, the claim will be calculated at the price applicable at the date when the Default Notice was served by the Bond Trustee.

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the

Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.

- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to Clause 17.1 (*Procedure for amendments and waivers*) paragraph (a), section (i) and (ii), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of any provisions of these Bond Terms, including a change of Issuer and change of Bond Trustee.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the re-requesting party may itself call the Bondholders' Meeting.
- (c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.

- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15 (*Bondholders' decisions*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (d) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within ten (10) Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (d) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders'*

Meeting) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.

- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholder's Meeting*), Clause 15.3 (*Voting Rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5 (*Written Resolution*),shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "**Voting Period**"), such Voting Period to be at least three (3) Business Days but not more than fifteen (15) Business Days from the date of the Summons, provided however that the Voting Period for a Written Resolution summoned pursuant to Clause 15.4 (*Repeated Bondholders' Meeting*) shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or paragraph (f) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been achieved, based on the total number of Voting Bonds, even if the Voting Period has not yet

expired. A Written Resolution may also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (d) to (f) of Clause 15.1 (*Authority of Bondholders' Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.

- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee will ensure that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee 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.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders 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 Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate partial redemptions, restructuring of the Bonds or other situations.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (c) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts; or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (d) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (e) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee 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. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (f) The Issuer shall on demand by the Bond Trustee pay all costs incurred 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 Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any of the Finance Documents which the Bond Trustee reasonably believes may constitute or lead to a breach of any of the Finance Documents or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.

- (g) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.
- (h) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced according to the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5 (*Replacement of the Bond Trustee*), initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5 (*Replacement of the Bond Trustee*). The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee's shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
- (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes; or
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17 (*Amendments and waivers*), setting out the date from which the amendment or waiver will be effective, unless such notice obviously is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.

18. MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.

- (c) The information referred to in paragraph (b) above may only be used 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 Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

- (a) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (b) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter, e-mail or fax. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received; and
 - (iii) if by fax, when received.
- (c) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- (d) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the Maturity Date, and always subject to paragraph (c) below (the

“**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);

- (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
 - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge, then the Issuer will be relieved from its obligations under Clause 12.2 (*Requirements as to Financial Reports*) paragraph (a), Clause 12.3 (*Put Option Event*), Clause 12.4 (*Information: Miscellaneous*) and Clause 13 (*General and financial undertakings*).
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems required.

A defeasance established according to this Clause 18.4 may not be reversed.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

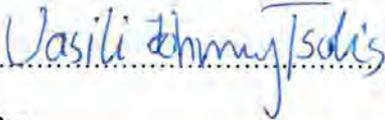
Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

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These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

| | |
|--|--|
| The Issuer: Axactor AB (publ)  By: Position: VASILI JOHNKY TSOLIS CFO. | As Bond Trustee: Nordic Trustee AS By: Position: |
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These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

| | |
|---|---|
| The Issuer: Axactor AB (publ) By: Position: | As Bond Trustee: Nordic Trustee AS  By: Fredrik Lundberg Position: |
|---|---|

**SCHEDULE 1
COMPLIANCE CERTIFICATE**

[date]

Axactor AB (publ) FRN bonds 2018/2021 ISIN NO0010819725

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate and there has been no material adverse change to the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

The Financial Covenants set out in Clause 13.12 (*Financial Covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

Axactor AB (publ)

Name of authorised person

Enclosure: Financial Reports; [and any other written documentation]