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Stockholm, 15 September 2022

**To the bondholders in:**

**ISIN: SE0016831150 – YA Holding AB (publ) up to SEK 650,000,000 Senior Secured Callable Sustainability Linked Floating Rate Bonds 2021/2024**

## **NOTICE OF WRITTEN PROCEDURE – REQUEST TO AMEND THE TERMS AND CONDITIONS**

This voting request for procedure in writing has been sent on 15 September 2022 to Bondholders directly registered as of 14 September 2022 in the debt register (Sw. *skuldbok*) kept by the CSD. If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the Bondholder you represent as soon as possible. For further information, please see below under Section 6.3 (*Voting rights and authorisation*).

### **Key information**

Record Date for being eligible to vote:	21 September 2022
Deadline for voting:	4 October 2022
Quorum requirement:	At least twenty (20.00) per cent. of the Adjusted Nominal Amount
Majority requirement:	At least sixty-six and two thirds (66 <sup>2/3</sup> ) per cent of the Adjusted Nominal Amount for which Bondholders reply in this Written Procedure

Nordic Trustee & Agency AB (publ) acts as agent (the “**Agent**”) for the holders of the bonds (the “**Bondholders**”) in the above mentioned bond issue with an aggregated amount outstanding of SEK 480,000,000 (the “**Bonds**”) issued by YA Holding AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556969-1727 (the “**Issuer**”) and together with its subsidiaries, the “**Group**”). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing (the “**Written Procedure**”) as required by the Terms and Conditions (as defined below), whereby Bondholders can vote for or against the Issuer’s requests.

All capitalised terms used herein and not otherwise defined in this notice (the “**Notice**”) shall have the meaning assigned to them in the terms and conditions of the Bonds (the “**Terms and Conditions**”).

The Request (as defined below) is presented to the Bondholders, without any evaluation, advice or recommendations from the Agent whatsoever. The role of the Agent under this Written Procedure is solely mechanical and administrative in nature. The Agent has not reviewed or assessed this Notice or the Request (and their effects, should they be adopted) from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this

Notice and the Request (and their effects, should they be adopted). The Bondholders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not. The Agent may assume that any documentation and other evidence delivered to it or to be entered into by it in relation to the Written Procedure is accurate, legally valid, correct and complete and the Agent does not have to verify the contents of such documentation or evidence.

**Prior to voting in this Written Procedure, each Bondholder shall carefully review and assess the risk factors set out in Schedule 4 (Risk factors).**

Bondholders participate by completing and sending the voting form, attached hereto as Schedule 1 (the “**Voting Form**”), and, if applicable, the power of attorney, attached hereto as Schedule 2 (the “**Power of Attorney**”) or other sufficient evidence, if the Bonds are held in custody other than by the CSD, to the Agent. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate in the Written Procedure.

The Agent must receive the Voting Form no later than 15.00 CEST on 4 October 2022 either by mail, courier or e-mail to the Agent using the contact details set out in Section 6.8 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Bondholder on 21 September 2022 (the “**Record Date**”). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

## **1. Background**

After successful procurement of labour market training courses for the Employment Agency, the Issuer launched professional bus driver training courses in 20 locations in March 2022 and professional truck driver training courses in 25 locations during April 2022. As communicated by way of press releases by the Issuer on 12 August 2022, 1 September 2022 and 13 September 2022, the number of participants who have been assigned to the new professional driver training courses has so far been significantly lower than the forecasts that the Swedish Employment Agency (Sw. *Arbetsförmedlingen*) (“**AF**”) presented to the Issuer in connection with the procurement of the training courses in 2021, which in extension has resulted in an increasingly strained liquidity situation for the Issuer and the Group. According to AF, the main reasons for the deviations from AF’s forecast are *inter alia* (i) internal recruitment problems and high level of sick absence, and (ii) difficulties in finding participants who fulfil the prerequisite to participate in the courses. Hence, in order to manage the liquidity needs in August and September 2022, the Issuer has been dependent on shareholder loans from its owners, certain CapMan Funds. However, for the short and long-term liquidity needs of the Issuer and the Group, the Issuer is also dependent on an agreement with its creditors and further capital commitments from its shareholders. If no settlement can be reached with the Bondholders and/or the Group can continue to receive contributions, loans or the like from the owner and/or other external party, or any other financing or business-related solution to the Group’s situation does not can be obtained, there is a risk that the Company may find itself in a situation of lack of liquidity, which in the long run may risk leading to insolvency.

Hence, in order to strengthen the liquidity of the Issuer and the Group, the Issuer has engaged in discussions with various stakeholders, including a group of Bondholders who together represent approximately 56.5 per cent of the Adjusted Nominal Amount of the Bonds (the “**Bondholder Committee**”) regarding its economic situation. The Request (as defined below) reflects the agreement reached between the Issuer and the Bondholder Committee. As further set out in Section 5 (*Effective date*), the Request is also conditioned upon binding commitments to make one or more Equity Contributions (as defined below) in cash to the Issuer in a minimum aggregate amount of SEK 65 million. Furthermore, the Issuer has

procured capital commitments from its owners, certain CapMan Funds, in an aggregate amount of SEK 65 million (whereof SEK 22 million has already been contributed), conditional upon the extension of the Group's existing SEK 40 million overdraft facility, in respect of which discussions are currently ongoing with the Group's relationship bank. In addition, the Issuer has for the benefit of the Bondholders agreed with the vendors of Arcus that the earn-out payments due to be paid in 2023 and 2024 is postponed for certain periods and subject to certain further conditions. Provided that the Written Procedure is approved and the overdraft facility is extended, the Issuer deems that the short and long-term liquidity of the Group is adequate.

As part of the agreement with the Bondholder Committee, the Bondholder Committee has e.g. undertaken to vote in favour of a deferral of the interest payment due on 19 September 2022. Given that the Effective Date (as defined below) will not have occurred prior to 19 September 2022 (i.e. the date on which the Issuer is obliged to make a payment of interest under the Bonds), an Event of Default pursuant to Clause 16.1 of the Terms and Conditions will occur as a result of the absence of payment of interest on such date. The members of the Bondholder Committee (representing a sufficient majority to give the Agent enforcement instructions following an Event of Default pursuant to Clause 16.10 of the Terms and Conditions) have therefore on 14 September 2022 instructed the Agent to (i) not send any notice to the Bondholders regarding the non-payment of interest on 19 September 2022 or another Event of Default which, solely as a result of the approval of the Written Procedure, will no longer be continuing, and (ii) not accelerate the Bonds pursuant to Clause 16.10 of the Terms and Conditions regarding the non-payment of interest on 19 September 2022 or another Event of Default which, solely as a result of the approval of the Written Procedure, will no longer be continuing or otherwise to declare the Bonds due and payable or to take any step towards enforcing the Transaction Security.

## 2. Request for decision

The proposed amendments to the Terms and Conditions are set out in the mark-up terms and conditions attached hereto as Schedule 3 (the "**Amended Terms and Conditions**").

## 3. Consent

The Bondholders are asked to confirm that the Bondholders agree to the proposed amendments set out in Section 2 (the "**Request**").

## 4. Voting undertakings

The Agent has been informed that Bondholders representing 56.5 per cent. of the Adjusted Nominal Amount have undertaken towards the Issuer to vote in favour of the Request.

## 5. Effective date

The Waiver Request shall be deemed approved immediately after (i) the expiry of the voting period and satisfaction of the requisite quorum participation and majority vote as set forth in Section 6.5 (*Quorum*) and 6.6 (*Majority*) below, or if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent, and (ii) the receipt by Agent of evidence that a commitment to make an Equity Contribution to the Issuer in cash in a minimum aggregate amount of SEK 65,000,000 (when aggregated with any Equity Contribution to the Issuer in cash made from (and including) 1 August 2022) has been made and that such Equity Contributions will be made no later than 31 January 2023 (the "**Effective Date**").

For this purpose, "**Equity Contribution**" shall mean (i) an issue of ordinary shares (Sw. *stamaktier*) and/or preferential shares (Sw. *preferensaktier*) by the Issuer, (ii) an unconditional shareholder contribution (Sw. *ovillkorat aktieägartillskott*) and/or (iii) a loan to the Issuer, which:

- (a) is unsecured and subordinated to the obligations of the Issuer under the Finance Documents in insolvency;
- (b) has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date and only may be prepaid (in part or in full) prior to the Final Redemption Date if such prepayment is refinanced in full with a new Equity Contribution; and
- (c) according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date, unless refinanced by a new Equity Contribution.

## **6. Written Procedure**

The following instructions need to be adhered to in the Written Procedure.

### **6.1 Final date to participate in the Written Procedure**

The Agent must have received the votes by mail, courier or e-mail to the address indicated below no later than 15.00 CEST, on 4 October 2022. Votes received thereafter may be disregarded.

### **6.2 Decision procedure**

The Agent will determine if replies received are eligible to participate in the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Request shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision(s) taken in the Written Procedure will: (i) be sent by notice to the Bondholders and (ii) be published on the websites of (a) the Issuer and (b) the Agent.

A matter decided in the Written Procedure will be binding for all Bondholders, irrespective of them responding in the Written Procedure.

### **6.3 Voting rights and authorisation**

Anyone who wishes to participate in the Written Procedure must on the Record Date (21 September 2022) in the debt register:

- (a) be registered as a direct registered owner of a Securities Account; or
- (b) be registered as authorised nominee in a Securities Account, with respect to one or several Bonds.

### **6.4 Bonds registered with a nominee**

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Bonds:

- (a) you can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you; or
- (b) you can obtain a Power of Attorney (*Schedule 2*) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as Bondholder of the Securities Account, or from each intermediary in the chain of holders, starting with the

intermediary that is registered in the debt register as a Bondholder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate. Bonds owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

## **6.5 Quorum**

To approve the Request, Bondholders representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount must reply to the Request in the Written Procedure in order to form a quorum.

If a quorum does not exist, the Agent shall initiate a second Written Procedure, provided that the Request has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure.

## **6.6 Majority**

At least sixty-six and two thirds ( $66\frac{2}{3}$ ) per cent. of the of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure must consent to the Request in order for it to pass.

## **6.7 General**

The Issuer may, at its option and in its sole discretion, at any time amend, extend, re-open or terminate the Written Procedure or the terms of the Written Procedure in accordance with the terms and conditions of the Bonds.

## **6.8 Address for sending replies**

Return the Voting Form (*Schedule 1*), and, if applicable, the Power of Attorney (*Schedule 2*) or other sufficient evidence, if the Bonds are held in custody other than Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

### **By regular mail:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure YA Holding AB (publ)  
P.O. Box 7329  
SE-103 90 Stockholm

### **By courier:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure YA Holding AB (publ)  
Norrlandsgatan 23  
SE-111 43 Stockholm

### **By e-mail:**

voting.sweden@nordictrustee.com

## **7. Issuer contact details**

For further questions to the Issuer regarding the Request, please contact the Issuer at [Tobias.Karte@capman.com](mailto:Tobias.Karte@capman.com) or +46 73 344 28 96.

For further questions to the Agent regarding the administration of the Written Procedure, please contact the Agent at [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com) or +46 8 783 79 00.

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**Stockholm, 15 September 2022**

**NORDIC TRUSTEE & AGENCY AB (PUBL)  
as Agent**

**Enclosed:**

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney
<b>Schedule 3</b>	Amended and Restated Terms and Conditions
<b>Schedule 4</b>	Risk Factors

# Voting Form

## Schedule 1

For the Written Procedure in YA Holding AB (publ) up SEK 650,000,000 Senior Secured Callable Sustainability Linked Floating Rate Bonds 2021/2024 with ISIN SE0016831150.

The undersigned Bondholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Request by marking the applicable box below. If a quorum does not exist in the Written Procedure, the Agent shall initiate a second Written Procedure provided that the Request has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure.

**NOTE:** If the Voting Person is not registered as Bondholder (as defined in the Terms and Conditions), the Voting Person must enclose a Power of Attorney, see Schedule 2.

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure dated 15 September 2022.

**For** the Request

**Against** the Request

Name of the Voting Person: \_\_\_\_\_

Capacity of the Voting Person:

Bondholder:  <sup>1</sup> authorised person:  <sup>2</sup>

Voting Person’s reg.no/id.no  
and country of incorporation/domicile: \_\_\_\_\_

Securities Account number at Euroclear Sweden:  
(if applicable) \_\_\_\_\_

Name and Securities Account number of custodian(s):  
(if applicable) \_\_\_\_\_

Nominal Amount voted for (in SEK): \_\_\_\_\_

Contact person, daytime telephone number and e-mail  
address: \_\_\_\_\_

\_\_\_\_\_  
Authorised signature and Name <sup>3</sup>

\_\_\_\_\_  
Place, date:

<sup>1</sup> When voting in this capacity, no further evidence is required.

<sup>2</sup> When voting in this capacity, the person/entity voting must also enclose a Power of Attorney (Schedule 2) from the Bondholder or other proof of authorisation showing the number of votes held on the Record Date (as defined in the Notice of Written Procedure from YA Holding (publ)).

<sup>3</sup> If the undersigned is not a Bondholder as defined in the Terms and Condition and has marked the box “authorised person”, the undersigned – by signing this document – confirms that the Bondholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.



# Power of Attorney

## Schedule 2

For the Written Procedure in YA Holding AB (publ) up SEK 650,000,000 Senior Secured Callable Sustainability Linked Floating Rate Bonds 2021/2024 with ISIN SE0016831150.

**NOTE:** This Power of Attorney document shall be filled out if the Voting Person is not registered as Bondholder on the Securities Account, held with Euroclear Sweden. It must always be established a coherent chain of power of attorneys derived from the Bondholder, i.e. if the person/entity filling out this Power of Attorney in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney from the Bondholder.

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure dated 15 September 2022.

Name of person/entity that is given authorisation (Sw. *befullmäktigad*) to vote as per the Record Date:

\_\_\_\_\_

Nominal Amount (in SEK) the person/entity is authorised to vote for as per the Record Date:

\_\_\_\_\_

Name of Bondholder or other intermediary giving the authorisation (Sw. *fullmaktsgivaren*):

\_\_\_\_\_

We hereby confirm that the person/entity specified above (Sw. *befullmäktigad*) has the right to vote in the Written Procedure (and any second Written Procedure) for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK \_\_\_\_\_

We are:

Registered as Bondholder on the Securities Account

Other intermediary and holds the Bonds through (specify below):

\_\_\_\_\_

Place, date: \_\_\_\_\_

\_\_\_\_\_

Name:

Authorised signature of Bondholder/other intermediary (Sw. *fullmaktsgivaren*)

**Amended and Restated Terms and Conditions**  
*Schedule 3*

# TERMS AND CONDITIONS



**YA Holding AB (publ)**  
**Maximum SEK 650,000,000**  
**Senior Secured Callable Sustainability Linked Floating Rate**  
**Bonds**  
**2021/2024**

ISIN: SE0016831150

First Issue Date: 17 December 2021

[As amended and restated on \*\*\[\\*\\*\]\*\* 2022](#)

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“**Bond**” means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 17.2 (*Bondholders’ Meeting*).

“**Business Day**” means a day in Sweden other than a public holiday. For the purpose of this definition, Saturdays, Sundays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year’s Eve (Sw. *nyårsafton*) shall be deemed to be public holidays.

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

“**Call Option Amount**” means, subject to Clause 12.3.4:

- (a) ~~104.375~~ 115.3125 per cent. of the Nominal Amount if the call option is exercised on or after ~~the First Call Date 17 December 2023~~ up to (but not including) ~~the date falling 24 months after the First Issue Date~~ 16 June 2024;
- (b) ~~102.1875~~ 114.219 per cent. of the Nominal Amount if the call option is exercised on or after ~~the date falling 24 months after the First Issue Date~~ 16 June 2024 up to (but not including) ~~the date falling 30 months after the First Issue Date~~ 16 September 2024; or
- (c) ~~unless paragraph (d) applies, 101.09375~~ 113.125 per cent. of the Nominal Amount if the call option is exercised on or after ~~the date falling 30 months after the First Issue Date~~ 16 September 2024 up to (but not including) the Final Redemption Date; ~~or~~
- ~~(d) 100.00 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 33 months after the First Issue Date up to (and including) the Final Redemption Date, provided that such early redemption is financed in full or in part by way of the Issuer issuing Market Loan(s).~~

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group in accordance with the applicable Accounting Principles as set forth in the latest consolidated Financial Statements.

“**Change of Control**” means the occurrence of an event or series of events whereby one or more Persons (other than the Sponsor) acting together, acquire control over the Issuer and where “**control**” means:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or
- (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

- (i) after adding back any amount attributable to any amortisation, depreciation or impairment whatsoever of assets (including amortisation of any goodwill) of members of the Group.

“**Employment Rate**” means the percentage of previously unemployed Course Participants that are employed at the date falling ninety (90) calendar days after graduation from any Course, calculated on the total number of Course Participants which have responded to the Issuer’s requests for feedback that have been sent out to such Course Participants during the most recent Quarterly Period, as reported in the interim Financial Statements of the Group.

“**Equity Contribution**” mean (i) an issue of ordinary shares (Sw. *stamaktier*) and/or preferential shares (Sw. *preferensaktier*) by the Issuer, (ii) an unconditional shareholder contribution (Sw. *ovillkorat aktieägartillskott*) and/or (iii) a loan to the Issuer, which:

- (a) is unsecured and subordinated to the obligations of the Issuer under the Finance Documents in insolvency;
- (b) has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date and only may be prepaid (in part or in full) prior to the Final Redemption Date if such prepayment is refinanced in full with a new Equity Contribution; and
- (c) according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date, unless refinanced by a new Equity Contribution.

“**Escrow Account**” means a bank account held by the Issuer with a reputable bank in Sweden, subject to perfected Security in favour of the Agent and the Bondholders represented by the Agent under the Escrow Account Pledge Agreement and from which no withdrawals may be made by any Group Company except as contemplated by the Finance Documents.

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

“**Event of Default**” means an event or circumstance specified as such in Clause 16 (*Termination of the Bonds*).

“**Exceptional Items**” means any material items of an unusual or non-recurring nature which represent gains or losses including those arising on:

- (a) the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring;
- (b) fees, costs and expenses in relation to any Bond Issues;
- (c) fees, costs and expenses in respect of the Arcus Acquisition;
- (d) fees, costs and expenses in respect of a public or private sale of the Issuer;
- (e) disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write down or impairment; and

(f) disposals of assets associated with discontinued operations, up to an amount of SEK 10,000,000 in any Financial Year.

“**Existing Bondholders**” means the bondholders in respect of the Existing Bonds.

“**Existing Bonds**” means the Issuer’s existing senior secured floating rate notes with ISIN: SE0005990835.

“**Existing Bonds Agent**” means the Existing Bondholders’ agent under the Existing Bonds.

“**Final Redemption Date**” means 17 December 2024 or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**Finance Charges**” means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid or payable by any Group Company (calculated on a consolidated basis) in respect of that Relevant Period:

- (a) excluding any upfront fees or costs;
- (b) including the interest (but not the capital) element of payments in respect of any Finance Lease;
- (c) including any commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any Group Company under any interest rate hedging arrangement;
- (d) excluding commissions and/or fees paid on performance guarantees (as long as in compliance with current accounting principles); and
- (e) excluding any capitalised interest in respect of Shareholder Loans or Equity Contributions (if applicable),

and so that no amount shall be added (or deducted) more than once.

“**Finance Documents**” means the Terms and Conditions, the Escrow Account Pledge Agreement, Redemption Account Pledge Agreement, the Guarantee and Adherence Agreement and the Transaction Security Documents as well as any other document designated by the Issuer and the Agent as a Finance Document.

“**Finance Lease**” means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability.

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any Finance Leases;
- (c) receivables sold or discounted (other than on a non-recourse basis);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);

- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the paragraphs (a) to (f) above.

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

“**Financial Statements**” means the annual audited consolidated financial statements of the Group or the quarterly interim unaudited consolidated financial statements of the Group, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 13.1 (*Financial Statements*).

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

“**First Issue Date**” means 17 December 2021.

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

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

“**Group Company**” means the Issuer or any of its Subsidiaries.

“**Guarantee and Adherence Agreement**” means the guarantee and adherence agreement to be entered into between the Issuer, each Guarantor and the Agent pursuant to which each Guarantor will, subject to applicable laws (including corporate benefit, fraudulent conveyance and financial assistance restrictions), adhere to certain undertakings under these Terms and Conditions and irrevocably and unconditionally, jointly and severally, as principal obligor, guarantee to the Agent and the bondholders (represented by the Agent), the punctual performance of the Issuer’s obligations under the Finance Documents.

“**Guarantor**” means (i) each Initial Guarantor and (ii) each wholly-owned Subsidiary of the Issuer which has acceded to the Guarantee and Adherence Agreement in accordance with Clause 15.10 (*Additional Security and Guarantees*), subject to the resignation of any Guarantor in accordance with the Guarantee and Adherence Agreement.-

“**Incurrence Test**” has the meaning set forth in Clause 14.2.3.

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

“**Initial Bond Issue**” has the meaning set forth in Clause 3.3.

“**Initial Guarantors**” means YA Bolagen AB (reg. no. 556801-1778), Yrkesakademin AB (reg. no. 556346-6233), YrkesAkademin YH AB (reg. no. 556614-8705), Suomen



Ammattiakatemia Oy (reg. no. 2567541-8), YA-tech AB (reg. no. 559103-3526), YA-tillsammans AB (reg. no. 559103-3492), YA-training AB (reg. no. 559103-3518) and YA-distans AB (reg. no. 559103-3500).

“**Initial Nominal Amount**” has the meaning set forth in Clause 3.3.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 11.1 to ~~11.3~~11.4.

“**Interest Coverage Ratio**” means the ratio of EBITDA to Net Finance Charges.

“**Interest Free Periods**” has the meaning set forth in Clause 11.3.

“**Interest Payment Date**” means ~~-, subject to the Interest Free Periods,~~ 17 March, 17 June, 17 September and 17 December each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 17 March 2022 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

“**Interest Period**” means each period beginning on (but excluding) the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant) and, in respect of Subsequent Bonds, each period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means 3-month STIBOR plus 8.750 per cent. *per annum*.

“**Issue Date**” means the First Issue Date or any date when Subsequent Bonds are issued pursuant to these Terms and Conditions, as agreed between the Issuing Agent and the Issuer.

“**Issuer**” means YA Holding AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556969-1727.

“**Issuer Share Pledge Agreement**” has the meaning set forth in Clause 6.1.1.

“**Issuing Agent**” means Carnegie Investment Bank (publ), reg. no. 516406-0138, Regeringsgatan 56, SE-111 53 Stockholm, Sweden, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Leverage Ratio**” means the ratio of Net Interest Bearing Debt to EBITDA.

“**Listing Failure**” means a situation where:

- (a) the Initial Bonds have not been admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date; or
- (b) any Subsequent Bonds have not been admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the Issue Date in respect of such Subsequent Bonds.

“**Maintenance Test**” has the meaning set forth in Clause 14.1.1.

**“Market Loan”** means any loan or other indebtedness where an entity issues commercial papers, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, under medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on a Regulated Market or recognised unregulated market place.

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

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the Issuer’s ability or willingness to perform and comply with its obligations under the Terms and Conditions; or
- (c) the validity or enforceability of the Terms and Conditions.

**“Material Group Company”** means:

- (a) the Issuer;
- (b) each Guarantor; and
- (c) any other Group Company representing more than 5 per cent. of the revenues of the Group on a consolidated basis according to the latest annual audited Financial Statements.

**“Material Intragroup Loan”** means any intra-group loan provided by a Group Company to any other Group Company where:

- (a) the term is at least 1 year; and
- (b) the principal amount, when aggregated with all other intra group loans with a term of at least 1 year between the same Group Company as creditor and the same Group Company as debtor exceeds SEK 1,000,000.

**[“Monthly Clean Down”](#)** has the meaning set forth in [Clause 15.5.1](#).

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

**“Net Finance Charges”** means, for any Relevant Period, the Finance Charges for that Relevant Period after deducting any interest receivable in that Relevant Period by any Group Company on any Cash and Cash Equivalents.

**“Net Interest Bearing Debt”** means, at any time, the aggregate amount of all obligations of members of the Group for or in respect of interest bearing Financial Indebtedness at that time but:

- (a) excluding any Financial Indebtedness between members of the Group;
- (b) excluding any Shareholder Loans [and Equity Contributions \(if applicable\)](#);
- (c) in relation to any bank accounts which are subject to netting arrangements, only the net balance shall be taken into account;
- (d) including, in the case of Finance Leases only, their capitalised value; and

- (e) deducting the aggregate amount of Cash and Cash Equivalents held by any Group Company at that time,

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

“**Net Proceeds**” means the cash proceeds from the Initial Bond Issue (taking into account any exchange offer cash component) or any Subsequent Bond Issue after deduction has been made for the transaction costs payable by the Issuer to the Issuing Agent and the sole bookrunner for the services provided in relation to the placement and issuance of the Bonds.

“**Nominal Amount**” mean an amount equal to the Nominal Amount less any repayments and amortisations made.

“**Operating Leases**” means any lease contract which, in accordance with the Accounting Principles in force prior to 1 January 2019, would not have been treated as a balance sheet liability.

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

- (a) incurred under the Finance Documents, including any Subsequent Bonds provided that the Incurrence Test (calculated pro forma including the Subsequent Bond Issue) is met;
- (b) up until Business Day following the date of the disbursement of the Net Proceeds from the Redemption Account, incurred under the Existing Bonds;
- (c) incurred under any Revolving Facilities;
- (d) in the form of any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of trade of a Group Company;
- (e) arising under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under the Finance Documents (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes)
- (f) taken up from a Group Company;
- (g) incurred by the Issuer under unsecured market loans if such Financial Indebtedness:
  - (i) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents;
  - (ii) meets the Incurrence Test on a *pro forma* basis; and
  - (iii) has a final maturity date and, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date;
- (h) incurred under any Shareholder Loans [or Equity Contributions](#);
- (i) arising under any Operating Lease;

- (j) arising under any Finance Lease entered into in the ordinary course of the Group's business in a maximum aggregate amount of SEK 100,000,000 (or its equivalent in any other currency or currencies);
- (k) incurred in the ordinary course of business of the Group under an Advance Purchase Agreement;
- (l) incurred under any guarantee provided by a Group Company in the ordinary course of business;
- (m) under any pension and tax liabilities incurred in the ordinary course of business;
- (n) incurred as a result of any Group Company acquiring another entity which holds Financial Indebtedness, provided that the Incurrence Test is met (calculated *pro forma* including the acquired entity's indebtedness in question), provided however that such indebtedness is refinanced no later than 90 days from the acquisition with Financial Indebtedness constituting Permitted Financial Indebtedness (if applicable);
- (o) incurred in connection with the redemption of the Bonds in order to refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds; and
- (p) not permitted by paragraphs (a) to (o) above, in an aggregate amount not at any time exceeding SEK 10,000,000 and incurred in the ordinary course of the Group's business (all such Financial Indebtedness is together referred to as the "**Permitted Basket**").

"**Permitted Security**" means any Security:

- (a) provided in accordance with the Finance Documents;
- (b) provided for any Revolving Facilities, ~~in respect of business mortgages issued by the Group Companies or in the form of guarantees from any Group Company;~~
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including cash pool arrangements;
- (d) arising by operation of law or in the ordinary course of business of the Group (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (e) arising under any guarantee provided by a Group Company in the ordinary course of business;
- (f) provided pursuant to paragraphs (i), (j) and (n) of the definition of Permitted Financial Indebtedness but in relation to (n) provided that such security is released within 90 days from the acquisition;
- (g) created for the purposes of securing obligations to the CSD in relation to the Bonds;

“**Redemption Amount**” means the amount required to redeem the Existing Bonds (excluding, for the avoidance of doubt, Roll-over Bonds) in full on the applicable redemption date.

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

“**Reference Date**” means 31 March, 30 June, 30 September and 31 December each year.

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

“**Relevant Period**” means each period of twelve (12) consecutive calendar months ending on or about the last day of each financial quarter for which a quarterly financial report has been produced.

“**Restricted Payment**” has the meaning set out in Clause 15.1.

“**Revolving Facilities**” mean one or more overdraft credit facilities or revolving credit facilities and ancillary facilities thereunder provided to a Group Company in the aggregate amount of SEK ~~40,000,000~~50,000,000.

“**Roll-over Bonds**” means Existing Bonds applied in payment-in-kind of Initial Bonds.

“**Secured Parties**” means the Agent and the Bondholders.

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

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

“**SEK**” denotes the lawful currency of Sweden.

“**Shareholder Loan**” means any loan from a shareholder of the Issuer to the Issuer as a debtor, if such shareholder loan:

- (a) is unsecured and subordinated to the obligations of the Issuer under the Terms and Conditions pursuant to its terms;
- (b) according to its terms have a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date, save for payments of interest which are permitted Clause 15.1 (*Distributions*).

“**Sponsor**” means CapMan Buyout X Fund A L.P. and CapMan Buyout X Fund B Ky.

“**STIBOR**” means:

- (a) the applicable interest rate per annum calculated and distributed by the Swedish Financial Benchmark Facility (or the replacing administrator or calculation agent) for the current day and published on the on page STIBOR= of the Thomson Reuters

in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.

- 9.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (*Sw. förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

## **10. PAYMENTS IN RESPECT OF THE BONDS**

- 10.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 10.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 10.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause ~~11.4~~ 11.5 during such postponement.
- 10.4 If payment or repayment is made in accordance with this Clause 10, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

## **11. INTEREST**

- 11.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.

11.2 Interest accrues during an Interest Period. ~~Payment~~ Subject to Clause 11.3 below, payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.

11.3 Notwithstanding anything to the contrary in the Finance Documents, no Interest shall be payable by the Issuer in respect of the Interest Periods ending on 17 September 2022, 17 December 2022, 17 March 2023, 17 June 2023, 17 September 2023 and 17 December 2023 (the “Interest Free Periods”).

11.4 ~~11.3~~ Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

11.5 ~~11.4~~ If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## 12. REDEMPTION AND REPURCHASE OF THE BONDS

### 12.1 Redemption at maturity

12.1.1 Subject to Clause 12.1.2, the Issuer shall redeem all, but not some only, of the Bonds in full on the Final Redemption Date with an amount per Bond equal to 113.125 per cent. of the Nominal Amount together with accrued but unpaid Interest. If the Final Redemption Date is not a Business Day, the redemption shall to the extent permitted under the CSD’s applicable regulations occur on the Business Day following from an application of the Business Day Convention or, if not permitted under the CSD’s applicable regulations, on the first following Business Day.

12.1.2 If a Sustainability Trigger Event applies in respect of the Final Redemption Date, the Issuer shall redeem all, but not some only, of the Bonds in full on the Final Redemption Date with an amount per Bond equal to ~~100.75~~ 113.875 per cent. of the Nominal Amount together with accrued but unpaid Interest.

### 12.2 Purchase of Bonds by Group Companies

Each Group Company may, subject to applicable regulations, at any time and at any price purchase Bonds on the market or in any other way. Any Bonds held by a Group Company may at such Group Company’s discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

### 12.3 Early voluntary total redemption (call option)

12.3.1 The Issuer may redeem all, but not only some, of the Bonds early on any Business Day falling on or after ~~the First Call Date~~ 17 December 2023 but before the Final Redemption Date.



Subject to Clause 12.3.4, the Bonds shall be redeemed at the applicable Call Option Amount together with accrued but unpaid interest.

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

12.3.3 Any notice of redemption shall set out the Sustainability Performance for the relevant Target Observation Dates, a confirmation that the Sustainability Performance has been verified by a Sustainability Auditor and whether or not a Sustainability Trigger Event applies in respect of the relevant Redemption Date.

12.3.4 If a Sustainability Trigger Event applies in respect of the relevant Redemption Date, the amount payable under Clause 12.3.1 above will be increased by an amount corresponding to 0.75 per cent. of the Nominal Amount of the Bonds redeemed.

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

12.4.1 Upon the occurrence of a Change of Control, De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to ~~101.00~~ 114.125 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 13.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

12.4.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 13.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 13.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.4.1.

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

12.4.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.4, if a third party in connection with the occurrence of a Change of Control, De-listing or Listing



Performance are verified by the Sustainability Auditor in accordance with the Issuer's Sustainability-linked Finance Framework.

- (b) each of the Financial Statements set out in paragraph (b) of Clause 13.1 above shall include the Employment Rate for the relevant Quarterly Period and the Sustainability Performance (calculated on the Employment Rate for the four most recent Reference Dates).
- (c) the Sustainability Performance (calculated on basis of the relevant Target Observation Dates) in relation to any Redemption Date shall be verified by a Sustainability Auditor in accordance with the Issuer's Sustainability-linked Finance Framework.

### 13.3 Compliance Certificate

13.3.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:

- (a) when consolidated Financial Statements are made available to the Agent in accordance with paragraphs (a) or (b) of Clause 13.1 (*Financial Statements*);
- (b) in connection with the testing of an Incurrence Test; and
- (c) at the Agent's reasonable request, within twenty (20) calendar days from such request.

13.3.2 In each Compliance Certificate, the Issuer shall:

- (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it;
- (b) if provided in connection with:
  - (i) an annual audited consolidated financial statements of the Group, a list of new Guarantors;
  - (ii) Financial Statements being made available:
    - (A) including calculations and figures in respect of the Maintenance Test, that the Maintenance Test is met as per the last day of the quarter to which the Compliance Certificate refers (and has not been breached since the last day of the relevant quarter to which the most recent Compliance Certificate refers); and
    - (B) [that the Group is in compliance with the provisions set out in Clause 15.5 \(Monthly Clean Down\); and](#)
  - (iii) the testing of the Incurrence Test, that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test.

### 13.4 Information: miscellaneous

The Issuer shall:

- (a) promptly notify:
  - (i) the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing or a Listing Failure; and

- (ii) the Agent upon becoming aware of the occurrence of an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of any such notice;
- (b) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions), the Sustainability-Linked Finance Framework and the second opinion relating to its Sustainability-Linked Finance Framework available on its website;
- (c) upon request by the Agent, provide the Agent with any information relating to a transaction made pursuant to Clause 15.7 (*Disposals of assets*) which the Agent deems necessary (acting reasonably); ~~and~~
- (d) procure that any information requirements of the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable) in relation to sustainability linked bonds are prepared and made available in accordance with the rules and regulations of the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable); and
- (e) immediately notify the Agent and the Bondholders of any covenants included in any agreement governing the Revolving Facilities (and any amendments thereto).

### 13.5 Restrictions

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 13 (*Information undertakings*) if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 13 (*Information undertakings*).

## 14. FINANCIAL COVENANTS

### 14.1 Maintenance Test

14.1.1 The Maintenance Test is met if the Net Interest Bearing Debt to EBITDA is less than:

- (a) in respect of ~~any Reference Date ending after the Issue Date but on or before 31 December 2022~~ 31 March 2024 and 30 June 2024, 5.50:1; and
- (b) in respect of ~~any Reference Date ending after 31 December 2022 but on or before 31 December 2023~~ 30 September 2024, 4.50:1; and 6.00:1.
- ~~(c) — in respect of any Reference Date ending after 31 December 2023, 3.50:1.~~

14.1.2 The Maintenance Test shall be tested quarterly on ~~each the~~ Reference ~~Date~~ Dates set out in Clause 14.1.1 above on the basis of the interim Financial Statements for the period covered by the relevant Reference Date on the basis of the Compliance Certificate delivered in connection

therewith. The ~~first test date for Issuer shall not be required to meet~~ the Maintenance Test ~~shall be in respect of any Reference Date up until and including~~ 31 December ~~2021~~2023.

## 14.2 Incurrence Test

14.2.1 The Incurrence Test shall be applied in connection the incurrence of Financial Indebtedness or the making of a Restricted Payment which requires that the Incurrence Test is met, until and including the Final Redemption Date.

14.2.2 The Incurrence Test shall be tested on the date on which the relevant Financial Indebtedness is incurred or Restricted Payment is made, as applicable (the “**Incurrence Test Date**”).

14.2.3 The Incurrence Test is met if:

- (a) the ratio of Net Interest Bearing Debt to EBITDA is less than 3.50:1 for the period starting on the First Issue Date and a period of 12 months thereafter, and thereafter less than 3.00:1;
- (b) the Interest Coverage Ratio exceeds 2.50:1; and
- (c) no Event of Default is continuing or would occur upon the relevant incurrence, disbursement or payment (as applicable).

## 14.3 Calculation Principles

14.3.1 For the purpose of any Incurrence Test (without double counting):

- (a) the calculation of the ratio of Net Interest Bearing Debt to EBITDA shall be made as per a testing date determined by the Issuer, falling no more than two (2) months prior to the date of the relevant Restricted Payment or the incurrence of Financial Indebtedness (the “**Incurrence Test Date**”);
- (b) the Net Interest Bearing Debt shall be measured on the relevant Incurrence Test Date, but include the new Financial Indebtedness provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce the Net Interest Bearing Debt);
- (c) any Financial Indebtedness which will be refinanced with the proceeds of any Financial Indebtedness incurred after the end of the Relevant Period and up until and including the Incurrence Test Date shall be deducted from Net Interest Bearing Debt, *pro forma*;
- (d) the calculation of the Interest Coverage Ratio shall be made for the Relevant Period ending on the last day of the period covered by the most recent Financial Statement; and
- (e) the figures for EBITDA for the Relevant Period ending on the last day of the period covered by the most recent Financial Statements shall be used for the Incurrence Test, but adjusted so that:
  - (i) the transaction which requires that an Incurrence Test is made shall be included in the calculations, *pro forma*;

- (ii) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a member of the Group acquired during the Relevant Period, or any entity to be acquired with the proceeds from new Financial Indebtedness, shall be included, *pro forma*, for the entire Relevant Period; and
- (iii) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a member of the Group disposed of during the Relevant Period shall be excluded, *pro forma*, for the entire Relevant Period.

## 15. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 15.

### 15.1 Distributions

The Issuer shall not, and shall procure that no other Group Company will:

- (a) make or pay any dividend on its shares;
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders;
- (d) repay principal or pay interest under any Shareholder Loans;~~or~~
- (e) [make any payment, prepayment, repayment, redemption, defeasance or discharge of an Equity Contribution, or pay any interest accrued or capitalised in respect of any Equity Contribution; or](#)
- (f) ~~(e)~~ make any other similar distributions or transfers of value (Sw. värdeöverföringar) to the direct or indirect shareholders or any Affiliates of the Issuer,

(the transactions set out in paragraphs (a) to ~~(e)~~(f) above are together and individually referred to as a “**Restricted Payment**”), provided however that any such Restricted Payment may be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, by:

- (i) the Issuer to pay any management, advisory or other fee to or to the order of any shareholder of the Issuer, in an aggregate amount not exceeding SEK 1,000,000 (or its equivalent in any other currency or currencies) in any financial year;~~and~~
- (ii) any Group Company (other than the Issuer) if such Restricted Payment is made to a Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis or in a larger proportion to the Group;~~;~~ and
- (iii) [the Issuer by way of any payment, prepayment, repayment, redemption, defeasance or discharge of an Equity Contribution, or any payment of interest](#)

accrued or capitalised in respect of an Equity Contribution, provided that such action is refinanced in full with a new Equity Contribution.

## 15.2 Admission to trading

Without prejudice to Clause 12.4 (*Mandatory repurchase due to a Change of Control, Delisting or Listing Failure (put option)*), the Issuer shall ensure that:

- (a) the Bonds issued under the Initial Bond Issue are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within six (6) months after the First Issue Date and with an intention to complete the admission to trading within 30 days of the First Issue Date; and
- (b) the Bonds issued under any Subsequent Bond Issue are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within six (6) months of the relevant Issue Date (with an intention to complete the admission to trading within 30 days of the relevant Issue Date).

## 15.3 Change of business

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

## 15.4 Financial Indebtedness

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

## 15.5 Monthly Clean Down

15.5.1 The Issuer shall procure that during each calendar ~~year-month~~ there shall be a period of three (3) consecutive days during which Cash and Cash Equivalents less the aggregate ~~of the~~ amount outstanding under any Revolving Facilities (as applicable) (excluding any non-cash elements of ancillary facilities), ~~less Cash and Cash Equivalents,~~ amounts to: (i) minus SEK 10,000,000 or more for the period to (and including) 31 March 2023, and (ii) zero (0) or less more for the period from (but excluding) 31 March 2023 to (and including) the Final Redemption Date.

15.5.2 Notwithstanding Clause 15.5.1, during the month in which the Group makes the scheduled earn-out payment in relation to the Arcus Acquisition for the financial year 2023, the Issuer shall procure that Cash and Cash Equivalents less the aggregate amount outstanding under any Revolving Facilities (as applicable) (excluding any non-cash elements of ancillary facilities) as set out above for that month only, for a period of three (3) consecutive days is SEK 5,000,000 or more.

15.5.3 Compliance with the Monthly Clean Down shall be confirmed in a Compliance Certificate issued together with each Financial Statements.

## 15.6 **Negative Pledge**

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

## 15.7 **Disposals of assets**

Subject to this Clause 15.7 and the terms of the Transaction Security Documents, the Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of shares or other interests in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

## 15.8 **Mergers and demergers**

15.8.1 The Issuer shall not enter into any amalgamation, demerger, merger or reconstruction, save for any merger where the Issuer is the surviving entity.

15.8.2 The Issuer shall procure that no other Group Company will enter into any amalgamation, demerger, merger or reconstruction, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

## 15.9 **Maintenance Test**

The Issuer shall procure that the Maintenance Test is met on ~~each~~ the relevant Reference ~~Date as long as any Bond is outstanding~~ Dates as set out in 14.1 (Maintenance Test).

## 15.10 **Additional Security and Guarantees**

The Issuer shall, no later than 60 Business Days following the publication of the annual audited consolidated Financial Statements provide the Agent with the following documents and evidence:

- (a) copy of an accession letter to the Guarantee and Adherence Agreement, duly executed by any wholly-owned Subsidiary of the Issuer which is not a Guarantor;
- (b) copies of the Transaction Security Documents in respect of the shares in each new Guarantor, duly executed by the relevant shareholder, and evidence that the documents, notices and other evidences to be delivered pursuant to such Transaction Security Documents have been delivered and satisfied;
- (c) copies of the Transaction Security Documents in respect of any present or future Material Intragroup Loans provided by each new Guarantor, duly executed by the relevant Guarantor, and evidence that the documents, notices and other evidences to be

delivered pursuant to such Transaction Security Documents have been delivered and satisfied; and

- (d) constitutional documents and corporate authorisations evidencing that any Transaction Security Document delivered pursuant to paragraphs (b) and (c) above have been duly executed by the relevant Group Companies.

#### 15.11 Dealings with related parties

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

#### 15.12 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations applicable to them from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm (or any other Regulated Market on which the Issuer's securities from time to time are listed), to the extent any failure to comply might have an adverse effect on the interest of the bondholders.

#### 15.13 Authorisations

The Issuer shall, and shall procure that each other Group Company will, obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company.

#### 15.14 Agency Agreement

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

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

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

#### 15.15 CSD related undertakings

The Issuer shall keep the Bonds affiliated with a CSD and comply with all applicable CSD Regulations.

#### 15.16 Conditions Subsequent

The Issuer shall procure that Clause 5.3 (*Conditions Subsequent*) is complied with.

### 15.17 **Restrictions on M&A**

The Issuer shall not, and shall procure that no other Group Company will, acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them) or incorporate a company.

### 15.18 **Arcus Earn-Out Payments**

15.18.1 The Issuer shall not make, and shall procure that no other Group Company makes, the scheduled earn-out payment under the share purchase agreement in relation to the Arcus Acquisition for the financial year 2024 until after the Final Redemption Date.

15.18.2 The Issuer shall not make, and shall procure that no other Group Company makes, the scheduled earn-out payment under the share purchase agreement in relation to the Arcus Acquisition for the financial year 2023 prior to (but excluding) 31 October 2023 and such payment may only be made if the Issuer meets the Monthly Clean Down, as set out in Clause 15.5.2, during the month on which such payment is to made.

## **16. TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 16 is an Event of Default (save for Clause 16.10 (*Termination*) and Clause 16.11 (*Distribution of proceeds*)).

### **16.1 Non-payment**

The Issuer fails to pay an amount on the date it is due in accordance with the Terms and Conditions unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date.

### **16.2 Maintenance Test**

The Issuer fails to comply with the Maintenance Test on ~~any~~the relevant Reference ~~Date~~Dates.

### **16.3 Other obligations**

The Issuer does not comply with the Terms and Conditions (other than as set out in Clause 13.2.4, 13.2(b), 13.2(c) or 16.1), unless the non-compliance is:

- (a) capable of being remedied; and
- (b) remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

### **16.4 Cross-payment default and cross-acceleration**

- (a) Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); or



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

provided however that the amount of Financial Indebtedness referred to under paragraph (a) and/or (b) above, individually or in the aggregate exceeds an amount corresponding to SEK 10,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

## 16.5 **Insolvency**

### 16.5.1 Any Material Group Company:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) is declared to be unable to pay its debts under applicable law;
- (c) suspends making payments on its debts generally; or
- (d) by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under the Terms and Conditions) with a view to rescheduling its Financial Indebtedness.

16.5.2 A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

## 16.6 **Insolvency proceedings**

### 16.6.1 Any corporate action, legal proceedings or other procedures are taken in relation to:

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

### 16.6.2 Clause 16.6.1 above shall not apply to:

- (a) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised; or
- (b) in relation to the Subsidiaries, solvent liquidations.

## 16.7 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding SEK 10,000,000 and is not discharged within thirty (30) calendar days.

## SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE

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### COMPLIANCE CERTIFICATE

To: Nordic Trustee & Agency AB (publ) as Agent

From: YA Holding AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

#### Maximum SEK 650,000,000 Senior Secured Callable Sustainability Linked Floating Rate Bonds 2021/2024 with ISIN: SE0016831150 (the "Bonds")

(1) We refer to the terms and conditions for the Bonds (the "**Terms and Conditions**"). This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

#### (2) **[Maintenance Test**

We confirm that the Maintenance Test is met and that in respect of the Reference Date [date] (and has not been breached since the last day of the relevant quarter to which the most recent Compliance Certificate refer), the Net Interest Bearing Debt was [♦], EBITDA was [♦] and that the Leverage Ratio therefore was [♦] (and should not exceed [~~5.50:1/4:50:1/3:50:1~~]; 6.50:1/6:00:1), always calculated in accordance with Clause 14.3 (*Calculation principles*).

Computations as to compliance with the Maintenance Test are attached hereto.]<sup>12</sup>

#### (3) **[Incurrence Test**

This is an Incurrence Test in respect of [*describe relevant Financial Indebtedness incurred or Restricted Payment made*] (the "**Incurrence**"). We confirm that the Incurrence Test is met and that in respect of the Incurrence Test Date, being [date].

- (a) *Leverage Ratio*: The Net Interest Bearing Debt was [♦], EBITDA was [♦] and that the Leverage Ratio therefore was [♦] (and should not exceed [3.50:1/3:00:1]);
- (b) *Interest Coverage Ratio*: The EBITDA was [♦], the Net Finance Charges was [♦] and that the Interest Coverage Ratio therefore was [♦] (and should exceed 2:50:1); and
- (c) no Event of Default is continuing or would occur upon the relevant incurrence, disbursement or payment (as applicable),

in each case including the Incurrence on a *pro forma* basis and otherwise calculated in accordance with Clause 14.3 (*Calculation principles*).

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<sup>1</sup> To include calculations of the Maintenance Test including any *pro forma* adjustments pursuant to Clause 14.2.

<sup>2</sup> This section to be used if the Compliance Certificate is delivered in connection with the delivery of a financial report [in relation to a Reference Date which requires the Maintenance Test to be met](#).

Computations as to compliance with the Incurrence Test are attached hereto.]<sup>34</sup>

**(4) [New Guarantors]<sup>5</sup>**

Name	Reg. no. (or equivalent)	Jurisdiction

**(5) [Monthly Clean Down]**

We confirm that as at the date of the publication of the Financial Statements in respect of the Reference Date [♦], the Group is in compliance with Clause 15.5 (Monthly Clean Down) of the Terms and Conditions.]<sup>6</sup>

**(6) [No Event of Default]**

We confirm that, so far as we are aware, no Event of Default is continuing.]<sup>7</sup>

**YA HOLDING AB (PUBL)**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

<sup>3</sup> To include calculations of the Incurrence Test and any adjustments pursuant to Clause 14.2 (*Incurrence Test*).

<sup>4</sup> This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.

<sup>5</sup> New wholly-owned Subsidiaries of the Issuer which are not Guarantors (if any) to be listed in Compliance Certificate delivered together with the annual audited consolidated Financial Statements of the Group.

<sup>6</sup> This section to be used if the Compliance Certificate is delivered in connection with the delivery of a financial report.

<sup>7</sup> Should be included in each Compliance Certificate. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

We hereby certify that the above Terms and Conditions are binding upon ourselves.

Stockholm, \_\_\_\_\_ ~~2021~~2022

*The Issuer*

**YA HOLDING AB (PUBL)**

\_\_\_\_\_  
Name:

We hereby undertake to act in accordance with the above Terms and Conditions to the extent they refer to us.

Stockholm, \_\_\_\_\_ ~~2021~~2022

*The Agent*

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

\_\_\_\_\_  
Name:

# Risk Factors

## Schedule 4

### RISKS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

#### Risks relating to the Group's business activities, the industry and the market

##### The Company's earnings and cash flow

As further described under Section "*Public procurement procedure*" below, lower than forecasted participation rates in professional driver training courses have had a material adverse effect on the Company's and the Group's earnings and cash flow during the first and second quarter of 2022 and may continue to have a material adverse effect on the Company's and the Group's earnings and cash flow and, in extension, on the Company's and the Group's business operations and prospects. Notwithstanding the Swedish Public Employment Service's (Sw. *Arbetsförmedlingen*) ("**AF**") forecasts for the end of 2022 indicating improving participation rates and consequently a stabilisation of the Company's and the Group's earnings and cash flow, such forecasts are based on material estimates and assumptions which are, amongst other things, subject to significant microeconomical and macroeconomical uncertainties and has historically proved to be materially incorrect. Hence, there can be no assurance that such forecasts are correct and/or that the current earnings and cash flow situation improves sufficiently or at all, which would have a material adverse effect on the Company's and the Group's future earnings, cash flow, business operations and prospects.

The Written Procedure is intended to contribute to a stabilisation of the Company's current cash flow situation. Such measures may not be sufficient to stabilise the Company's and the Group's current liquidity situation, in particular in case the participation rates remain materially lower than forecasted and/or cost savings cannot be achieved, which would have a material adverse effect on the Company's and the Group's future earnings, cash flow, business operations and prospects.

The Issuer considers that the probability of the above risks occurring is high. If the risks would materialise, the Issuer considers the potential negative impact to be highly materially adverse.

##### Public procurement procedure

The Company is one of Sweden's largest vocational education companies. The Group has presence in over sixty locations, plenty of educational units across Sweden and a growing presence in Finland. A vast majority of the Group's sales derive from contracts related to the public procurement (Sw. *offentlig upphandling*) and a small amount from contracts related to the private sector (private educations). All contracts entered into with public authorities, such as AF, shall be entered into following a public procurement procedure. For the financial period ended 30 June 2022, approximately 60 per. cent of the Group's sales derive from contracts entered into with AF (labour market training and matching), whereas approximately 20 per cent. vocational universities, 15 per cent. from municipalities and private companies account for remaining 5 per cent. Said agreements are generally entered into for a fixed two year term, with the possibility for AF to prolong the contracts with one year two additional times. There can be

no assurance that AF will prolong the contracts and if a contract is not prolonged, the Company will not receive the anticipated income for its business. Upon expiry of the agreements, a new procurement procedure must be initiated in order for the business to continue, and there is a risk that AF decides to scale down the number of participants and tenders lower volumes, decides not to continue the education, move it to another geographical location, or that the Group will not be re-awarded the tendered contracts. Should the Group not win enough tender processes or not be able to renew any existing contracts when the contracts expire it could have a material negative impact on the Group's results. There is also a risk that the Group is unsuccessful or face difficulties attracting customers if AF were to radically reform or even close-down, which could have a material adverse effect on the Group's growth and its business prospects (as further described under Section "*Political risks*" below).

Moreover, if the Company is awarded a contract, there are normally low to no volume guarantees in participants and thus a risk that, *inter alia*, income will be lower than expected. Furthermore, any payment under the volume guarantees is made annually in arrear and the Company consequently bears the cash flow risk for the relevant period up until any guarantee payment is made. Meanwhile, the contracts include commitments with regards to providing teachers, premises, equipment, etc., regardless of the number of participants. Hence, failure to fill the courses with a sufficient number of participant may lead to higher than anticipated fixed costs ratios for providing the courses, a suboptimal use of the Group's resources, loss of income and a negative impact on the Company's and the Group's liquidity. For example, after successful procurement of labour market training courses for AF, the Company launched professional bus driver training courses in 20 locations in March 2022 and professional truck driver training courses in 25 locations during April 2022. The number of participants who have been assigned to the new professional driver training courses has so far been significantly lower than the forecasts that AF presented to the Company in connection with the procurement of the training courses in 2021, which have had, and may continue to have, a highly material adverse effect on the earnings and cash flow of the Company and the Group. Notwithstanding AF's forecasts for the remainder of the contract period, there can be no assurance that the number of participants will increase in sufficient numbers.

Furthermore, there is a risk that an award decision is challenged by a competitor in the Swedish Administrative Courts and the court can decide that the procurement shall be recommenced, causing delay, increased costs or even jeopardizing the award of the contract, which would render a loss of income to the Group. As an example, AF completed a procurement process of professional truck and bus drivers' educations during 2021. The Group was awarded 25 out of 27 locations regarding truck drivers and 20 out of 23 locations regarding bus drivers, with an annual value of approximately SEK 200 million and SEK 100 million, respectively, based on the forecasts that AF presented to the Company in connection with the procurement of the training courses. However, the decisions was challenged in the Swedish Administrative Court, which caused a delay in the start-up of the trainings. The Swedish Administrative Court did not find any reason to intervene against AF's procurements, but the delayed start-up of the trainings have had a negative impact on the earnings and cash flow of the Company and the Group during the first and second quarter of 2022.

The Issuer considers that the probability of the above risks occurring is high. If the risks would materialise, the Issuer considers the potential negative impact to be highly materially adverse.

### **Contract terms and other factors affecting profitability**

As a result of the public procurement procedure required for the majority of the customer contracts of the Group (as described under Section “*Public procurement procedure*” above), and in particular as a result of the fixed terms of such contract, there is a risk that the terms of such underlying tender agreements cannot be matched with the terms of the Group’s suppliers and other production-related agreements (*e.g.* agreements in relation to leasing of equipment, employment and premises and various supplier agreements), causing increased costs in relation to income. There is also a risk that other factors are impacting profitability such as higher use of consultants than anticipated, start-up costs for new educations, and as mentioned above, that a lower number of participants in certain educations compared to budget result in comparatively high fixed costs such as costs for premises and staff. If any of these risks were to materialise, there is a risk that the Group will suffer a decrease in sales, increased costs or be unable to provide educations, which will have a negative effect on the Group’s revenue and operating results.

The Issuer considers that the probability of the above risks occurring is medium. If the risks would materialise, the Issuer considers the potential negative impact to be adverse.

### **Political risks**

Publicly funded vocational education is a highly regulated business. The Group is therefore affected by political reforms and decisions, changes to the policies and procedures of AF, other authorities implementing regulations, introduction of new legislation or regulations or changes regarding the application of existing legislation or regulations and other changes, regarding for example higher vocational education permits or other matters applicable to the Group’s operations or its clients. Moreover, the Group’s business is to a large extent governed by political budgetary resources. Political budgetary resources are rapidly changing. The political risks can in turn be divided into several dimensions; *i.e.* in which way the political budgetary funds are to be used and which educational measures are having the priority but also the procurement risk towards AF. For example, the labour market training has experienced reduced volumes in previous years, and there are ongoing discussions to move labour market training to vocational secondary education, why there is a risk that the market development will be negatively impacted by further reducing funding for AF. If such risk was to materialise, the Group’s operation will not grow or be retained as predicted or required, which could have an adverse effect on the Group’s business as well as its operating results.

AF has also implemented a savings programme during 2018 in order to meet new state budget limits. Having a reduced political support for AF means that the Group will have to adapt its business activities in accordance therewith and it is unclear how such reduced budget for AF will impact the Group’s volumes. Furthermore, there is a risk in a potential radical reform or even close-down of AF and hence in such scenario less course participants will be referred to the Company, leading to reduced volumes and utilisation rates.

As part of its official mandate, AF is continuously analysing and evaluating its various labour market services, including its matching services. In June 2022, following an initial analysis and evaluation of matching services during the end of 2021 and beginning of 2022, the Swedish government reaffirmed AF’s previous instruction to further develop and optimise its labour

market services and, as part of such instruction, provided AF with further detailed instructions on its work with matching services, including external providers of such services. AF is due to report back to the Swedish government no later than 31 December 2022. The result of such process is yet to be established.

Since a majority of the Group's revenues are derived from contracts entered into with AF, a reduction or close-down of AF, including the municipalities' use of financial resources, including any reforms, changes of policies and new legislation or changes in relation thereto could have a material negative impact on the Group's business as well as its operating results should the Group fail to diversify its sources of revenues.

The Issuer considers that the probability of the above risks occurring is medium. If the risks would materialise, the Issuer considers the potential negative impact to be materially adverse.

### **Risks related to acquisitions and acquired companies**

The Group may, from time to time, evaluate potential acquisitions that are in line with the Group's strategic objectives of expanding the Group's geographical reach and customer base. As announced on 27 October 2021, the Group has entered into a share purchase agreement in respect of the acquisition of shares in Arcus Utbildning & Jobbförmedling AB, which was subsequently completed on 29 December 2021.

There is a risk that the Issuer will be unable to find suitable target companies, as well as there is a risk that acquired companies will not achieve expected financial targets. If an acquired company underachieve financially or can only be acquired at high prices, the returns on the Group's investment, in terms of dividends and capital gain, might be lower than expected, having a material adverse effect on the Group's cash flow and future profits and financial position.

Further, it is not certain that material commercial or financial issues regarding a target company are discovered during due diligence reviews. When conducting a due diligence of a target company, reliance may be placed on public information, which often is limited and include information provided by the target company itself. Public information or third-party sources may however be limited and could be inaccurate and/or misleading as such information in part might be furnished in bad faith to increase or uphold the purchase price. Therefore, the Company cannot always be certain that the due diligence review will reveal all relevant facts and risks that could be necessary in order to attain a reasonable evaluation of the relevant target company. Risks identified and considered prior to each acquisition can also be misjudged and the scope of the due diligence review may prove insufficient. Furthermore, there is a risk that the purchase agreement may lack sufficient warranties in regard to the identified and unidentified risks. If any of these risks were to materialise, the Group could acquire companies at too high prices resulting in lower returns on investments, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Furthermore, certain deficiencies or misconduct in acquired companies could, in an extension, entitle public authorities to exclude such companies from future public procurements as well as terminating ongoing contracts. It is generally held that Swedish public procurement regime does not allow public authorities to exclude a company from a procurement on the mere fact that



grounds for exclusion apply to another company in the same group. However, the Issuer or any other Group company may face harder scrutiny from authorities in future procurements if they have a connection to a company that has, *inter alia*, been excluded to participate in public procurements. There is therefore a risk that insufficient due diligence or deficiencies in a Group company could have a material negative impact on the Group's business as well as its operating results.

The Issuer considers that the probability of the above risks occurring is low. If the risks would materialise, the Issuer considers the potential negative impact to be adverse.

### **Service development and fluctuations in demand**

The Group's growth and development is dependent upon its ability to develop new and innovative services and its ability to attract its customers (such as public authorities, private companies or students). The Group's educational services are focused on five segments; labour market training, vocational university, vocational secondary education, private and corporate competence development and matching services. There is a risk that the Group will not continue to be successful in its business fields (or any other new fields), as well as there is a risk that the Group will not receive sufficient funding in order to provide, *inter alia*, labour market training.

Also, in times of economic growth, there is a risk that the market develops in a way that negatively impacts the demand for the Group's educational services. The Group is reliant on demand for the Group's services. Such demand is dependent on, *inter alia*, unemployment, immigration levels and political decisions. Regulatory changes and budget changes are also affecting the demand for the Group's services. Contracts to which the Group has entered into may include commitments to deliver education even if only a few participants apply and in such scenario there is a risk that profitability will become low or even negative. Changes in demand arising due to economic downturn or customers sourcing alternative educational services or providers, among other factors, and tender processes could have a material negative impact on the Group's operations, financial position and results. Should the Group not be able to develop its educational services successfully or not being able to adopt its business to the relevant market conditions, it could have a material negative impact on the Group's business as well as its operating results.

The Issuer considers that the probability of the above risks occurring is medium. If the risks would materialise, the Issuer considers the potential negative impact to be materially adverse.

### **Risks related to scrutiny and transparency under contracts, as well as inadequate compliance**

The Group's prospects and financial and operational results are dependent on the Group's ability to be awarded public contracts and to maintain and/or prolong such contracts. Contracts entered into with state entities are generally subject to more extensive review and publicity than contracts between private parties. Such review entail an increased risk of reputational damage. Furthermore, given the requirements of public disclosure applicable on public contracts and other relations and/or communication with state entities, information provided by the Group to customers is to be disclosed, which could cause material damage the Group's competitive position or lead to reputational or financial loss. As a result, there is a risk that the Group's

operations from time to time will be subject to the “public eye”. Any loss of confidence may be difficult for the Group’s operations to overcome and may cause the Group comprehensive costs. Negative media attention could therefore affect, *inter alia*, the established trademarks of the Group and the Group’s ability to attract customers and participants, and could in turn have a material negative impact on the Group’s operating results.

Further, the Group has several of education segments that occasionally suffer from quality and/or reputational problems, as well as premises and equipment that must fulfil certain requirements and therefore are subject to regular inspections. Inadequate compliance may lead to penalties, fines or other sanctions, as well as negative publicity, which would reduce the attractiveness of the Group’s education services. There is also a risk that the customers and students due to, *inter alia*, rapid changes on the labour market, conclude that the Group’s educations are not relevant in order to get a job. This can result in a loss of students and the need for extra resources, which has a negative impact on the profitability.

The Issuer considers that the probability of the above risks occurring is low. If the risks would materialise, the Issuer considers the potential negative impact to be materially adverse.

### **Competition risks**

The Group operates in a competitive industry and there is no guarantee that the Group’s educational services will be preferred over competing companies’ existing or future educational services on the labour market. Further, there is no guarantee that the Group will be awarded contracts from AF or that AF will operate in the same way as today. The Group’s competitiveness is, amongst other things, dependent on its ability to predict future changes in the industry and to quickly adapt to current and future market needs (such as digital education or changes relating to any political decisions). It may become necessary for the Group to make significant investments, restructure operations or implement price reductions in order to adapt to new competition and/or still be awarded contracts. If the Group has to make significant investments, restructurings or price reductions due to increased competition, it could have a material negative impact on the Group’s results.

The Issuer considers that the probability of the above risks occurring is low. If the risks would materialise, the Issuer considers the potential negative impact to be materially adverse.

### **Risks related to rental of premises and lease obligations**

The Group conducts its operations in over sixty locations and are primarily conducted in leased premises. A prerequisite for attractiveness, growth and continual operation is access to good premises in attractive locations. The availability and cost of leased premises are mainly determined by the general economic climate. Both public and other independent providers operate in the same market when it comes to the availability and cost of premises. There is no guarantee that any increases in leasing costs (including premises and other leases) will immediately, or in general, be compensated by a corresponding increase in the public funding. A shortage of premises and increased costs of premises may have a negative impact on the Group’s results, which, in turn, could have a material adverse effect on the Group’s results of operations.

Further, to secure the use of premises, the Group enters into leases. The length of the lease is determined by, *inter alia*, the type of educations conducted in the premises and the degree of adaptation that is required, as well as to a certain extent the location of the premises. In respect of the financial period ended 30 June 2022, the total leasing costs (including premises, vehicles and other leases) account for approximately 11 per cent. of the Group's cost base, making it the second highest cost item. Hence, efficient use of premises and high capacity utilisation are important in terms of enabling the businesses to maintain a healthy margin. At lower volumes, lease obligations impose limitations to the capability of the business to adapt, and if a lease has to be terminated prematurely the remainder of the lease term may have to be bought out.

Moreover, the Group leases vehicles and machinery that is used in, *for e.g.*, professional truck and bus drivers' educations. Investments in vehicles and machinery and equipment are financed mainly via leasing, which as of 30 June 2022 is reported as usufruct assets of SEK 45 million and leasing liabilities amounting to SEK 45 million. On average, the leasing agreements run for a period of three years and are either non-terminable or can only be terminated prior to their maturity for a significant termination fee. Further, some leasing agreements include an option to purchase the underlying asset at the end of the leasing period or the option to extend the leasing period. As further explained under "*Risk factors specific and material to the Issuer and the Group—Risks relating to the Group's business activities, the industry and the market—Public procurement procedure and lack of optimization of contract terms*", failure to fill the Group's courses with a sufficient number of participant or failure to match the terms of the tender agreements with the terms of the leasing agreements may lead to a suboptimal use of the Group's resources, which could have a material adverse effect on the Group's future revenue and financial position.

The Issuer considers that the probability of the above risks occurring is low. If the risks would materialise, the Issuer considers the potential negative impact to be adverse.

### **Risk related to payroll costs and ability to attract and retain personnel**

The Group's operation is labour-intense and dependent on qualified personnel (including management, teachers and other personnel) located nearby the Group's locations in Sweden and Finland. As of 30 June 2022, the personnel expenses, including subcontracting personnel, accounted for 60 per cent. of the Group's cost base. However, higher qualifications requirements for teachers, combined with a general teacher shortage and political as well public pressure, may drive the teachers' salaries upward, which, in turn, could lead to increased payroll costs for the Group. Although the Group believes its salaries to be competitive compared to its competitors, it cannot be ruled out that the Group must increase the teachers' salaries in order to avoid a teachers shortage. Further, as the Group enrolls more students, the Group must successfully recruit personnel with sufficient knowledge, experience and skills. The Group may experience difficulties in managing its business, including problems relating to shortages of qualified personnel. These problems could, *inter alia*, result in a lower chance to be rewarded contracts, which, in turn, could have a material adverse effect on the Group's results of operations.

Further, if the Group is unsuccessful in its retention efforts, the growth and development of the Group's business may slow down or be reduced significantly. Unsuccessful retention efforts, as

well as difficulties in recruiting qualified personnel, could also lead to an unsustainable workload. Such consequences could have a negative effect on the Group's business and in the long run, the Group's operating results and growth.

The Issuer considers that the probability of the above risks occurring is medium. If the risks would materialise, the Issuer considers the potential negative impact to be adverse.

## **Legal and regulatory risks**

### **Permits and public funding**

Higher vocational education requires permits from the Swedish National Agency for Higher Vocational Education (Sw. *Myndigheten för Yrkeshögskolan*), as well as some part of the Group's operations are permission based education, which requires permits (e.g. the operation of a traffic school requires a permit from the Swedish Transport Agency (Sw. *Transportstyrelsen*)). The Group is dependent on the abovementioned permits in order to carry out its business, as well as all contracts entered into with AF requiring such permits will be terminated if the Issuer does not hold necessary permits. There is a risk that such permits are not obtained or renewed, causing a loss of income, or even jeopardizing the Group's operations. The application process could also be time-consuming and associated with costs. Furthermore, the Group has historically been, and may from time to time be, subject to various review and complaints in regard to the Group's permits, which at worst could result in the Group losing necessary permits.

During the period January to July 2021, the Issuer has been subject to supervision by the Swedish Transport Agency at five of the Group's approximately thirty locations for the period late 2019 to early 2021. The supervision was initiated due to a number of complaints and comments received by the Swedish Transport Agency in respect of the Group's professional driver educations and the purpose of the supervision was to ensure that the Issuer's business was conducted in accordance with current regulations. The supervision was conducted in five locations where the Issuer conducts professional truck and bus drivers' educations. Within the scope of the supervision, the Swedish Transport Agency has, *inter alia*, observed that several students have been reported for completed basic training for professional driver competence before all mandatory parts of the courses had been completed and that essential elements in the educations (such as overtaking and driving on slippery surfaces) were missing. In sum, the Swedish Transport Agency considered that there were significant shortcomings in the Issuer's quality assurance work. The Issuer acknowledged the historical shortcomings and has consequently initiated immediate remedial actions, including an external investigation by a major Swedish law firm regarding the shortcomings in the Issuer's quality work, as well as staging an extensive action plan to remedy the identified shortcomings and ensuring that there are no other deficiencies. Within the scope of the Issuer's internal and commissioned external investigation, certain additional shortcomings have been identified by the Issuer and appropriate remedial actions have been initiated in relation thereto. The Issuer has kept the Swedish Transport Agency informed about such additional shortcomings and the Issuer is keen to maintain a good and constructive dialogue with the Swedish Transport Agency, *inter alia*, when it comes to remedying all shortcomings in the Issuer's operations, as well as ensuring the Issuer's quality assurance work going forward. However, the Group will be subject to continued supervision and increased scrutiny and there can be no assurance that the Swedish Transport

Agency considers that the Group has fully remedied the identified shortcomings. If the Swedish Transport Agency deems that the remedial actions undertaken are not sufficient or deems that further shortcomings have occurred, the Group may be subject to one or more sanctions by the Swedish Transport Agency. Such sanctions could include loss of necessary permits in order to conduct professional truck and bus drivers' educations and/or its tutors may be suspended, which in turn would have a material adverse effect on the Group's reputation, business, results of operations and future prospects.

Furthermore, a majority of the Group's operations are based on public funding. Access to these funds depend on the societal and political priorities, as well as the general economic situation. This means that, *for e.g.*, a recession could entail lower tax revenues and in turn reduce the public funding to vocational education. Along with budgetary changes, this could lead to lower grant per each enrolled student. Lowered grants could have an adverse effect on the Group's business and prospects.

During 2020, the Swedish government provided substantial aid packages to the municipalities in order to combat the consequences of the COVID-19 pandemic. However, many municipalities and authorities still face economically hardship and are likely to review their costs going forward, which could affect the public funding of the Group's businesses. There is also a risk that the number of students participating in the education programmes would decrease, due to, *inter alia*, a general economic recovery after the pandemic, which would cause an adverse effect on the Group's business.

The Issuer considers that the probability of the above risks occurring is medium. If the risks would materialise, the Issuer considers the potential negative impact to be highly materially adverse.

### **Risk relating to data privacy**

The Group handles large amounts of personal data in relation to its employees, customers and students. The business environment in which the Group operates faces the risk of, *inter alia*, data leakage, which may strike personal data pertaining to employees, customers and students. There is also a risk that the Group's security measures, routines and practices are not sufficient to prevent improper access to, or disclosure of, personally identifiable or proprietary information.

Further, within the European Union, data protection legislation is comprehensive and complex with a trend towards a more stringent enforcement of requirements regarding protection and confidentiality of personal data. Further, the data protection authorities in Sweden and Finland, *i.e.* where the Group is conducting its business, may interpret the applicable legislation differently and data protection legislation is a dynamic field of law where applicable guidelines and previous precedents are often revised, sometimes with limited, if any, regard to legacy equipment or systems in use, all of which increase said complexity. Failure or partial failure to comply with data protection rules and regulations across the European Union could result in substantial fines. Further, unauthorized access to information stored by the Group or by a third party on behalf of the Group, intentionally or accidentally, including failure to detect such access or to notify data subjects in a timely manner, may cause damage to the Group's

reputation as a trusted partner, constitute a breach of administrative and criminal law and could entail that the affected persons are eligible for compensation for damages from the Group.

Should the Group be unable to comply with the measures and requirements set out in relevant data protection legislation such non-compliance could lead to significant administrative fines. Should such risks materialise, it could have a material negative impact on the Group's results.

The Issuer considers that the probability of the above risks occurring is low. If the risks would materialise, the Issuer considers the potential negative impact to be materially adverse.

## **Financial risks**

### **Credit risk and counterparty risk**

The Group is exposed to credit risk. The Group's current and potential customers may find themselves in situations, for example due to financial circumstances, where they cannot pay the agreed remuneration as it falls due or otherwise abstain from fulfilling their obligations. As of 30 June 2022, accounts receivable amounted to SEK 24.5 million and the total provisions for expected credit losses amounted to SEK 31.4 thousand. If the Group's counterparties are unable or unwilling to fulfil their obligations towards the Group, it could have a material negative impact on the Group's results of operations.

As of today, the Group's receivables are almost exclusively from AF, municipalities and the Swedish National Agency for Higher Vocational Education, where the risk of insolvency is generally lower. There is therefore a risk that the Group's accounts receivables will increase if, *inter alia*, AF was partly or wholly privatized, since privately owned businesses may be less economically stable compared to municipalities and authorities. Further, if any of the customers claim breach of contract or cite any other reason for stopping or withholding payment to the Group, regardless of whether or not any grounds exist for such claims, the Group may be forced to initiate legal proceedings or initiate coercive measures to receive payment. It may also be time-consuming and/or difficult to collect receivables. Delayed payments or non-payments from customers could lead to reduced revenues.

In addition, counterparty risks within the Group's financial operations arise, *inter alia*, in the event of investment of excess liquidity and upon obtaining long-term and short-term credit agreements. If any counterparty risk arises it could have a material negative impact on the Group's financial position.

The Issuer considers that the probability of the above risks occurring is low. If the risks would materialise, the Issuer considers the potential negative impact to be adverse.

### **Liquidity risk, refinancing risk and early redemption risk**

Liquidity risk is the risk that the Group cannot meet its payments obligations at the maturity date without the costs for obtaining cash or cash equivalents increasing significantly. If the Group's liquidity sources prove not to be sufficient, even if actions are taken to improve liquidity, there is a risk that the Group can only meet its payment obligations by raising funds on terms significantly increasing its financing costs or that the Group cannot meet its payments obligations at all and as a result thereof being in default under material agreements entered into

by the Group, which could have a material negative impact on the Group's financial position. There is also a risk that the Group's existing financing is terminated and that the Group cannot replace such financing as necessary, such as for example the Group's credit facilities (from time to time).

The financial costs could be higher and/or the refinancing possibilities could be limited or non-existent when the Notes or other debt owed by the Group falls due and needs to be refinanced. This in turn could affect the Company's liquidity and consequently affect the possibility to repay debt as it falls due and which in turn could have a material negative impact on the Group's financial position.

Upon the occurrence of certain events, the Company is obliged under the Terms and Conditions to, at the request of any Noteholder, mandatorily redeem the Notes held by such Noteholder. If this occurs, the Company will be exposed to an increased liquidity risk, *i.e.* the risk that the Company cannot fulfil its financial obligations due to a shortage of available cash or cash equivalent assets and that such financial obligations can only be fulfilled at a high financing cost or, in a worst case scenario, not at all. If such circumstances were to occur, it could have a material negative impact on the Group's financial position, which, in turn could have a material adverse effect on the Group's business and prospects.

The Issuer considers that the probability of the above risks occurring is low. If the risks would materialise, the Issuer considers the potential negative impact to be materially adverse.