

# PROSPECTUS

The logo for CIDRON ROMANOV, featuring the company name in a gold, serif font centered within a dark blue rectangular background.

## **CIDRON ROMANOV LIMITED**

(Registration number 133309)

Listing on Oslo Børs

Senior Secured Floating Rate Notes

ISIN NO0011134405

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THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY AS REQUIRED BY NORWEGIAN LAW AND REGULATIONS. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT TO IT.

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7 APRIL 2022

## Important information

This prospectus (together with the appendices, the "**Prospectus**") has been prepared by Cidron Romanov Limited (the "**Issuer**") to provide information about the Issuer and its business in connection with the listing of its Senior Secured Floating Rate Notes ISIN NO0011134405 (the "**Notes**" and the "**Notes Issue**") on Oslo Børs.

For the definitions of terms used throughout this Prospectus, see Section 9 "DEFINITIONS AND GLOSSARY OF TERMS".

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This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language.

This Prospectus has been approved by the Financial Supervisory Authority of Norway (*No. Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the Issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Issuer has furnished the information in this Prospectus and accepts responsibility for the information contained herein. No other party makes any representation or warranty, express or implied, as to the accuracy or completeness of such information, and nothing contained in this Prospectus is, nor shall be relied upon as, a promise or representation by any party. This Prospectus does not contain any offer to subscribe and/or purchase the Notes.

All inquiries relating to this Prospectus should be directed to the Issuer. No person is authorized to give any information about, or make any representation on behalf of, the Issuer in connection with the Notes, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Issuer.

The information contained herein is current as of the date of this Prospectus and subject to change, completion or amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of securities and which arises or is noted between the time when this Prospectus is approved by the Norwegian FSA and the listing of the Notes on Oslo Børs, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Issuer's affairs or that the information herein is correct as at any date subsequent to the date of this Prospectus.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer to buy, subscribe or sell any of the securities described herein, and no securities are being offered or sold pursuant to it. The Issuer requires persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. This Prospectus serves as a listing prospectus as required by applicable laws and regulations.

If the securities note in respect of any Notes includes a legend titled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available at any time to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

The Jersey Financial Services Commission (the "**JFSC**") has given, and has not withdrawn, or will have given prior to the issue of the Notes and not withdrawn, its consent under Article 4 of the Control of Borrowing (Jersey) Order 1958 (as amended) to the issue of the Notes. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947 (as amended) against liability arising from the discharge of its functions under that law.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under the securities law of any other state or other jurisdiction in the United States and may not be offered, sold, pledged or otherwise transferred directly or indirectly within the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with applicable state securities laws of any state or other jurisdiction of the United States.

This Prospectus is not to be considered as legal, business or tax advice. Each investor should consult its own advisors as to legal, business, financial or tax aspect of this Prospectus and the Notes, and any investors in any doubt about the content of this Prospectus should consult their stockbroker, bank manager, lawyer, accountant or other professional adviser.

Investing in the Notes involves certain inherent risks. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;

- understand thoroughly the terms of the Notes; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

For an overview of relevant risk factors for the Notes, please see Section 1 "RISK FACTORS" of this Prospectus.

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### **Forward-looking statements**

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

Factors that could cause the Issuer's actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in Section 1 "RISK FACTORS". The forward-looking statements included in this Prospectus apply only to the date of the Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequent forward-looking information that can be ascribed to the Issuer and the Issuer or persons acting on the Issuer's behalf is subject to the reservations in or referred to in this Section.

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### **Privacy notice**

Each of the Issuer, the Agent and the Paying Agent may collect and process personal data relating to the Noteholders, the Noteholders' representatives or agents, and other persons nominated to act on behalf of the Noteholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Notes). The personal data relating to the Noteholders is primarily collected from the registry kept by the Central Securities Depository (the "**CSD**"). The personal data relating to other persons is primarily collected directly from such persons.

The personal data collected will be processed by the Issuer, the Agent and the Paying Agent for the following purposes (i) to exercise their respective rights and fulfil their respective obligations under the Finance Documents, (ii) to manage the administration of the Notes and payments under the Notes, (iii) to enable the Noteholders to exercise their rights under the Finance Documents and (iv) to comply with its obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Agent and the Paying Agent in relation to items (i) to (iii) above is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to item (iv), the processing is based

on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Agent or the Paying Agent (as applicable). Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

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

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent or the Paying Agent (as applicable). In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format.

Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's and the Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: [www.cidronromanov.co.uk](http://www.cidronromanov.co.uk) and [www.intertrustgroup.com/locations/sweden/](http://www.intertrustgroup.com/locations/sweden/).

# Table of Contents

1.	RISK FACTORS	8
1.1	General	8
1.2	Risks related to the Issuer	8
1.2.1	The Issuer has a limited financial and operational history, which makes it difficult to correctly assess the Issuer's creditworthiness, financial situation and financial performance	8
1.2.2	The Issuer is dependent on Cidron Xingu 3 Limited and Cidron Humber Limited receiving dividends and upstream cash from the Bank Group to make payments under the Notes	8
1.2.3	Risks related to Jersey insolvency law and enforcement of security	9
1.3	Risks related to the Bank Group	10
1.3.1	Economic and market risks	10
1.3.2	Operational risks	15
1.3.3	Finance risks	18
1.3.4	Legal and regulatory risks	20
1.3.5	Risks relating to the acquisition of Bank Norwegian	27
1.4	Risk related to the Notes	28
1.4.1	Risks related to the value of the security package	28
1.4.2	The Issuer may have insufficient funds to make required redemptions or repurchases of the Notes	29
1.4.3	Risks related to restrictive covenants	29
1.4.4	Volatility in price and illiquidity in the market for the Notes	29
2.	RESPONSIBILITY FOR THE PROSPECTUS	30
3.	DESCRIPTION OF THE NOTES	31
3.1	Use of proceeds	31
3.2	Expenses related to the admission to trading	31
3.3	Main terms of the Notes	31
3.3.1	Status of the Notes	37
3.3.2	Transfer restrictions	37
3.3.3	Registration of the Notes	37
3.3.4	Payments	37
3.3.5	Interest	38
3.3.6	Redemption and repurchase of Notes	40
3.4	Transaction security	45
3.4.1	Granting of the transaction security	45
3.4.2	Enforcement of the security	46
3.5	Events of default and acceleration of the Notes	46
3.5.1	Non-Payment	46
3.5.2	Conditions subsequent	46
3.5.3	Other obligations	46
3.5.4	Cross-acceleration/cross-payment default	47
3.5.5	Insolvency	47
3.5.6	Merger	47
3.5.7	Creditor's process	47
3.5.8	Invalidity etc.	47
3.5.9	Regulatory event	47
3.5.10	Acceleration of the Notes	47

3.6	Distribution of proceeds	48
3.7	Noteholders rights	49
3.7.1	The Agent	49
3.7.2	Information from the Issuer	50
3.7.3	Information from the Agent	51
3.7.4	Information among the Noteholders	52
3.7.5	Availability of Finance Documents	52
3.7.6	Noteholders' meeting	52
3.7.7	Right to act on behalf of a Noteholder	55
4.	CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL	56
4.1	Corporate information	56
4.2	Legal structure and major shareholders	56
4.3	Dependency on other entities	57
5.	BUSINESS OF THE ISSUER	58
5.1	Introduction	58
5.2	The business of Nordax and Bank Norwegian	58
5.2.1	Nordax	58
5.2.2	Bank Norwegian	59
5.3	The Bank Norwegian Acquisition	60
5.4	History and important events	60
5.5	Legal and arbitration proceedings	61
5.6	Material contracts	61
6.	THE BOARD OF DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE	62
6.1	The Issuer's Board of Directors	62
6.2	Group Management	63
6.3	Conflicts of interest	63
7.	FINANCIAL INFORMATION	64
7.1	Financial statements	64
7.2	The audit	64
7.3	Significant change in the financial performance	64
7.4	Material adverse change in the prospects of the Issuer	64
8.	ADDITIONAL INFORMATION	65
8.1	Certain material interests	65
8.2	Resolution to issue the Notes	65
8.3	Documents available	65
8.4	Incorporation by reference	65
8.5	Auditor	65
8.6	The auditor's review	66
8.7	Advisors	66
8.8	Approval of the Prospectus	66
8.9	Information sourced from third-parties	66
8.10	Jersey insolvency law and enforcement of security	66
9.	DEFINITIONS AND GLOSSARY OF TERMS	69

## 1. RISK FACTORS

### 1.1 General

*An investment in the Notes involves inherent risks. Before making a decision to invest in the Notes, investors should carefully consider the risk factors and all information contained in this Section 1 "RISK FACTORS". An investment in the Notes is only suitable for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The risks and uncertainties described in this Presentation are the material known risks and uncertainties faced by the Issuer and the Bank Group (as defined below) as of the date hereof that the Issuer believes are the material risks associated with this type of investment.*

*The risk factors included in this Section 1 "RISK FACTORS" are presented in a limited number of categories, where each risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material, taking into account their potential negative effects, and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision. If any of the following risks were to materialize, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Issuer and/or its business, results of operations, cash flows, financial condition and/or prospects, which could affect the Issuer's ability to make payments under the Notes and may cause a decline in the value and trading price of the Notes, resulting in loss of all or part of an investment in the Notes.*

### 1.2 Risks related to the Issuer

#### 1.2.1 **The Issuer has a limited financial and operational history, which makes it difficult to correctly assess the Issuer's creditworthiness, financial situation and financial performance**

The Issuer was incorporated in Jersey on 24 December 2020 with the purpose of issuing the Notes to partly finance the acquisition of all the outstanding shares in Bank Norwegian ASA ("**Bank Norwegian**") by Nordax Bank AB (publ.) ("**Nordax**" together with its direct and indirect subsidiaries, including Bank Norwegian, the "**Bank Group**") (the "**Bank Norwegian Acquisition**"), please see Section 5.3 "The Bank Norwegian Acquisition" for more information on the acquisition.

The Issuer has not conducted any operations other than in relation to the Bank Norwegian Acquisition. As such, the Issuer has a limited financial and operational history, which could make it difficult to correctly assess the creditworthiness, financial situation and financial performance of the Issuer as there is no conventional basis upon which to evaluate the Issuer's financial history. Thus, there may be more risks involved in investing in the Notes than in securities issued by companies with a more substantial financial and operational history.

#### 1.2.2 **The Issuer is dependent on Cidron Xingu 3 Limited and Cidron Humber Limited receiving dividends and upstream cash from the Bank Group to make payments under the Notes**

The Issuer's ability to make payments under the Notes or to refinance the Notes will depend, among other things, on the Issuer's ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond the Issuer's control. No assurances can be given that future capital will be available to the Issuer in



an amount sufficient to enable the Issuer to make payments under the Notes or that the Issuer will be able to refinance the Notes. If the Issuer's capital resources are insufficient to allow it to make payments under the Notes, the Issuer may need to seek additional capital or restructure or refinance all or a portion of the Notes, on or before maturity. There is no guarantee that the Issuer will be able to refinance the Notes, if required, on commercially reasonable terms or at all or that the terms of such indebtedness will allow any of the above alternative measures or that these measures would satisfy its debt service obligations. If the Issuer is unable to generate sufficient cash flow or refinance its indebtedness on favourable terms, it would significantly adversely affect the Issuer's financial condition, the value of the outstanding Notes and its ability to make any required cash payments under the Notes.

As further described in Section 3.1 "Use of proceeds", the proceeds from the Notes were used for the purpose of financing the Bank Norwegian Acquisition. The proceeds were lent from the Issuer to subsidiaries of its shareholders, Cidron Xingu 3 Limited and Cidron Humber Limited, which in turn have transferred the funds to Nordax by way of equity injections against newly issued shares or by way of intra-group loans. Cidron Xingu 3 Limited and Cidron Humber Limited, indirectly, hold a majority of the shares in the parent company of the Bank Group, Nordax Holding AB (publ) through an holding structure, please see Section 4.2 "Legal structure and major shareholders" for an illustration of the organisational structure.

As the Issuer currently has no own operations, the Issuer is dependent on repayment or settlement of the loans made to Cidron Xingu 3 Limited and Cidron Humber Limited to service its debt and make operational expenditures. As a consequence, the Issuer depends on adequate liquidity in these companies through upstreaming of cash and dividends from the Bank Group in order to receive settlement of the loans granted by the Issuer. The performance and financial position of the Bank Group and their ability to generate cash in the future, which is subject to general economic, financial, competitive, legislative and regulatory factors, will affect Nordax' ability to pay dividends and to repay any outstanding intragroup loans related to the proceeds from the Notes transferred to it. See Section 1.3 "Risk related to the Bank Group" for a description of the risks related to the Bank Group.

The Bank Group's ability to upstream cash could be affected by changes in tax laws or other regulations or contractual restrictions. An example of this is the Norwegian FSA "soft law" restrictions on dividends due to the uncertainty caused by the Covid-19 pandemic. Further, the Bank Group is subject to capital adequacy requirements, and cannot distribute dividends in situations where profits must be retained in order to comply with these requirements. Any limitation on the ability of the Bank Group to pay dividends to Cidron Xingu 3 Limited and Cidron Humber Limited could have a material adverse effect on the Issuer and its ability to make payments under the Notes.

### **1.2.3 Risks related to Jersey insolvency law and enforcement of security**

As the Issuer is incorporated in Jersey, insolvency proceedings with respect to the Issuer may be initiated in Jersey. Jersey insolvency law may not be as favourable to investors as the laws of the jurisdictions with which investors are familiar. As such, any potential future insolvency proceedings with respect to the Issuer initiated in Jersey could have a negative impact on the Notes, the security documents and the Noteholders' ability to recover their investment under the Notes. For more information regarding the Jersey insolvency law and enforcement of security, please see Section 8.10 "Jersey insolvency law and enforcement of security".

### **1.3 Risks related to the Bank Group**

*As described above under Section 1.2.2 "The Issuer is dependent on Cidron Xingu 3 Limited and Cidron Humber Limited receiving dividends and upstream cash from the Bank Group to make payments under the Notes", the Issuer is dependent on adequate liquidity and the earnings by the companies in the Bank Group. As such, any risks related to the Bank Group are highly relevant for the Issuer and the Issuer's ability to make payments under the Notes. The known and most material risks related to the Bank Group are included in this Section 1.3 "Risks related to the Bank Group".*

#### **1.3.1 Economic and market risks**

##### **1.3.1.1 Risks relating to the current macroeconomic environment**

The Bank Group is exposed to general market conditions and the level of economic activity in the countries in which it operates. The economic conditions globally and in the markets in which the Bank Group operates may be affected by, among other things, unemployment level, household disposable income, household indebtedness, the state of the housing market, housing prices, foreign exchange markets, inflation, the availability and cost of credit and the liquidity of financial markets or market interest rates.

The Nordic region is the Bank Group's most important market. As of 28 February 2022, the Bank Group had a customer base of a little under 2 million private customers, of which a large majority were located in the Nordics. Accordingly, the Bank Group is predominantly affected by the economic environment in the Nordic region. Due to the high level of consumer indebtedness in the Nordic region, primarily related to average mortgage loans being high relative to income, the Bank Group would be affected by fluctuations on the housing market and interest rates on mortgage loans in the Nordic countries.

The Bank Group may also be affected by public health pandemics and epidemics or outbreaks of diseases that negatively affect the Nordic as well as the global economy such as the current COVID-19 outbreak. The COVID-19 outbreak has resulted in substantial movements and volatility in the financial markets. The Bank Group could be affected by changes in the COVID-19 outbreak and any future pandemic outbreaks through its direct and indirect impact on, among others, its customers and other counterparties both in the Nordic region and elsewhere, as a result of, among others, public health measures, such as business closings and restrictions on travel and gatherings, which in turn may have an adverse effect on, among others, the customers' ability to pay and the demand for new loans and the Bank Group's other products. The extent of the risk posed by COVID-19 or other pandemics in the future is unclear; if the impact is severe or prolonged, this may result in greater volatility but also in reduced liquidity, widening of credit spreads and lack of price transparency in credit markets.

Further, reduced customer confidence or a decline in consumption, or a negative change in the use of, or attitude towards, consumer credit in the Nordic region would have an adverse effect on the Bank Group's ability to generate revenues and new lending. The degree to which a downturn or deterioration in macroeconomic conditions in the Nordic region may affect the Bank Group is uncertain and presents a highly significant risk to the size of the Bank Group's loan portfolio and the Bank Group's ability to attract and maintain customers in order to generate revenue and profit.

##### **1.3.1.2 Risks related to the Bank Group's product offering**

The Bank Group derives its revenue almost entirely from unsecured personal loans, mortgage loans, equity release mortgages and credit card services. Therefore, there is a risk that changes affecting the Bank Group's ability to offer these products in any of its geographical markets will require the

Bank Group to reduce or restrict its primary operations and amend its current business model. Examples of such changes include, but are not limited to:

- changes in laws and regulations, for example, reducing the statute of limitations for debt collection, limiting the interest rates on loans or otherwise affecting the terms of loans or the activities of loan providers;
- decreases in demand for the Bank Group's loans due to, among other factors, macroeconomic conditions;
- increases in default rates for the Bank Group's loans due to, among other factors, macroeconomic conditions;
- decreases in demand for the Bank Group's loans due to competition, damage to the Bank Group's reputation or other factors; and
- decreases in demand for the Bank Group's credit card services due to, among other factors, macroeconomic conditions.

Furthermore, compared to competitors that have a more diversified product portfolio, the Bank Group will be more exposed to adverse changes in macroeconomic conditions or other factors affecting the personal loan market, mortgage loan market and credit card market.

The Bank Group's business model is focused on efficient data management, statistical analysis, a test-and-learn approach and quantitative decision making. As a result, the Bank Group's business model for personal loans is best suited for countries where highly relevant data is available for customer targeting and conducting credit assessments and with effective legal debt collection systems and a culture that promotes repayment. Therefore, the Bank Group's ability to expand its business beyond its current markets is dependent on environments supportive of its business model or adaptations that accounts for differences in other markets.

Should the environment in any of its current markets change to no longer support its business model, and if the Bank Group were no longer able to offer loans as it currently does, or at all, the Bank Group may be required to change its business model or restrict or cease its operations, with decreased net sales and declined results of operations as a consequence. The degree to which any of the negative consequences related to changes in the Bank Group's product offering may affect the Bank Group is uncertain and presents a significant risk to the Bank Group's business and financial position.

#### *Personal loans*

As personal loans are generally used for debt consolidation and general consumption, there is a risk that the demand for the Bank Group's personal loan products will be adversely affected by changes in consumer trends, levels of consumption, demographic patterns, customer preferences and financial conditions, all of which are affected by general macroeconomic conditions in the markets in which the Bank Group operates. For example, growth in gross domestic product ("**GDP**") has generally resulted in increased demand for personal loans. There is a risk that a decrease in GDP or in GDP growth will adversely affect demand for the Bank Group's personal loan products.

High unemployment levels in the markets where the Bank Group operates would reduce the number of customers who qualify for the Bank Group's loan and credit products and result in increased credit losses, which would in turn adversely affect the Bank Group's ability to maintain the size of its loan portfolio and to improve loan performance with respect to new loans. Accordingly, a severe deterioration in global or regional economic conditions would adversely affect demand for the

products and services offered by the Bank Group. Reduced consumer confidence and spending may decrease the demand for the Bank Group's consumer loans, which could materially adversely affect the business prospects and financial condition of the Bank Group.

Furthermore, there is a risk that changes in macroeconomic conditions could force the Bank Group to scale down or suspend personal lending operations. In 2008 and 2009, Nordax suspended its personal lending operations in all of its markets (at the time, Sweden, Norway, Finland and Denmark) and focused on collections in response to the global economic downturn and tightening of available funding from financial institutions and the capital markets. Nordax resumed new personal lending operations in Norway and Sweden in 2010 and in Finland in 2011 as macroeconomic conditions improved. Nordax has however not resumed its lending operations in Denmark (although the Bank Group now has lending operations in Denmark as a result of the acquisition of Bank Norwegian, as Bank Norwegian provides lending in Denmark). If the Bank Group would suspend personal lending operations for an extended period of time in the future in response to macroeconomic conditions or other factors, it would adversely affect the Bank Group's ability to maintain and grow its personal loan portfolio. The degree to which negative development in the macroeconomic conditions in the Nordic region may affect the Bank Group is uncertain and presents a significant risk for a negative development on demand for personal loans originated by the Bank Group.

#### *Mortgage loans*

House prices may be negatively affected by, for example, changes in regulations affecting the mortgage market directly or indirectly or by a quick rise in interest rates or unemployment levels. Amortisation requirements on residential mortgages were implemented by the Swedish Financial Supervisory Authority (the "**Swedish FSA**") on 1 June 2016, and more stringent amortisation requirements were implemented on 1 March 2018. Such requirements may have an adverse effect on house prices, in particular in urban areas where market values are higher, and has contributed to a reduction in lending growth.

Should there be a significant downturn in the value of properties in Sweden or Norway, this would result in a deterioration in credit quality and the recoverability of mortgage loans of Nordax. In addition, there are certain other circumstances that may affect the level of credit losses, acceleration and payments of interest and principal amounts, such as changes regarding taxation and/or changes in the political environment. Adverse changes in the credit quality of Nordax's borrowers and counterparties would affect the recoverability and value of its assets and require an increase in Nordax's provisions for bad and doubtful debts and other provisions which in turn would have an adverse effect on the Bank Group's business, financial condition and/or results of operations. The degree to which negative development of the Swedish and Norwegian mortgage market may affect the Bank Group is uncertain and presents a significant risk for a negative development on demand for mortgage loans originated by Nordax.

#### *Equity release mortgages*

Nordax's equity release mortgages (*Sw. kapitalfrigöringskrediter*) include a "No negative equity guarantee" which means that Nordax's claim is limited to the proceeds from the sale of the property and the borrower is not liable to cover a potential shortfall if the proceeds from the sale of the property are not sufficient to cover the loan. Although Nordax has highly conservative loan-to-value ("**LTV**") levels with average LTVs of 26 per cent for equity release mortgages as of 31 December 2021, a significant fall in house prices would materially impact borrowers' ability to make full repayment which would result in deteriorating credit quality.

The equity release mortgages are granted to individuals of at least sixty years of age. Accordingly, Nordax operates within a market where borrowers more commonly may suffer from certain age-related conditions. There is a risk that, upon death of a borrower, relatives of the deceased may claim that the deceased did not have presence of mind or was misled at the entry into the contract and, on such ground, legally challenge the contract (under the Act on Contracts Concluded Under the Influence of a Mental Disorder (*Sw. lag (1924:323) om verkan av avtal, som slutits under påverkan av en psykisk störning*) and the Swedish Contracts Act (*Sw. avtalslagen (1915:218)*). Thus, there is a risk that the Bank Group will, from time to time, become involved in judicial and administrative proceedings in relation to the above, or similar practices, and such proceedings could, if not merely relating to isolated incidents, prove to be time-consuming, disrupt normal operations, involve large amounts and result in significant costs. Equity release mortgages are a complex product and there is also a risk that Nordax does not comply with the increased regulatory requirements that apply to this type of mortgages.

#### *Credit cards*

Credit cards are an important source of income for the Bank Group as it receives commission income from credit card usage. Credit card activity is particularly relevant as an income source for Bank Norwegian, and as of 31 December 2021, out of Bank Norwegian's total customer base of 1,670,900 customers, 1,193,800 were credit card customers, and credit card loans amounted to NOK 10,191 million. Credit card activity varies depending on spending in general among consumers. Particularly, lower airline and holiday spending tend to lower the usage of Bank Norwegian's credit cards. As a result, factors reducing consumers' travelling and time spent abroad is likely to reduce Bank Norwegian's credit card usage, including an extension of COVID-19 or other public health pandemics and epidemics or outbreaks of diseases. For example, Bank Norwegian experienced a negative growth in demand for its credit card services in 2021, considered to be mainly due to lower spending related to COVID-19.

#### **1.3.1.3 Competition in the financial services industry**

The markets in which the Bank Group operates are characterised by a high degree of competition and fragmentation, and a strong growth in demand for both personal loans and mortgage loans in these markets, which has led to increased competition between lenders. The Bank Group's competitors can be broadly categorised into two groups: full-service banks and niche loan providers. In addition, the Bank Group also competes with other forms of short-term financing providers, such as peer-to-peer lenders and credit card providers. Competition in the Bank Group's markets is primarily based on the amount of the monthly payment and the other terms of the loan including interest rate, size, term and other features, as well as the quality of service in terms of speed, simplicity and availability.

As a niche loan provider which derives most of its revenue from personal loans, mortgage loans, equity release mortgages and credit card services, the Bank Group is dependent on such loan products unlike its competitors that have a more diversified product offering.

The Bank Group faces the risk that full-service banks operating in its markets, which offer a broad range of products and services through widespread retail office networks and online, may increase their focus on personal loans or equity release products. The full-service banks operating in the Bank Group's markets typically enjoy well-established market positions, extensive branch networks and high customer awareness. Almost all of the Bank Group's customers have a relationship with at least one of the full-service banks through payment accounts or other banking products. Therefore, there is a risk that the full-service banks operating in the Bank Group's markets could have significant competitive advantages over niche personal loan providers, such as the Bank Group. Furthermore,

certain large financial institutions have significantly more available funds to lend or a lower cost of funding than the Bank Group, which could enable them, among other things, to offer loans with lower interest rates or longer terms than the Bank Group offers.

Niche personal loan providers are typically focused, with a narrow offering in comparison to full-service banks. The Bank Group considers niche personal loan and equity release providers to be its main competitors as they target similar groups and provide similar sized loans and interest rates as the Bank Group. New niche personal loan providers may enter the market due to the recent trend of strong demand for personal loans in the Bank Group's markets.

If the Bank Group were unable to successfully compete with other lenders, demand for the Bank Group's loan products would likely decrease, or the Bank Group would be required to reduce the interest rates that it charges on its loan products in order to maintain demand, which would have a material adverse effect on the Bank Group's net interest margin.

#### **1.3.1.4 Credit and counterparty risks**

The Bank Group's main credit and counterparty risk is that the customers cannot service their debt, and with regards to mortgage loans and equity release mortgages, that sales proceeds are not sufficient to repay the loans. A certain degree of delinquencies and impairments is anticipated. Credit risk also includes concentration risk, i.e. the risk relating to large exposures to a group of inter-linked customers. In addition, the Bank Group is exposed to risks associated with the uncontrolled deterioration in the credit quality of its customers which can be driven by, for example, socio-economic or customer-specific factors linked to economic performance. Since the Bank Group derives a large part of its business from the Nordic countries and since the economies of these countries are partly correlated, the Bank Group is also exposed to some Nordic concentration risk.

Before any loan is approved by Nordax, Nordax conducts a thorough credit assessment of each loan application in accordance with its credit policies and applicable laws and regulations. The credit assessment process comprises a combination of policy rules, referral rules, internal credit rating models and a calculation of affordability. Further, Nordax has undertaken extensive research to predict future potential impairments and credit losses on which Nordax's lending model is based and there is a risk that these estimates prove to be inaccurate. Bank Norwegian's procedure for assessing customers' creditworthiness is largely automated, with loan applications being approved automatically based on online input from the customer and third-party verifications (such as Experian for income and personal financial information, and others for real property values). There are inherent risks associated with online processing of loan applications and reliance on criteria where the information is provided by the customers, without personal contact. Consequently, the Bank Group is exposed to risks relating to the accuracy and completeness of Bank Norwegian's financial models on which the automated credit decision is based, as well as risks relating to the reliability of the input provided by the customers, which could assign a creditworthiness to customers which is too high, thereby increasing the Bank Group's credit risk towards its customers. As of 31 December 2021, the Bank Group's total gross loans to the general public amounted to SEK 70.7 billion. In total, the Bank Group reported SEK 1,013 million in net credit losses, corresponding to 2.1 per cent of average lending, for 2021.<sup>1</sup> An increase in the level of credit losses will have an adverse impact on the Bank Group's business, financial condition and results of operations.

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<sup>1</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January-December 2021, Bank Norwegian is included in the figures from November 2021.

The Bank Group is also exposed to counterparty risk in that the Bank Group would suffer a loss in the event of default by a bank counterparty or an issuer of securities held by the Bank Group. The risk arises as a result of occasional cash deposits placed with clearing banks or invested in securities and the use of derivative financial instruments with banks. A default occurs when a bank or other financial institutions or issuer of securities fails to honour payments as they fall due and such default could have an adverse impact on the Bank Group's business, financial condition and results of operations.

Additionally, a substantial, and increasing, share of the loan documentation (including the loan agreements) of the Bank Group's loans are digitally signed by its customers. Under Norwegian law, digitally signed documents normally require a court order in order to complete enforced collection of collateral as opposed to physical loan agreements. In the event of a wide increase in defaults and enforced collections, the Bank Group is exposed to risk of delay in collection proceedings, in Norway in particular, which could in turn imply further deterioration in the value of underlying assets, thus increasing the Bank Group's losses on loans, which could in turn have a material adverse effect on the Bank Group's financial condition, results of operations and/or future prospects.

### **1.3.2 Operational risks**

#### **1.3.2.1 IT failure and cyber risks**

The Bank Group's business depends on its ability to process a large number of transactions efficiently and accurately. The Bank Group's ability to develop business intelligence systems, to monitor and manage collections, to maintain financial and operating controls, to monitor and manage its risk exposures, to keep accurate records, to provide high-quality customer service and to develop and sell profitable products and services in the future depends on the success of its business continuity planning, the uninterrupted and efficient operation of its information and communications systems, including its information technology, the Bank Group's monitoring and protective measures and the successful development and implementation of new systems. The Bank Group intends to expand its business further into the European market, and the Bank Group may be required to adapt or develop its information and communication systems due to the conditions on the relevant markets. For example, Bank Norwegian has, in October and November 2021, launched expanded product offerings comprising credit card services, retail deposits and personal loans into Spain and Germany. This will require Bank Norwegian to develop and implement new IT systems to adapt to different technical interfaces related to e.g. clearing and identification. As is the case for information technology systems generally, losses could result from inadequate or failed internal control processes and protection systems, human error, fraud or external events that interrupt normal business operations. This could result in a loss of data and a failure to provide quality service to customers. The Bank Group has in place business continuity plans for critical processes and services to guard against service disruptions, which plans could prove to be not adequate at all times.

If any of the above risks materialise, the interruption or failure of the Bank Group's information technology and other systems could impair the Bank Group's ability to provide its services effectively causing direct financial loss and may compromise the Bank Group strategic initiatives. Technology failure or underperformance could also increase the Bank Group's litigation and regulatory exposure or require it to incur higher administrative costs (including remediation costs). Further, an irrecoverable loss of any customer database would be expensive and time-consuming to endeavour to retrieve or recreate and would have an adverse effect on the Bank Group's operations and financial situation.

Furthermore, any intrusion into the Bank Group's IT systems, for example, from increasingly sophisticated attacks by cybercrime groups, could disrupt its business, result in the disclosure of confidential information and/or create significant financial and/or legal exposure and the risk for damage to the Bank Group's reputation and/or brand. Such an event could be impacted by the EU General Data Protection Regulation 2016/679/EU ("**GDPR**"). The degree to which IT failures and the materialisation of any cyber risk may affect the Bank Group is uncertain, which constitutes a significant risk to the Bank Group's operations and financial situation.

### **1.3.2.2 Reputational risk**

Reputational risk is the risk that an event or circumstance adversely impacts the Bank Group's reputation among customers, owners, employees, authorities and other parties resulting in reduced income. The reputational risk for the Bank Group is primarily related to consumer expectations regarding the Bank Group's products, the delivery of its services, and the ability to meet regulatory and consumer protection obligations related to these products and services. Effects on the Bank Group's reputation typically originate from internal factors, but also from external partners, suppliers, merchants or even competitors. Consumer protection bodies, consumer advocacy groups, certain media reports and a number of regulators and elected officials in the consumer loan markets in which the Bank Group conducts business have from time to time advocated government action to prohibit or severely restrict certain types of short-term consumer lending or credit card debt. These efforts have often focused on lenders that target consumers who have short term liquidity needs and, in many cases, low levels of personal savings and incomes, and charge interest rates and fees which, on an annualised basis, are much higher than those charged by credit card issuers or banks to more creditworthy consumers. There is a risk that the Bank Group could be adversely affected by negative publicity associated with other loan-, credit card- or ecommerce businesses, both in general, and specifically relating to its own business, or the business of other companies operating in these segments which are targeted by consumer advocacy groups or regulatory authorities. Reputational risk can be substantially damaging to the Bank Group's operations since Nordax and Bank Norwegian are well-established brands, and if such risk were to materialise to such an extent that consumers chose competitors over the Bank Group, it would materially adversely affect the Bank Group's total income and growth, which in turn would adversely affect its results of operations and financial condition. Consequently, reputational risk constitutes a highly significant risk to the Bank Group's business and results of operations.

In particular, Bank Norwegian has based its operations to a great extent on co-operation with and the trademark of the airline Norwegian Air Shuttle. Bank Norwegian's reputation may also be adversely affected in the event of a decline in Norwegian Air Shuttle's reputation and/or significant changes to the contractual relationship with Norwegian Air Shuttle.

### **1.3.2.3 Reliance on third-parties**

The Bank Group's business relies in part on certain service and business process outsourcing and other partners. For example, another bank acts as Nordax's clearing bank and payment services provider. The Bank Group has outsourced activities, such as mailing, printing, scanning and forwarding applications, as well as important IT-related services. The Bank Group has also outsourced its internal audit function and the Bank Group relies on third-party debt collectors in each of the countries in which it operates. There is a risk that the Bank Group is unable to replace these relationships on commercially reasonable terms, or at all. Seeking alternate relationships also risks being time consuming and resulting in interruptions to the Bank Group's business. Significant failure of the Bank Group's third-party providers to perform their services in accordance with the Bank Group's standards, and any extensive deterioration in or loss of any key relationships would have a material adverse effect on the Bank Group's business, financial condition and result of operations.



Furthermore, the Bank Group is exposed to the risk that its outsourcing partners and other third parties commit fraud with respect to the services that the Bank Group has outsourced to them, that they fail to comply with applicable laws and regulations, such as data protection requirements, or fail to otherwise provide their agreed services to the Bank Group. If these third parties, to a significant extent, violate laws, other regulatory requirements or important contractual obligations to the Bank Group, or otherwise act inappropriately in the conduct of their business, the Bank Group's business and reputation would be negatively affected. In such cases, the Bank Group also faces the risk of penalties being imposed. Moreover, there is a risk that the Bank Group's methods and procedures for overseeing how outsourcing partners and other third parties operate their businesses do not detect the occurrence of any violations for a substantial period of time, which would exacerbate the effects of such violations. The degree to which any negative consequences related to third-party providers may affect the Bank Group is uncertain, which constitutes a highly significant risk to the Bank Group's reputation and business.

#### **1.3.2.4 Ongoing change of core banking system**

Nordax is currently replacing its existing core banking system with core banking systems supplied by Banqsoft AS and TietoEvy. The changes of the core banking systems are expected to yield significant benefits over time, partly due to a reduced level of manual input in the operational processes. Migration to Banqsoft AS has been executed in respect of certain of Nordax's markets and products, but part of the loan portfolio and operations are still to be migrated. Migration of certain products and markets to a new system delivered by TietoEvy has not been commenced. There is a risk that the planned benefits cannot be realised in full, or that the implementation, transition, or migration of remaining operations is not successful or has negative customer, operational or other negative impact. The degree to which any negative consequences related to the change of core banking system may affect Nordax is uncertain, which constitutes a significant risk to the Bank Group's results of operations and business.

#### **1.3.2.5 Relationships with credit intermediaries**

Credit intermediaries are a significant marketing channel for the Bank Group. Dealing with credit intermediaries and cooperation partners entails various risks to the Bank Group. There is a risk that the Bank Group's methods and procedures for overseeing how its credit intermediaries and other cooperation partners interact with prospective customers are inadequate. Consequently, the Bank Group faces certain risks related to the conduct of the credit intermediaries and cooperation partners with which it does business. If the Bank Group's credit intermediaries or cooperation partners are found to have violated applicable conduct regulations or standards in the intermediation of the Bank Group's loan products, the Bank Group's reputation could be harmed.

The Bank Group's credit intermediary partners are typically price comparison websites that enable potential borrowers to benchmark all loan providers affiliated with the credit intermediary against each other and then refer the loan applicant to the chosen loan provider. The incentives of credit intermediaries may not always align with those of the Bank Group, which could adversely affect the volume and quality of loan applicants that credit intermediaries refer to the Bank Group. For example, credit intermediaries may promote the loan products of the Bank Group's competitors to the detriment of the Bank Group's loan products. Furthermore, a key value proposition of Nordax's personal loan products is a low monthly payment. If credit intermediaries were to focus on other features, such as interest rates, when benchmarking loans for potential borrowers, it could adversely affect the volume and quality of applicants that credit intermediaries refer to Nordax. The degree to which risks relating to relationships with credit intermediaries may materialise is uncertain, which constitutes a significant risk for the Bank Group's revenue and result of operations.

### **1.3.2.6 Risks related to intellectual property**

The Bank Group uses trademarks and other intellectual property as a part of its operational business. Because of its use of intellectual property, the Bank Group may rely on trademark and copyright protection, non-disclosure agreements, license agreements, employment agreements and certain other agreements and laws to protect such intellectual property. However, there is a risk that the measures the Bank Group takes will not effectively protect its intellectual property from infringement, for example due to lack of sufficient restrictive covenants in employment agreements. Any failure to protect and enforce the Bank Group's intellectual property rights could have a material adverse effect on the Bank Group's business.

In addition, the Bank Group is using various external technical solutions and systems, and might from time to time be reliant on technology, know-how, patents and other intellectual property rights which are held by third parties or restricted by third parties holding such intellectual property rights. Consequently, the Bank Group could infringe third-party intellectual property rights, which could end in legal claims. Any infringement claims against the Bank Group, regardless of the merit or resolution of such claims, may result in reputational damage or significant costs, time and focus in defending and resolving such claims, causing a material adverse effect on the Bank Group.

### **1.3.3 Finance risks**

#### **1.3.3.1 Liquidity and financing risks**

The Bank Group is subject to liquidity risk. Liquidity risk is the risk that the Bank Group will not be able to meet its payment obligations at maturity at all or without significant cost increases. If access to funding is constrained for a prolonged period of time, competition for retail deposits and the cost of accessing the capital markets would increase and, therefore, have a material adverse effect on the Bank Group's net interest margin. Funding risks can be exacerbated by enterprise-specific factors, such as over-reliance on a particular source of funding or changes in the Bank Group's creditworthiness, or by market-wide phenomena, such as market dislocation. There is a risk that the funding structure employed by the Bank Group is inefficient should its funding levels significantly exceed its funding needs, which risks giving rise to increased funding costs that may not be sustainable in the long term.

Retail deposits are a significant source of funding for the Bank Group. As of 31 December 2021, the Bank Group's total balance sheet liabilities amounted to SEK 89,627 million on a consolidated basis out of which retail deposits comprised the largest part, totalling SEK 67,424 million.<sup>2</sup> Should the Bank Group experience an unusually high and/or unforeseen level of withdrawals, this would adversely affect the Bank Group's liquidity since it will be required to repay a significant amount on demand. Further, it would require increased funding from other sources in the future. There is a risk that such increased funding will not be available on acceptable terms or at all, which could have a material adverse effect on the Bank Group's financial position and results.

The debt capital markets are also a significant source of funding for the Bank Group. As of 31 December 2021, the Bank Group's bonds and other fixed-income securities had a carrying amount of SEK 23,318 million.<sup>3</sup> The Bank Group's ability to successfully refinance its outstanding bonds, or raise additional funding through the debt capital markets, depends on the conditions of the debt

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<sup>2</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January-December 2021, Bank Norwegian is included in the figures from November 2021.

<sup>3</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January-December 2021, Bank Norwegian is included in the figures from November 2021.

capital markets as well as the Bank Group's financial condition and creditworthiness. There is a risk that the Bank Group will not be able to issue new bonds on acceptable terms or at all, which could have a material adverse effect on the Bank Group's financial position and results.

The Bank Group sources part of its funding in the wholesale markets through issuing bonds on the asset-backed securities ("**ABS**") and mortgage backed securities ("**MBN**") markets as well as through warehouse funding facilities with international banks secured primarily by personal loan or equity release mortgage portfolios. The availability of ABS/MBN and warehouse funding depends on a variety of factors, including the credit quality of the Bank Group's assets securing the ABSs/MBNs or warehouse funding facilities, market conditions, the general availability of credit, the Bank Group's ability to raise funding through other sources, the volume of trading activities, the overall availability of credit to the financial services industry, and rating agencies' assessment of the Bank Group's ABSs/MBNs. These and other factors could limit the Bank Group's ability to obtain funding through ABSs/MBNs and warehouse funding facilities, which could adversely affect the Bank Group's ability to maintain or grow its loan portfolio as well as its net interest margin.

Failure to manage these or any other risks relating to the cost and availability of funding could adversely affect the Bank Group's ability to maintain or grow its loan portfolio and have an adverse effect on the Bank Group's financial position and results of operations.

#### **1.3.3.2 Exposure to currencies**

The Bank Group operates in Sweden, Norway, Finland, Germany, the Netherlands, Denmark and Spain. As a result, the Bank Group generates revenues in SEK, NOK, EUR and DKK. However, Nordax's reporting currency is SEK and Bank Norwegian's reporting currency is NOK and, as a consequence, the Bank Group is exposed to currency translation risk to the extent that its assets, liabilities, revenues and expenses are denominated in currencies other than SEK and NOK. Consequently, there is a risk that increases and decreases in the value of the SEK versus NOK, EUR and DKK and NOK versus SEK, EUR and DKK will affect the amount of these items in the Bank Group's consolidated financial statements, even if their value has not changed in the original currency. As of 31 December 2021, the Bank Group's exchange rate exposure amounted to approximately NOK 38.5 million, EUR 168.2 million and DKK 16.5 million.

Fluctuations in currencies, particularly the SEK/NOK/EUR/DKK exchange rates, thus have a significant impact on the Bank Group's operating profits and cash flows.

#### **1.3.3.3 Interest rate risk**

The Bank Group is subject to interest rate fluctuations. Changes in interest rate levels, yield curves and spreads could affect the Bank Group's lending and deposit spreads. The Bank Group is exposed to changes in the spread between the interest rates payable by it on deposits or its funding costs, and the interest rates that it charges on loans to its customers as well as interest rates that are applicable to its other assets. While the interest rates payable by the Bank Group on deposits and other funding and the interest rates that it charges on loans to customers are primarily variable, there is a risk that the Bank Group will not be able to re-price its variable rate assets and liabilities at the same time, giving rise to re-pricing gaps in the short or medium term. Such delays in re-pricing loans given to its customer can, inter alia, occur due to the Bank Group having an obligation to notify customers in advance of increases in interest rates. Changes in the competitive environment could also affect spreads on the Bank Group's lending and deposits. If the Bank Group's funding costs were to significantly increase due to material increases in market interest rates or other reasons and the Bank Group were unable to sufficiently increase the interest rates on its loan products in a timely

manner, or at all, the Bank Group's net interest margin would be adversely effected, which would have an adverse effect on the Bank Group's net earnings.

Nordax's equity release mortgages are all variable-rate loans based on 3-month STIBOR and interest is capitalised through the life-time of the loan. Higher than expected rates of 3-month STIBOR would therefore result in greater interest capitalisation, increasing the risk of the loan amount being greater than the sales proceeds of the property and in turn resulting in credit losses. Due to the high level of consumer indebtedness in the Nordic region being primarily related to a high amount of real estate mortgage loans, increases in the interest rates on mortgage loans in the Nordic countries in general could also lead to decreased demand for the Bank Group's lending products and a negative impact on the Bank Group's customers' ability to service their debts due to an increase in mortgage loan default rates, which could adversely affect the Bank Group's results of operations and loan impairment levels.

In 2021, the Bank Group's interest payments received and interest expenses paid totalled SEK 3,011 million and SEK 479 million, respectively.<sup>4</sup> Accordingly, the Bank Group is to a significant extent exposed to variation in interest rates affecting its interest payments received and interest expenses paid, respectively and interest rate risks thus present a significant risk to the Bank Group's cost levels, financial position and results of operations.

#### **1.3.3.4 Risks related to credit ratings**

As of the date of this Prospectus, Nordax is rated BBB (long-term) and N-1+ (short-term) by Nordic Credit Rating AS ("**NCR**"), and Bank Norwegian is rated BBB (long-term) and A-2 (short-term) by S&P Global Ratings Europe Limited ("**S&P**"). NCR and S&P are established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended). Since the Bank Group is dependent upon the debt capital markets as a source of debt capital, any downgrade of Nordax's and/or Bank Norwegian's respective credit ratings would likely increase the Bank Group's borrowing costs, adversely affect its liquidity position, limit its access to the debt capital markets, undermine confidence in and the competitive position of the Bank Group, and/or limit the range of counterparties willing to enter into transactions with the Bank Group.

On 10 September 2021, S&P placed Bank Norwegian's credit ratings on CreditWatch negative, motivated by the risk that Nordax's takeover of Bank Norwegian could weaken Bank Norwegian's credit profile, and on 7 December 2021, Bank Norwegian's credit ratings were downgraded by S&P from BBB/A-2 to BBB-/A-3. On 22 October 2021, Nordax received affirmed investment grade rating from NCR (BBB, stable outlook) which took into consideration the takeover of Bank Norwegian. There is still a risk that Nordax's and/or Bank Norwegian's respective credit ratings could be downgraded due to circumstances related to the acquisition of Bank Norwegian, for example if Nordax's and/or Bank Norwegian's capitalisation and operating efficiency would be adversely affected by an operational and strategic integration of Bank Norwegian into the Bank Group.

#### **1.3.4 Legal and regulatory risks**

##### **1.3.4.1 Risks relating to regulatory requirements and regulatory changes**

The Bank Group's operations are subject to legislation, regulations, codes of conduct and government policies and general recommendations in the jurisdictions in which it operates and in relation to the products it markets and sells. Nordax as a Swedish bank, is subject to supervision by

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<sup>4</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January-December 2021, Bank Norwegian is included in the figures from November 2021.

the Swedish FSA with regard to, among other things, solvency and capital adequacy, including solvency ratios and liquidity rules as well as rules on internal governance and control (with several of such requirements applying also on a consolidated level for the Bank Group). Bank Norwegian, as a Norwegian bank, is subject to similar supervision by the Norwegian FSA. The Swedish FSA will however be responsible for supervision of the Bank Group on a consolidated level, while the Norwegian FSA will only have supervisory responsibilities for Bank Norwegian on a standalone basis. If and when Bank Norwegian and Nordax are merged, and Bank Norwegian becomes a branch of Nordax, the Norwegian FSA will only have supervisory authority with respect to those parts of Norwegian legislation that applies to branches such as e.g. compliance with Norwegian anti-money laundering legislation.

In addition, as for any provider of financial services to consumers, the Bank Group's offering is occasionally reviewed by consumer authorities. In Sweden, the Swedish Consumer Agency (*Sw. Konsumentverket*) safeguards the interests of consumers and monitors consumer interests and the Swedish Authority For Privacy Protection (*Sw. Integritetsskyddsmyndigheten*) works to protect the privacy of private individuals. The same applies in Norway, where the Norwegian Consumer Agency (*No. Forbrukerrådet*) and Consumer Ombudsman (*No. Forbrukerombudet*) monitors and safeguards the interests of consumers and the Norwegian Data Protection Authority (*No. Datatilsynet*) works to protect the privacy of individuals. As a result of conducting operations on a cross-border basis in the other Nordic countries, Germany, the Netherlands and Spain, consumer agencies and councils in these countries have jurisdiction over certain aspects of the Bank Group's business, including marketing and selling practices, advertising, general terms of business and legal debt collection operations.

The Bank Group is also subject to directly applicable EU regulations and EU directives that are implemented through local legislation. Significant failures to comply with applicable laws and regulations could expose the Bank Group to monetary fines and other penalties, damages and/or the voiding of contracts and affect the Bank Group's reputation. Ultimately, Nordax's and/or Bank Norwegian's respective banking licences, on which the Bank Group's operations are highly dependent, could be revoked. The loss or suspension of their respective licences would require Nordax and Bank Norwegian to cease their respective banking operations which would have an adverse effect on the Bank Group's business, financial condition and results of operations.

Nordax's indirect subsidiary Svensk Hypotekspension AB ("**SHP**") has a mortgage credit company (*Sw. bostadskreditinstitut*) licence issued by the Swedish FSA and SHP is obliged to follow rules and regulations applicable to mortgage credit companies. Failure to do so could lead to the Swedish FSA imposing sanctions on SHP. In case of material violations, the Swedish FSA can, as an ultimate measure, revoke SHP's licence. The Swedish FSA may also issue remarks and warnings, which may be combined with monetary fines. Any such sanction could have an adverse effect on the Bank Group's business, financial condition and results of operations.

Many initiatives for regulatory changes have been taken in the past and will be imposed in the future. For example, a new Financial Contracts Act aiming at improving protection for borrowers in the consumer loan market is expected to enter into force during the course of 2022 in Norway and the Swedish FSA recently published new guidelines relating to the provision of consumer credits (including in respect of the credit assessment process). In addition, the Finnish government has appointed a committee which has proposed to, *inter alia*, (i) lowering the current interest rate cap of 20% to an interest rate corresponding to the reference rate published by the Bank of Finland (currently 0%) added with 15%, i.e. effectively lowering the cap to 15%. However, according to the proposal the 20% threshold would remain as a hard cap (which would also apply to new consumer

loans drawn down under credit agreements entered into prior to the entry into force of the proposed legislative changes (including credit agreements entered into prior to 1 September 2019)), and (ii) implement legislation restricting the advertising and marketing of consumer credit, for example by in more detail than before define the types of marketing activities considered not to be compliant with good lending practices. The Bank Group is unable to predict with certainty what regulatory changes can be imposed in the future as a result of regulatory initiatives in the EU, by the Swedish FSA, by the Norwegian FSA or by other national authorities and agencies. Such changes risk having a material adverse effect on, among other things, the Bank Group's product range and activities, the sales and pricing of the Bank Group's products as well as the Bank Group's profitability and capital adequacy and can give rise to increased costs of compliance. In addition, there is a risk that the Bank Group misinterprets or misapplies new or amended laws and regulations, especially due to the increasing quantity and complexity of legislation, which, in case of significant misinterpretations, would lead to adverse consequences for the Bank Group. Furthermore, since the Bank Group is a niche loan provider, adverse changes in the regulatory environment could have a greater negative impact on the Bank Group's business, financial condition and results of operations as compared to, for example, full-service banks, which have a more diversified product offering. The Bank Group incurs, and expects to continue to incur, significant costs and expenditures, to comply with the increasingly complex regulatory environment. The degree to which any negative consequences related to managing these legal and regulatory risks is uncertain and present a highly significant risk to the Bank Group's reputation and business.

#### **1.3.4.2 Regulatory capital and liquidity requirements**

The Bank Group are subject to capital adequacy and liquidity regulations, which aim to put in place a comprehensive and risk-sensitive legal framework to ensure enhanced risk management among financial institutions. These regulations are regularly reviewed and amended by the Basel Committee on Banking Supervision and by the EU. Regulations which have impacted the Bank Group and are expected to continue to impact the Bank Group currently include, among others, the Basel III framework, the EU Capital Requirements Directive 2013/36/EU ("**CRD IV**"), as amended by Directive (EU) 2019/878 ("**CRD V**"), and the EU Capital Requirements Regulation 11(99) (EU) No. 575/2013 ("**CRR**"), as amended by Regulation (EU) 2019/876 ("**CRR II**") and, as a response to the COVID-19 pandemic, by Regulation (EU) 2020/873. CRR and CRD IV are supported by a set of binding technical standards developed by the European Banking Authority ("**EBA**"). Nordax is subject to liquidity requirements, including Liquidity Coverage Ratio requirements and Net Stable Funding Ratio requirements, in its capacity as a credit institution supervised by the Swedish FSA, including a statutory requirement to maintain sufficient liquidity to enable it to discharge its obligations as they fall due. The Swedish FSA has issued regulations on liquidity, such as FFFS 2014:21 and FFFS 2010:7, which Nordax needs to comply with. Bank Norwegian is also subject to capital- and liquidity requirements in its capacity as a credit institution supervised by the Norwegian FSA, as the EU capital adequacy and liquidity regulations have also been implemented in Norwegian legislation, cf. Section 13-7 of the Financial Institutions Act of 10 April 2015 no. 17 and Section 2 and chapter V of Regulation no. 1097 of 22 August 2014.

The capital adequacy framework includes, *inter alia*, minimum capital requirements for the components in the capital base with the highest quality, common equity tier 1 ("**CET1**") capital, additional tier 1 capital and tier 2 capital. CRR II also introduces a binding leverage ratio requirement (i.e. a capital requirement independent from the riskiness of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to CRR. In addition to the minimum capital requirements, CRD IV provides for further capital buffer requirements that are required to be satisfied with CET1 capital. Certain buffers may be applicable to Nordax and/or Bank Norwegian as

determined by the Swedish FSA and the Norwegian FSA, respectively. A breach of the combined buffer requirements is likely to result in restrictions on certain discretionary capital distributions by Nordax and/or Bank Norwegian (as applicable), for example dividend and coupon payments on CET1 and tier 1 capital instruments. However, neither Nordax nor Bank Norwegian are currently considered to be systemically important institutions and is thus not subject to the buffer requirement for systemically important institutions, nor is Nordax subject to the systemic risk buffer requirements (but Bank Norwegian is). It is however possible that Nordax and/or Bank Norwegian will be designated a systemically important institution (in which case buffer requirements can apply also to the Bank Group) or, as regards Nordax, subject to systemic risk buffer requirements in the future (see also below regarding potential effects of the acquisition of Bank Norwegian on the supervision of, and the regulatory requirements applicable to, the Bank Group).

The conditions of the Bank Group's business as well as external conditions are constantly changing and the full set of capital adequacy rules applicable to Swedish and Norwegian financial institutions continues to evolve. For the foregoing reasons, the Issuer, Nordax, Bank Norwegian and/or any other entity within its consolidated situation can be required to raise regulatory capital in the future. Such capital, whether in the form of debt financing, hybrid capital or additional equity, is not always available on attractive terms, or at all.

Deviations by the Bank Group from the above regulations would most likely lead to the Swedish FSA and/or the Norwegian FSA determining that Nordax's and/or Bank Norwegian's respective businesses do not satisfy the statutory soundness requirement for credit institutions and their consolidated situation and thus imposing sanctions on the relevant entity or entities within the Bank Group. Further, any increase in the capital and liquidity requirements could have a negative effect on the Bank Group's liquidity (should its revenue streams not cover continuous payments to be made under its issued capital), funding (should it not be able to raise funding on attractive terms, or at all), financial condition (should liquidity and funding be negatively affected) and results of operations (should its costs increase). The degree to which regulatory capital and liquidity requirements risks may affect the Bank Group is uncertain and presents a highly significant risk to the Bank Group's funding and liquidity position.

The Swedish FSA categorises credit institutions into different supervisory categories based on e.g. an institution's systemic importance and the extent of any cross-border activities, taking into account the credit institution's size, structure and internal organisation, as well as the nature, scope and complexity of its activities. The acquisition of Bank Norwegian has resulted in the Bank Group becoming significantly larger, and the Swedish FSA may change the supervisory category applicable to Nordax (or otherwise change the supervision practice applied vis-à-vis the Bank Group) which could result in e.g. higher frequency and scope of supervisory actions. Further, as stated above, there is a risk that the Bank Group becomes subject to additional capital and liquidity requirements in the future, including as a result of the Bank Group having become significantly larger as a result of the acquisition of Bank Norwegian.

#### **1.3.4.3 The Bank Recovery and Resolution Directive**

The Bank Group is subject to the Bank Recovery and Resolution Directive (2014/59/EU) ("**BRRD**") (which was amended by Directive (EU) 2019/879 ("**BRRD II**") on 27 June 2019 where most of the new rules in BRRD II started to apply mid-2021). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and, inter alia, requires EU credit institutions (such as Nordax) to produce and maintain recovery plans setting out the arrangements that are to be taken to restore the long-term viability of the institution in the event of a material

deterioration of its financial condition. The BRRD is also implemented in Norway, meaning that Bank Norwegian is also subject to the BRRD.

The BRRD contains a number of resolution tools and powers which may be applied by the resolution authority (in Sweden, the Swedish National Debt Office (*Sw. Riksgälden*) and the Norwegian FSA in Norway) upon certain conditions for resolution being fulfilled. These tools and powers (used alone or in combination) include, *inter alia*, a general power to write-down all or a portion of the principal amount of, or interest on, certain eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims into other securities, which securities could also be subject to any further application of the general bail-in tool. This means that most of such failing institution's debt could be subject to write-down and/or conversion, except for certain classes of debt, such as certain deposits and secured liabilities. In addition to the power to write-down and/or convert debt when the conditions for resolution have been fulfilled, the BRRD provides for relevant authorities to have the power, before any resolution action is taken, to permanently write-down or convert into equity relevant capital instruments at the point of non-viability. Ultimately, the authority has the power to take control of a failing institution and, for example, transfer the institution to a private purchaser or to a publicly controlled entity pending a private sector arrangement. All these actions can be taken without any prior shareholder (or other) approval.

Certain institutions subject to the BRRD are required to hold debt instruments in addition to what is otherwise required under the capital requirements in order to ensure that there is a sufficient amount of own funds and debt instruments available for write-down and/or conversion for the authorities to be able to use the bail-in tool referred to above. Such debt instruments may further be required to be subordinated to an institution's senior debt. Nordax is currently not subject to any of these requirements. It cannot be ruled out that these or similar requirements will apply also to Nordax in the future. Such requirements could have a negative effect on e.g. the Bank Group's liquidity, funding, financial condition and results of operations. With respect to Bank Norwegian, the Norwegian FSA has imposed such requirement and currently requires Bank Norwegian to hold an amount of MREL-eligible capital that as of 31 December 2021 corresponded to 39.06% of adjusted risk weighted assets, with the subordination requirement taking full effect from 1 January 2024.

It is not possible to predict exactly how the powers and tools of the Swedish authorities described in the BRRD, as implemented in Sweden by, *inter alia*, the Resolution Act (*Sw. Lag (2015:1016) om resolution*), and in Norway by, *inter alia*, the Financial Institutions Act (*No. Lov om finansforetak og finanskonsern av 10 april 2015 No 17.*) will affect the Bank Group. The powers and tools given to the Swedish and Norwegian authorities are numerous and may have a material adverse effect on the Bank Group. Accordingly, the degree to which amendments to BRRD or application of BRRD may affect the Bank Group is uncertain and presents a significant risk to the Bank Group's funding and compliance costs.

#### **1.3.4.4 Risks relating to changes to legislation concerning debt collection**

The Bank Group's recoveries on non-performing loans depend primarily on the effectiveness of the legal debt collection systems, including laws and case law regarding debt collection, debt restructuring and personal bankruptcy, in the countries in which it operates. Recoveries are also dependent on the commitment by and the efficiency of the Bank Group's third-party debt collection partners. One of the main tools available to the Bank Group to collect on non-performing loans are wage garnishment, and changes that cause a significant deterioration for lenders to the wage garnishment system in the Bank Group's geographical markets would adversely affect the Bank Group's ability to collect on its past due loans. The Bank Group's ability to collect on its past due



loans could also be adversely affected by changes in debt restructuring or personal bankruptcy laws if, for example, other creditors are granted priority over personal loan providers in restructurings or bankruptcies.

The Bank Group's business could also be adversely affected by changes in laws regarding statutes of limitations on debt collection. In Sweden, Norway and Denmark the statute of limitations for debt collection is ten years and it can be renewed through acknowledgement of the debt by the customer (usually through payment), the creditor making a claim in writing or otherwise notifying the debtor in writing, or through legal action. In Finland, the absolute statute of limitations for debt collection is 15 years from the first collection effort. In Germany, the ordinary statute of limitations for debt collection is three years calculated from the end of the year in which the claim arises. The statute of limitations for the enforcement of a judgment or an order issued by a court is 30 years in Germany, and can be prolonged by legal action by the creditor. There is a risk that the statute of limitations on debt collection can be shortened, or the ability to extend the statute of limitations can be restricted or abolished, in the countries in which the Bank Group operates, which would adversely affect the Bank Group's ability to collect from defaulting customers.

The degree to which the aforementioned legislation changes may affect the Bank Group is uncertain and presents a significant risk to the Bank Group's cost levels and results of operations.

#### **1.3.4.5 Risks relating to changes in accounting standards**

From time to time, the International Accounting Standards Board (the "IASB"), the EU and other regulatory bodies change the financial accounting and reporting standards that govern the preparation of the Bank Group's financial statements. These changes are sometimes difficult to predict and could materially impact how the Bank Group records and reports its results of operations and financial condition. There is a risk that changes in accounting standards have an adverse effect on the Bank Group's financial reporting, and thereby its results of operations and financial condition.

For example, in July 2014, the IASB issued a new accounting standard, International Financial Reporting Standard 9 (Financial Instruments) ("**IFRS 9**"), which became effective from 1 January 2018 and replaced IAS 39. IFRS 9 provides principles for classification of financial instruments, and provisioning for expected credit losses which are mandatory, and therefore fully implemented by Nordax, as of 1 January 2018. As a group offering consumer lending products, provisions for expected credit losses are important for the Bank Group in relation to its exposure to default and expected credit losses. However, recognition and measurement of financial instruments as regulated in IFRS 9 is a complex area with significant judgement to determine the loan loss provisions. Therefore, changes in assessments of the provisioning can have a material impact on the result and the capital ratios. As a result of applying IFRS 9, allowances for credit losses increased by SEK 177 million for Nordax as of 1 January 2018. The impact on equity was SEK 138 million. The increase in allowances for credit losses was driven by the IFRS 9 requirement to also hold provisions for assets without a significant increase in credit risk (stage 1 as defined in the IFRS 9 standard) as opposed to IAS 39 that requires provisions for losses incurred. Accordingly, new IFRS and other financial accounting and reporting standards may have a significant impact on the Bank Group's results and financial position.

#### **1.3.4.6 EU General Data Protection Regulation**

As a financial group aimed primarily at individuals, the Bank Group processes large quantities of personal data on its customers. Such processing of personal data is subject to extensive regulation and scrutiny following the implementation of GDPR, as of 25 May 2018. Any administrative and monetary sanctions (including administrative fines of up to the greater of EUR 20 million or 4 per

cent. of the Bank Group's total global annual turnover) or reputational damage due to incorrect implementation or breach of the GDPR would adversely impact the Bank Group's business, financial condition and results of operations. The degree to which non-compliance with applicable requirements may affect the Bank Group is uncertain and presents a significant risk to the Bank Group's operations and reputation.

#### **1.3.4.7 Disputes and legal proceedings**

From time to time, the Bank Group may be subject to legal proceedings, claims and disputes in jurisdictions where it is active. The Bank Group operates in a regulatory environment and business segment that exposes it to potentially significant litigation and regulatory risks caused by requirements of compliance with complex regulations and, at times, negative sentiment towards consumer lending. As a result of the litigation and regulatory risk, the Bank Group may in the future become involved in various disputes and legal, administrative and governmental proceedings in the Nordic region or in other jurisdictions that potentially could expose it to significant losses and liabilities. Proceedings relating to the Bank Group's regulated businesses may expose it to increased regulatory scrutiny and oblige it to accept constraints that involve additional costs or otherwise put the Bank Group at a competitive disadvantage. Such claims, disputes and proceedings are often subject to several uncertainties and their outcomes often difficult to predict, particularly in the earlier stages of a case or an investigation. There is further a risk that the results of any investigation, proceeding, litigation or arbitration brought by private parties, regulatory authorities or governments are difficult for the Bank Group to predict. In addition, if an unfavourable decision were to be given against the Bank Group, significant fines, damages and/or negative publicity risk adversely affecting the Bank Group's business, financial condition and results of operations.

The outcome of any future potential proceedings, claims and disputes may vary and are uncertain, and could adversely affect the Bank Group's costs and reputation.

#### **1.3.4.8 Tax risks**

The Bank Group's business and transactions are conducted in accordance with the Bank Group's interpretation of applicable laws, tax treaties, regulations, case law and requirements of the tax authorities. There is a risk that the Bank Group's interpretation of applicable laws, tax treaties, regulations, case law or other rules or administrative practice is incorrect, or that such rules or practice will change, possibly with retroactive effect. For example, new legislation introducing a risk tax for credit institutions in Sweden entered into force on 1 January 2022, applicable for Swedish credit institutions with total liabilities of more than SEK 150 billion, and for foreign credit institutions but only if they have liabilities attributable to business in a Swedish branch above the threshold of SEK 150 billion. When calculating liabilities in relation to the threshold of SEK 150 billion, liabilities in all credit institutions within the same group shall be summarized. When there are foreign credit institutions within the group, the liabilities of such foreign credit institutions shall however only be included in the calculation to the extent they are attributable to business in a Swedish branch. The tax rate is set to 0.05 per cent of the total liabilities for 2022 and 0.06 per cent for 2023. The Bank Group's total liabilities amounted to SEK 89,627 million in 2021.<sup>5</sup> There is a risk that the new legislation, if applicable to the Bank Group in the future, will increase the Bank Group's tax costs.

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<sup>5</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January-December 2021, Bank Norwegian is included in the figures from November 2021.

In 2021, the Bank Group's reported tax on profit totalled SEK 10 million.<sup>6</sup> The Bank Group's tax situation for previous, current and future years may change as a result of legislative changes such as the one mentioned, decisions made by the tax authorities or as a result of changed tax treaties, regulations, case law or requirements of the tax authorities. Such decisions or changes, potentially with retroactive effect, could have an adverse effect on the Bank Group's tax position, financial condition and results of operations.

#### **1.3.4.9 Anti-money laundering and counter-terrorism financing**

Counteracting money laundering and terrorist financing is a highly prioritised area within the EU and the regulatory framework is continuously updated to prevent the financial system from being used for money laundering and terrorist financing. Nordax and Bank Norwegian are, as banks, subject to a regulatory framework which require them to take measures to counteract money laundering and terrorist financing within their respective operations. There is a risk that the Bank Group's procedures, internal control functions and guidelines to counteract money laundering and terrorist financing are not sufficient or adequate to ensure that the Bank Group complies with the regulatory framework. This may result from, for example, insufficient procedures, internal control functions or guidelines, or errors by employees, suppliers or counterparties, which risk resulting in a failure to comply with the anti-money laundering regulatory framework.

Failure to comply with the requirements could result in legal implications. If the Bank Group would become subject to material sanctions, remarks or warnings and/or fines imposed by the Swedish or Norwegian FSA, this would cause significant, and potentially irreparable, damage to the reputation of the Bank Group and, as a result, the Bank Group's business, financial position and results of operations can be adversely affected. Nordax's operations are contingent upon Nordax's and Bank Norwegian's respective banking licences, thus making such consequences a significant risk for the Bank Group. The degree to which non-compliance with anti-money laundering may affect the Bank Group is uncertain and presents a significant risk to the Bank Group's reputation, financial condition and results of operations.

### **1.3.5 Risks relating to the acquisition of Bank Norwegian**

#### **1.3.5.1 Risks relating to the integration process following a potential merger between Nordax and Bank Norwegian**

Following the recent completion of Nordax's acquisition of all the outstanding shares in Bank Norwegian, Bank Norwegian became a subsidiary of Nordax. The operations of the respective businesses of Nordax and Bank Norwegian are run separately. It is however possible that Nordax and Bank Norwegian will consider entering into a legal merger in the future, for the purpose of integrating the respective businesses and realising operational synergies. In such case, the work of integrating Bank Norwegian's and Nordax's respective businesses and IT systems would involve risks and uncertainties. For example, any interruptions or ineffective performance of the respective businesses' IT systems due to the integration could impair the Bank Group's ability to provide its services effectively causing direct financial loss (see further Section 1.3.2.1 "IT failure and cyber risks"). Also, the integration work would divert resources from Nordax's and Bank Norwegian's respective day-to-day operations, which could have an adverse effect on their businesses. Further, a legal merger between Nordax and Bank Norwegian would require regulatory approval from the Norwegian FSA and the Swedish FSA, respectively, and may be subject to consent from certain of Bank Norwegian's creditors, including certain holders of Bank Norwegian's outstanding bonds. Such

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<sup>6</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January-December 2021, Bank Norwegian is included in the figures from November 2021.

barriers and impediments to the integration of Bank Norwegian and Nordax could have a material adverse effect on Nordax's operations and results of operations.

#### **1.3.5.2 Goodwill from the acquisition of Bank Norwegian may need to be impaired**

In connection with the Bank Norwegian Acquisition Nordax prepared a purchase price allocation analysis, in which Bank Norwegian's identifiable assets and liabilities are valued at fair value. The difference between this fair value and the consideration paid to the selling shareholders in the Bank Norwegian Acquisition is recognised as goodwill on the consolidated balance sheet of Nordax. Goodwill is not amortised. Instead, an impairment loss is recognised as needed. Impairment testing is carried out at least once per year and as soon as there are indications that the carrying amount exceeds the recoverable amount. A possible impairment loss related to the acquisition of Bank Norwegian could have a material adverse effect on the Bank Group's balance sheet as well as income statement and total value.

#### **1.3.5.3 Change of control provisions in Bank Norwegian's existing contracts**

Some of Bank Norwegian's contractual arrangements contain change of control clauses which were triggered upon the completion of the Bank Norwegian Acquisition or will be triggered upon a potential legal merger, giving the relevant counterparties the ability to terminate the relevant contracts. There is a risk that counterparties will exercise their right of termination upon the change of control or use the change of control as a basis to renegotiate contracts in a way that is prejudicial to the interests of the Bank Group. If significant contracts, or a large number of less material contracts are terminated (in particular in relation to customer or leasing contracts) and are not replaced quickly and efficiently, and on similar terms, the Bank Group's business may be adversely affected through the loss of revenue directly from lost contracts, or indirectly through the loss of contracts due to delays or an inability to meet its contractual obligations as a result of loss of suppliers and necessary machines, or through decreased profitability due to increased costs of renegotiated or replacement contracts.

### **1.4 Risk related to the Notes**

#### **1.4.1 Risks related to the value of the security package**

In case of a default by the Issuer under the Notes, the noteholders will only be secured to the extent of the value of their collateral and the underlying security assets, including share pledges (the "**Share Pledges**") made by affiliates of the Issuer's shareholders over their shares in Nordax Holding AB and NDX Intressenter Invest Holding AB, see Section 3.4 "Transaction security" for more information about the security package. The shares in Nordax Holding AB and NDX Intressenter Invest Holding AB are subject to shareholders' agreements entered into between the companies' respective shareholders. Pursuant to the Share Pledges any enforcement of the Share Pledges is subject to certain provisions of the respective shareholders' agreements. There is a risk that the terms of such shareholders' agreements may limit the noteholders ability to enforce the security. Although the Notes are secured obligations of the Issuer, there can be no assurance that the value of the security will be sufficient to cover all the outstanding amounts under the Notes together with accrued interest and expenses in case of a default and/or if the Issuer enters into liquidation.

Further, the security provided for the payment of the Notes contain general limitation language to the effect that each security interest granted as well as any other obligation, liability or indemnification thereunder shall be limited, if and to the extent required by applicable law. As a consequence, there is a risk of the value of the security provided being reduced to zero.

#### **1.4.2 The Issuer may have insufficient funds to make required redemptions or repurchases of the Notes**

The terms and conditions of the Notes dated 22 October 2021 entered into between the Issuer and Intertrust (Sweden) AB as agent (the "**Terms and Conditions**") provide for certain redemption and repurchase mechanics in respect of the Notes which entail redemption or repurchase with a premium, either voluntarily or mandatorily, including call options for the Issuer and put option in case of a Change of Control (as defined in the Terms and Conditions) as further described in Section 3.3 "Main terms of the Notes". There can be no assurance that the Issuer will have sufficient funds at the time of such event to make the required redemption and/or repurchase of the Notes, should a mandatory redemption or repurchase occur. As such there is a risk that Noteholders will not be able to recover parts or all of their investment should any of the redemption or repurchase mechanics be triggered.

#### **1.4.3 Risks related to restrictive covenants**

The Terms and Conditions of the Notes restricts the Issuer's ability to, inter alia, make certain distributions, dealing with affiliates, and corporate structuring and incur financial indebtedness, see Condition 14 "General Undertakings" in the Terms and Conditions for more information on the restrictive covenants. Further, the Issuer must comply with certain financial covenants related to, *inter alia*, LTV. Even though these limitations are subject to carve-outs and limitations, some of the covenants could limit the Issuer's ability to finance future operations and capital needs and its ability to pursue activities that may be in the Issuer's interest. Further, the Issuer may be subject to affirmative, negative and other covenants contained in other agreements for financial indebtedness. A breach of any of such covenants, ratios, tests or restrictions could result in an event of default under the Notes. This could have a material adverse effect on the Issuer and the Issuer's ability to make all or part of its payments under the Notes.

#### **1.4.4 Volatility in price and illiquidity in the market for the Notes**

The Notes will be new securities for which there is currently no trading market. The liquidity of any market for the Notes will depend on the number of holders of those Notes, investor interest at large and relative to the Issuer and its business segment in particular, and the interest of securities dealers in making a market in those securities and other factors. Accordingly, even though the Notes will be listed on Oslo Børs, there can be no assurance as to the future liquidity of any such market that may develop, the noteholders' ability to sell the Notes, or the price at which noteholders would be able to sell the Notes. If an active market does not develop or is not maintained, the price and liquidity of the Notes may be adversely affected. In addition, transfer restrictions may apply to the Notes and there may be limitations as to where the Notes may be marketed, offered and registered.

## **2. RESPONSIBILITY FOR THE PROSPECTUS**

The board of directors of the Issuer accepts responsibility for the information contained in this Prospectus. The board of directors of the Issuer confirms, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of our knowledge, in accordance with the facts and make no omissions likely to affect its import.

7 April 2022

**Cidron Romanov Limited**

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Jamie Michael Purdy  
Director

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Jean Le Creurer  
Director

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Michael Gerard Kelly  
Director

### **3. DESCRIPTION OF THE NOTES**

#### **3.1 Use of proceeds**

The net proceeds from the Note Issue were used for the purpose of financing, directly or indirectly, Nordax' acquisition of the shares in Bank Norwegian pursuant to the Bank Norwegian Acquisition, related fees, costs and expenses; and/or for the general corporate purposes of the Group (as defined in the Terms and Conditions as described in Section 3.3 "Main terms of the Notes" below).

The net proceeds from the Note Issue amounted to NOK 2,360,000,000.

#### **3.2 Expenses related to the admission to trading**

The Issuer's expenses related to the listing of the Notes on Oslo Børs is approximately NOK 250,000.

#### **3.3 Main terms of the Notes**

The summary below describes the principal terms of the Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Terms and Conditions attached to this Prospectus (as Appendix A) contains the complete terms and conditions of the Notes. All defined terms used in this Section 3 are as defined in the Terms and Conditions Section 1.

ISIN:	NO0011134405
The reference name of the Note Issue:	Cidron Romanov Limited NOK 2,500,000,000 Senior Secured Floating Rate Notes.
Issuer:	Cidron Romanov Limited.
Group:	Cidron Romanov Limited, Cidron Humber Limited, Cidron Humber Sarl, Cidron Xingu Sarl, Cidron Xingu 3 Limited, Nordax Holding AB, NDX Intressenter Invest Holding AB and each of their subsidiaries from time to time.
Securities type:	Senior secured floating rate notes.
Currency of the Notes:	NOK.
Issue size:	NOK 2,500,000,000.
Nominal value:	At the Issue Date, the nominal amount of each Note is NOK 2,000,000.
Issue Price:	100% of the nominal value of each Note.
First Issue Date:	22 October 2021.
Final Maturity Date:	The date falling five years after the First Issue Date, being 22 October 2026.
Amortization:	The Bonds shall be repaid in full at the Final Maturity Date at 100% of nominal value together with all accrued but unpaid Interest

Reset Date: The date falling two Business Days prior to the first day of any Interest Period.

Interest bearing from and including: Issue Date.

Interest Payment Dates: The interest payment date is 30 June in each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 30 June 2022 and the last Interest Payment Date shall be the relevant Redemption Date.

Interest Rate: The Interest Rate for each Interest Period means the percentage rate per annum which is the aggregate of:

- (a) the Margin; and
- (b) the NOK Mid-Swap Rate.

Yield: Investors wishing to invest in the Notes after the Issue Date must pay the market price for the Notes in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Notes may have increased (above par) or decreased (below par). As the Notes have a floating reference rate, it is the market's expectations of risk premium, i.e. margin that affects the price. If the price has increased, the yield for the purchaser in the secondary market, given that the reference rate does not change, will be lower than the interest rate of the Notes and vice versa.

Call Option Amount: "Call Option Amount" means, with respect to a Note:

- (a) 100% of the Nominal Amount of that Note, together with accrued but unpaid Interest on that Note; plus
- (b) the Applicable Premium set out in the table below depending upon the Redemption Date:

<u>Redemption Date</u>	<u>Applicable Premium</u>
Before (but excluding) the First Call Date	Make-Whole Premium
From (and including) the First Call Date to (but excluding) the date 30 months after	An amount equal to 5.58% of the Nominal Amount of that Note



the First Issue Date	
From (and including) the date 30 months after the First Issue Date to (but excluding) the date 36 months after the First Issue Date	An amount equal to 4.65% of the Nominal Amount of that Note
From (and including) the date 36 months after the First Issue Date to (but excluding) the date 42 months after the First Issue Date	An amount equal to 3.72% of the Nominal Amount of that Note
From (and including) the date 42 months after the First Issue Date to (but excluding) the date 48 months after the First Issue Date	An amount equal to 2.79% of the Nominal Amount of that Note
From (and including) the date 48 months after the First Issue Date to (but excluding) the date 54 months after the First Issue Date	An amount equal to 1.86% of the Nominal Amount of that Note
From (and including) the date 54 months after the First Issue Date to (but excluding) the date 57 months after the First Issue Date	An amount equal to 0.93% of the Nominal Amount of that Note
From (and including) the date 57 months after the First Issue Date to (but excluding) the date 60 months after the First Issue Date	An amount equal to 0.93% of the Nominal Amount of that Note or, to the extent that the relevant redemption is financed in full or part by way of one

	<p>or several Market Loan issuances, nil.</p> <p>For these purposes, "<b>Market Loans</b>" shall mean bonds, notes or other debt securities (however defined), which are or can be quoted, listed, traded or otherwise admitted to trading on a Regulated Market, an MTF or an organised trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).</p>
From (and including) the date 60 months after the First Issue Date	Nil.

Make Whole Premium:

"Make Whole Premium" means, with respect to a Note, the higher of:

- (a) 1% of the Nominal Amount of that Note; and
- (b) An amount equal to:
  - (i) 105.58% of the Nominal Amount of that Note; plus
  - (ii) all remaining scheduled Interest payments on that Note up to and including the First Call Date (on the basis of the Cash Margin); minus
  - (iii) accrued but unpaid Interest on that Note up to the relevant Redemption Date (on the basis of the Cash Margin); minus
  - (iv) the Nominal Amount of that Note.

Business Day:

Means a day other than a Saturday, Sunday or a public holiday in Sweden, Norway or Jersey. For the purpose of this definition, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall be deemed to be

public holidays in Sweden.

Business Day Convention:

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

Change of control:

"Change of Control Event" means, save for any Permitted Restructuring:

- (a) that Nordic Capital ceases, directly or indirectly, to own and control at least 50.1% of the capital and voting shares in each of Xingu 2 and Humber 2;
- (b) that Xingu 2 and Humber 2 together cease to own and control, directly or indirectly, 100% of the capital and voting shares in the Issuer;
- (c) at any time prior to a Public Offering, that Xingu 2 and Humber 2 together cease, directly or indirectly, to have the power (whether by way of ownership of shares, proxy, contract or otherwise) to appoint not less than half of the directors of Nordax Holding AB, including the chairman of the board of directors, and thereby, subject to certain reserved matters set out in the Shareholders' Agreement, ultimately control the board of directors of Nordax Holding AB; or
- (d) upon and following a Public Offering, any person or group of persons acting in concert (other than, directly or indirectly, Nordic Capital and any person directly or indirectly controlled by Nordic Capital) gains control of more than 50% of the voting shares in Nordax Holding AB, provided that, for such purpose, "acting in concert" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition and/or ownership of voting shares in Nordax Holding AB, to obtain or consolidate control (directly or indirectly) of Nordax Holding AB provided that the persons voting in the same or consistent manner at any general meeting of Nordax Holding AB will not be considered to be acting in concert by virtue only of exercising their votes in such manner.

Listing Failure Event:

A "Listing Failure Event" means that

- (i) the Initial Notes are not admitted to trading on a Regulated Market within six months following the

First Issue Date; or

- (ii) in the case of a successful admission, that a period of six months has elapsed since the Initial Notes ceased to be admitted to trading on a Regulated Market.

Finance Documents:	The Terms and Conditions, the Security Documents, the Agency Agreement and any other document designated to be a Finance Document by the Issuer and the Agent.
Redemption:	All accrued but unpaid interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Listing and admission to trading:	If approved by Oslo Børs following an application for listing, the Bonds will be listed on Oslo Børs on or about 8 April 2022.
Credit rating:	N/A.
Bondholders' Meeting:	The Noteholders' Meeting represents the supreme authority of the Noteholders community in all matters relating to the Notes. If a resolution by the Noteholders is required, such resolution shall be passed at a Noteholders' Meeting or by Written Procedure. Resolutions passed at Noteholders' Meetings or by Written Procedure are binding upon and prevail for all the Notes. For more details, please see Section 3.7.6 below.
Agent:	Intertrust (Sweden) AB, corporate identity number 556625-5476, Box 16285, SE-103 25 Stockholm, Sweden (the " <b>Agent</b> ").
Paying Agent:	The legal entity appointed by the Issuer to act as its paying agent with respect to the Notes in the CSD. Initially DNB Bank ASA.
Calculation Agent:	ABG Sundal Collier ASA, business registration number 883 603 362, Ruseløkkveien 26, 0251 Oslo, Norway.
Manager:	ABG Sundal Collier ASA.
Securities Depository:	Verdipapirsentralen ASA (CSD), Fred. Olsens gate 1, 0152 Oslo, Norway.
Approval by the Board of Directors:	The Bond Issue was approved by the Board of Directors on 15 October 2021.

Governing Law:

Laws of Sweden.

### **3.3.1 Status of the Notes**

The Notes will constitute direct, general, unconditional, and unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other direct, general, unconditional, and unsubordinated obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Finance Documents.

### **3.3.2 Transfer restrictions**

The Notes have not been and will not be registered under the Securities Act. The Notes may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons. Further, the Notes have not been and will not be registered in Australia, Japan, Canada, or in any other country where the offering, sale and delivery of the Notes may be restricted by law, and a Noteholder may be subject due to local law. Except for the transfer restrictions described above with regards to the United States, Australia, Japan, Canada, the Notes are freely transferable. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

### **3.3.3 Registration of the Notes**

The Notes are registered electronically in a central securities depository account on behalf of the Noteholder in accordance with the Norwegian Securities Register Act and the Central Securities Depositories Regulation ("**CSDR**"), and accordingly no physical notes representing the Notes will be issued.

The Notes are registered in book-entry form with the central securities depository, Verdipapirsentralen ASA (CSD), with business registration number 985 140 421 and business address Fred. Olsens gate 1, 0152 Oslo.

### **3.3.4 Payments**

Payments in respect of the Notes shall be made in NOK. If, however, the denomination differs from the currency of the bank account connected to the Noteholder's Securities Account in the CSD, any cash settlement may be exchanged and credited to this bank account in accordance with the procedures of the CSD.

Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes requested by a Noteholder pursuant to the Terms and Conditions, shall be made to such person who is registered as a Noteholder in the CSD on the Record Date immediately preceding the relevant payment date, by way of (if no specific order is made by the Agent) crediting the relevant amount to the bank account nominated by such Noteholder in connection with its Securities Account in the CSD.

If a Noteholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed. Interest shall accrue in accordance with Section 3.3.5.1 "Interest Rate" below during such postponement.

Any specific payment instructions, including foreign exchange bank account details, to be connected to the Noteholder's account in the CSD must be provided by the relevant Noteholder to the Paying Agent (either directly or through its Account Operator in the CSD) within five Business Days prior to a payment date. Depending on any currency exchange settlement agreements between each Noteholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

If payment or repayment is made in accordance with condition 8 in the Terms and Conditions, the Issuer shall be deemed to have fulfilled its obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.

Any payment which shall be made under the Terms and Conditions on a date which is not a CSD Business Day, shall be made on the following CSD Business Day in accordance with the Business Day Convention.

Payment constituting good discharge of the Issuer's payment obligations to the Noteholders under the Terms and Conditions will be deemed to have been made to each Noteholder once the amount has been credited to the bank holding the bank account nominated by the Noteholder in connection with its Securities Account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Noteholder in question.

All payments in respect of the Notes and the Finance Documents by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (Taxes) imposed or levied by or on behalf of the relevant jurisdiction, unless the withholding or deduction of the Taxes is required by law. In the event any such deduction is required by law the Issuer will make such payment net of the relevant withholding and will have no obligation to pay any additional amounts to Noteholders in respect thereof.

Notwithstanding anything to the contrary in the Terms and Conditions, the Notes shall be subject to, and any payments made in relation thereto shall be made in accordance with, the rules and procedures of the CSD.

### **3.3.5 Interest**

Each Note accrues Interest from (and including) its Issue Date up to (and excluding) the relevant Redemption Date during each Interest Period (each a Relevant Interest Period) at the Interest Rate applied to the sum of:

- (i) the Nominal Amount of that Note (as at the final day of the Relevant Interest Period); and
- (ii) the sum of all amounts of Interest for such Note calculated in respect of any Interest Period prior to the Relevant Interest Period for which the relevant Interest Payment Date has not yet occurred.

Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders in arrear on each Interest Payment Date in respect of the Interest Period ending on such Interest Payment Date, unless the Issuer no later than ten Business Days before an Interest Payment Date notifies the Paying Agent that the Interest falling due on such Interest Payment Date

in respect of a Note shall be rolled up (PIK Interest), provided that if the Issuer exercises its right to roll up interest on a Note (Relevant Note) in accordance with condition 9.2 of the Terms and Conditions:

- (i) the Issuer must elect to roll up all of the Interest falling due with respect to the Relevant Note on the relevant Interest Payment Date and may not roll up the Interest falling due with respect to the Relevant Note on an Interest Payment Date only in part; and
- (ii) the Issuer must elect to roll up all of the Interest falling due on all Notes in the same Tranche as the Relevant Note and may not roll up the Interest falling due on an Interest Payment Date with respect to only some but not all of the Notes in a Tranche.

For the avoidance of doubt, the Issuer may elect to roll up interest falling due on an Interest Payment Date in respect of one or both Tranches. Any accrued PIK Interest shall be capitalised on the Interest Payment Date by way of issuance of new Notes (NOK PIK Notes). Interest shall accrue on each PIK Note from, and including, the applicable Interest Payment Date on which such PIK Note is issued, on the same principles as set out in condition 9 of the Terms and Conditions.

In relation to any Interest due on a Redemption Date which is not an Interest Payment Date, the Issuer will pay any accrued but unpaid Interest on a Note for the Interest Period (or part thereof) from (but excluding) the preceding Interest Payment Date or, if none, the Issue Date for that Note (as applicable) to (and including) the applicable Redemption Date calculated by reference to the Nominal Amount of the Notes being redeemed.

Interest for each Interest Period shall be calculated by the Issuer on the basis of the actual number of days in the relevant Interest Period divided by 360 (actual/360-day count basis).

#### **3.3.5.1 Interest Rate**

The Interest Rate for each Interest Period means the percentage rate per annum which is the aggregate of:

- (i) the Margin; and
- (ii) NOK Mid-Swap Rate.

#### **Margin**

The Margin means the Cash Margin for the relevant Interest Period plus, if the Issuer has exercised the right to roll-up the Interest for the relevant Interest Period in accordance with condition 9.2 of the Terms and Conditions, an additional 0.75 per cent. per annum for that Interest Period.

The Cash Margin is 9.30 per cent. per annum.

#### **NOK Mid-Swap Rate**

NOK Mid-Swap Rate means, in relation to any Interest Period, the interest rate fixed for a period comparable to the relevant Interest Period expressed as an annual mid-swap rate for interest rate swap transactions in NOK with a term of one year commencing on the relevant Reset Date as displayed on Bloomberg screen "NKSW1V3" at 12:00 noon Central European Time or, if such rate is not displayed on such screen as at the relevant time, the mid-swap rate expressed as an annual rate for interest rate swap transactions in NOK with a term comparable to the relevant Interest Period

commencing on the relevant Reset Date as displayed on such other page as reasonably selected by the Manager and as then notified to the Paying Agent by the Manager, or if no quotation is available, the interest rate which according to the reasonable assessment of the Manager, the Paying Agent and the Issuer best reflects the mid-swap rate for interest rate swap transactions in NOK with a term of one year for the relevant Interest Period where, in each case, if the NOK Mid-Swap Rate so determined is below zero, the rate shall be deemed to be zero.

### **3.3.5.2 Default interest**

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 2% higher than the then applicable Interest Rate. Accrued default interest shall not be capitalised. At least five Business Days before any due date for payment of default interest, the Issuer will (failing which the Agent will) notify the Paying Agent of the amount of default interest payable and the date on which the default interest is to be paid.

### **3.3.6 Redemption and repurchase of Notes**

#### **3.3.6.1 Redemption upon maturity**

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

#### **3.3.6.2 Repurchase of Notes by Group Companies**

The Issuer and any other Group Company may at any time purchase Notes. Notes held by a Group Company may at such Group Company's discretion be retained, sold or cancelled.

Notes owned by a Group Company or an Affiliate shall not have voting rights in respect of any matter put to the vote of the Noteholders, unless at the time of the relevant vote, all of the outstanding Notes are held by any Group Company and/or any Affiliate.

#### **3.3.6.3 Voluntary total or partial early redemption (time limited call option)**

In addition to and without limiting its separate rights under condition 10 of the Terms and Conditions, the Issuer may at any time on or prior to the LTV Step-Down Date redeem all or part of the outstanding Notes at a price per Note equal to 101% of the Nominal Amount of that Note, together with accrued but unpaid Interest on that Note such:

- (i) the LTV (calculated by the Issuer on a pro forma basis) after the redemption of all such Notes must to the extent possible be as close as possible to but not exceed 30%; and
- (ii) the number of each relevant Noteholder's Notes being redeemed by such partial or full redemption must be an integral number of Notes for each Noteholder.

Redemption in accordance with condition 10.3 in the Terms and Conditions shall be made by the Issuer giving not less than three and not more than thirty Business Days' notice to the Noteholders, the Agent and the Paying Agent prior to the relevant Redemption Date (being a date that is not within the five Business Day period immediately prior to an Interest Payment Date) which should be specified in the relevant notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date.



The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem Notes at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in Norwegian Krone and rounded down to the nearest NOK 1.

The Issuer must apply a redemption of Notes made under this Section on a *pro rata* basis as between all of the Tranches of Notes.

#### **3.3.6.4 Voluntary partial redemption (equity claw)**

In addition to and without limiting its separate rights under condition 10 of the Terms and Conditions, pursuant to condition 10.4, the Issuer may redeem Notes in an aggregate amount not exceeding 40% of the Total Nominal Amount at a price per Note equal to 103% of the Nominal Amount of such Note together with accrued but unpaid Interest on that Note, provided that such redemption is made pursuant to, in connection with or with the proceeds of, an equity offering or issuance of any member of the Issuer (including a Public Offering).

The Issuer must apply a redemption of Notes made under this Section on a *pro rata* basis as between all of the Tranches, and any such redemption will be used towards pro rata payment to the Noteholders holding Notes in each Tranche in accordance with the CSDR.

Partial redemption in accordance with this Section shall be made by the Issuer giving not less than fifteen and not more than thirty Business Days' notice to the Noteholders, the Agent and the Paying Agent prior to the relevant Redemption Date (being a date that is not within the five Business Day period immediately prior to an Interest Payment Date) which should be specified in the relevant notice.

The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem each Note in part at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in NOK and rounded down to the nearest NOK 1.

#### **3.3.6.5 Voluntary total or partial early redemption (time unlimited call option)**

In addition to and without limiting its separate rights under condition 10 of the Terms and Conditions, the Issuer may at any time redeem all or (subject to condition 10.5.4) some of the outstanding Notes at an amount per Note equal to:

- (i) 100% of the Call Option Amount for that Note applicable to the relevant period for the redemption of the Notes; or
- (ii) in the case of partial redemption, a part of the Call Option Amount for that Note applicable to the relevant period for the redemption of the Notes where such part is equal to the percentage of the Call Option Amount elected by the Issuer at its option for redemption and which it will specify by notice to the Noteholders.

The Issuer must apply a redemption of Notes made under this Section on a *pro rata* basis as between all of the Tranches, and any such redemption will be used towards pro rata payment to the Noteholders holding Notes in each Tranche in accordance with the CSDR.

Redemption in accordance with condition 10.5 in the Terms and Conditions shall be made by the Issuer giving not less than fifteen and not more than thirty Business Days' notice to the Noteholders, the Agent and the Paying Agent prior to the relevant Redemption Date (being a date that is not within the five Business Day period immediately prior to an Interest Payment Date) which should be specified in the relevant notice.

The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem each Note in whole or in part (as applicable) at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in NOK and rounded down to the nearest NOK 1.

A partial redemption of outstanding Notes under condition 10.5.1 of the Terms and Conditions made with the proceeds of a Public Offering shall not be made if it would result in the total aggregate Nominal Amount of the Notes outstanding immediately following such redemption being less than 40% of the total aggregate Nominal Amount of the Initial Notes outstanding at the First Issue Date, provided that, for the avoidance of doubt, condition 10.5.4 shall be without prejudice to the Issuer's right to redeem:

- (i) all of the outstanding Notes with the proceeds of a Public Offering; or
- (ii) some of the outstanding Notes with any amount not representing the proceeds of a Public Offering, in each case in accordance with condition 10.5.1 of the Terms and Conditions.

#### **3.3.6.6 Early redemption due to illegality (call option)**

Pursuant to condition 10.6 in the Terms and Conditions, the Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount of such Note together with accrued but unpaid Interest on that Note on a date determined by the Issuer if it is or would become unlawful for the Issuer to perform its obligations under the Finance Documents. For the avoidance of doubt, illegality shall for these purposes not include the circumstance that the Issuer would be deemed to form part of the Capital Adequacy Group and a redemption would be required or desirable in order to comply with capital adequacy requirements applicable to it.

The Issuer shall give notice of any redemption pursuant to this Section not less than fifteen and not more than thirty Business Days' after having received actual knowledge of any event specified therein (after which time period such right shall lapse).

#### **3.3.6.7 Mandatory redemption due to a Change of Control Event (put option)**

In accordance with condition 12.1.3 in the Terms and Conditions, the Issuer shall promptly notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event (CCE Notice). A CCE Notice must include the proposed Redemption Date which must be a date:

- (i) no earlier than thirty Business Days and no later than forty Business Days after the date of the CCE Notice; and
- (ii) that is not within the five Business Day period immediately prior to an Interest Payment Date.

Upon receipt of a CCE Notice, each Noteholder shall have the right to request that all, or some only, of its Notes be redeemed on the relevant Redemption Date specified in the CCE Notice at a price per Note equal to 101% of the Nominal Amount of such Note together with accrued but unpaid Interest on that Note, during a period of fifteen Business Days following the date of the CCE Notice (after which time period such rights lapse). Such request shall be irrevocable.

The Issuer may seek to identify, during a period of fifteen Business Days following the date of the CCE Notice, a third party who is willing to purchase all Notes validly tendered in accordance with condition 10.7.2 of the Terms and Conditions, at no less than the amount and on the terms set out in condition 10.7.2 save that the repurchase date must occur prior to the 20th Business Day after the date of the CCE Notice and that interest will be calculated up to and including the repurchase date (or on terms more favourable to the Noteholders, as determined by the Agent). If such a third party is identified, the Issuer shall notify the Agent and the Noteholders that the put option is cancelled and of such third party and all relevant arrangements for the repurchase (including settlement arrangements which will include a requirement for Noteholders to set up settlement instructions which match those of the relevant third party) no later than the 4th Business Day prior to the repurchase date and from the date of that notification the redemption will be treated as a mandatory repurchase with the third party acting as the purchaser.

If the third party does not purchase all Notes validly tendered on the purchase date, the Issuer shall redeem any such Notes in the manner and on the terms set out in condition 10.7.2 in the Terms and Conditions on the Redemption Date specified in the CCE Notice.

#### **3.3.6.8 Mandatory redemption due to a Listing Failure Event (put option)**

In accordance with condition 12.1.3 (Information among the Noteholders) in the Terms and Conditions, the Issuer shall promptly notify the Listing Failure Event Noteholders and the Agent upon becoming aware of the occurrence of a Listing Failure Event (LFE Notice). A LFE Notice must include the proposed Redemption Date which must be a date:

- (i) no earlier than thirty Business Days and no later than forty Business Days after the date of the LFE Notice; and
- (ii) that is not within the five Business Day period immediately prior to an Interest Payment Date.

Upon receipt of a LFE Notice, each Listing Failure Event Noteholder shall have the right to request that all, or some only, of its Notes be redeemed on the relevant Redemption Date specified in the LFE Notice at a price per Note equal to 101% of the Nominal Amount of such Note together with accrued but unpaid Interest on that Note, during a period of fifteen Business Days following the date of the LFE Notice (after which time period such rights lapse). Such request shall be irrevocable.

The Issuer may seek to identify, during a period of fifteen Business Days following the date of the LFE Notice, a third party who is willing to purchase all Notes validly tendered, in the manner, at no less than the amount and on the terms set out in condition 10.8.2 in the Terms and Conditions save that the repurchase date must occur prior to the 20th Business Day after the date of the LFE Notice and that interest will be calculated up to and including the repurchase date (or on terms more favourable to the Listing Failure Event Noteholders, as determined by the Agent). If such a third party is identified, the Issuer shall notify the Agent and the Listing Failure Event Noteholders that the put option is cancelled and of such third party and all relevant arrangements for the repurchase (including settlement arrangements which will include a requirement for Listing Failure Event Noteholders to set up settlement instructions which match those of the relevant third party) no later

than the 4th Business Day prior to the repurchase date and from the date of that notification the redemption will be treated as a mandatory repurchase with the third party acting as the purchaser.

If the third party does not purchase all Notes validly tendered on the purchase date, the Issuer shall redeem any such Notes in the manner and on the terms set out in condition 10.8.2 in the Terms and Conditions on the Redemption Date specified in the LFE Notice.

**3.3.6.9 Mandatory redemption due to a Re-Valuation Event or Dilution Tracking Event (put option)**

Upon the occurrence of a Re-Valuation Event or a Dilution Tracking Event as evidenced by a Compliance Certificate delivered pursuant to condition 12.1.6 in the Terms and Conditions, each Noteholder shall have the right to request, during the Right to Request Period (as defined in condition 10.9.3 of the Terms and Conditions), that all or some of its Notes are redeemed at an amount per Note equal to the Nominal Amount of that Note together with accrued but unpaid Interest on that Note such that to the extent possible the LTV (calculated by the Issuer (i) on the 20th Business Day following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event and (ii) on a pro forma basis) after the redemption of all such Notes does not exceed (x) where the date of such notice is on or prior to the LTV Step-Down Date, 30% and (y) where the date of such notice is following the LTV Step-Down Date, 25% (Re-Valuation LTV).

Partial or full redemption shall apply to the Notes held by Noteholders who have requested during the Right to Request Period that all or some of their Notes are redeemed and a number of each such Noteholder's Notes will be redeemed pro rata to the Notes in respect of which such redemption is requested such that (i) the LTV (calculated by the Issuer (a) on the 20th Business Day following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event and (b) on a pro forma basis) after the redemption of all such Notes must to the extent possible be as close as possible to but not exceed the Re-Valuation LTV. It should be noted that if such request(s) are made in relation to an insufficient number of Notes in aggregate then it may not be possible for the LTV to be equal to or less than the Re-Valuation LTV following redemption of all such Notes. In this case all such Notes in respect of which redemption is requested will nevertheless be redeemed in full.

The right to request such redemption shall apply during a period of twenty Business Days immediately following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event (after which time period such rights lapse) (the Right to Request Period). However, such period may not start earlier than upon the occurrence of the relevant Re-Valuation Event or Dilution Tracking Event.

The Issuer shall notify the Agent and the Noteholders no later than five Business Days after the last day of the Right to Request Period the number of each such Noteholder's Notes which are to be redeemed in accordance with condition 10.9.2 in the Terms and Conditions. The notice delivered under condition 10.9.4 will prevail over the request made under condition 10.9.1 (including the number of Notes stated therein to be redeemed).

The Redemption Date must;

- (i) fall no earlier than thirty Business Days and no later than forty Business Days after the last day of the Right to Request Period; and
- (ii) not be within the five Business Day period immediately prior to an Interest Payment Date.

The Issuer is not required to recalculate the LTV for the purposes of this Section during the period from (but excluding) the 20th Business Day following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event as referred to in condition 10.9.2 in the Terms and Conditions to (and including) the relevant Redemption Date.

#### **3.3.6.10 Voluntary redemption (PIK Notes)**

In addition to and without limiting its separate rights under condition 10 in the Terms and Conditions, pursuant to condition 10.10, on any Interest Payment Date (or, to the extent necessary to permit the making of a Restricted Payment in accordance with condition 14.2.4 or 14.2.5, on any other date) the Issuer may redeem Notes in an aggregate amount not to exceed the Nominal Amount of the outstanding PIK Notes at such redemption date at an amount per Note equal to the Nominal Amount of such Note together with accrued but unpaid Interest on that Note.

The Issuer shall notify the Agent and the Noteholders no later than ten Business Days prior to the relevant redemption date.

Any redemption in accordance with condition 10.10 in the Terms and Conditions will be used for *pro rata* payment to the relevant Noteholders in accordance with the CSDR.

#### **3.3.6.11 Adjustment of Nominal Amount**

The Agent may instruct the CSD to split each Note in several Notes with a lower nominal value (Note Split) in order to facilitate the issuance of a PIK Note in accordance with condition 9.2 (Interest) in the Terms and Conditions or a partial redemption of Notes pursuant to, and in accordance with, condition 10 in the Terms and Conditions.

### **3.4 Transaction security**

#### **3.4.1 Granting of the transaction security**

The Issuer's obligations under the Notes are secured by pledge shares in Nordax Holding AB and NDX Intressenter Invest Holding AB held by Cidron Humber Limited (and subsequently Cidron Humber Sarl) and Cidron Xingu Sarl governed by the Security Documents (the "**Transaction Security**").

The Transaction Security shall serve as continuing security for the due and punctual fulfilment of the Secured Obligations. The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents.

The Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.

Unless and until the Agent has received instructions from the Noteholders in accordance with condition 17 (Decisions by Noteholders) in the Terms and Conditions, the Agent shall (without first having to obtain the Noteholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's reasonable opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Noteholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

The Agent shall be entitled to release all Transaction Security upon the full discharge of the Secured Obligations, or, with respect to Transaction Security granted under an individual Security Document,

as contemplated by condition 20.4 (Amendments and waivers) in the Terms and Conditions or the terms of the relevant Security Document.

#### **3.4.1.1 Account Pledge Agreement**

Upon the occurrence of a Dilution Tracking Event where Cidron Humber Sarl and/or Cidron Xingu Sarl participate (directly or indirectly) with an amount equal to the maximum amount represented by all subscription rights carried by the shares in Nordax Holding AB indirectly owned by Cidron Humber Sarl and/or Cidron Xingu Sarl where one or several Noteholders have not exercised their rights to request repurchase of Notes as set out in condition 10.9 (Mandatory redemption due to a Re-Valuation Event or Dilution Tracking Event (put option)), Cidron Humber Sarl and/or Cidron Xingu Sarl (as applicable) shall grant a pledge over shares in Nordax Holding AB or cash or cash equivalent assets under an Account Pledge Agreement required to maintain the relevant Security Ratio pursuant the terms of the Security Documents.

#### **3.4.2 Enforcement of the security**

The Agent may only take any action to accelerate or enforce any Transaction Security in accordance with the terms of the Security Documents. Upon an enforcement of the Transaction Security, the proceeds shall be distributed in accordance with condition 16 (Distribution of Proceeds) in the Terms and Conditions.

### **3.5 Events of default and acceleration of the Notes**

Each of the events and circumstances set out in this Section 3.5 "Events of default and acceleration of the Notes" (other than other than Section 3.5.10 "Acceleration of the Notes") constitute an "event of default" under the Terms and Conditions.

#### **3.5.1 Non-Payment**

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay:

- (i) is caused by technical or administrative or error; and
- (ii) is remedied within five Business Days from the due date.

#### **3.5.2 Conditions subsequent**

The Issuer or any other party to the Finance Documents (other than the Noteholders, the Paying Agent and the Agent) does not comply with condition 4.2 (Condition Subsequent) in the Terms and Conditions unless the non-compliance:

- (i) is capable of remedy; and
- (ii) is remedied within ten Business Days of the earlier of Agent giving notice and the Issuer becoming aware of the non-compliance.

#### **3.5.3 Other obligations**

The Issuer or any other party to the Finance Documents (other than the Noteholders, the Paying Agent and the Agent) does not comply with the Finance Documents to which it is a party in any way other than as set out in condition 15.1 (Non-Payment) and condition 15.2 (Conditions subsequent) in the Terms and Conditions, unless the non-compliance:

- (i) is capable of remedy; and

- (ii) is remedied within twenty Business Days of the earlier of Agent giving notice and the Issuer becoming aware of the non-compliance.

#### **3.5.4 Cross-acceleration/cross-payment default**

Any Financial Indebtedness of any Restricted Company is not paid when due as extended by any originally applicable grace period (if there is one), or ten Business Days from the due date (if there is no grace period), or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph if the aggregate amount of Financial Indebtedness is less than SEK 75,000,000, (or its equivalent in other currencies).

#### **3.5.5 Insolvency**

A Restricted Company or a Material Company is, or is deemed for the purposes of any applicable law to be, Insolvent.

#### **3.5.6 Merger**

A decision is made that any Restricted Company shall be merged or demerged (other than a merger where a Restricted Company is the surviving entity), unless the Agent has given its consent (not to be unreasonably withheld or delayed) in writing prior to the merger and/or demerger.

#### **3.5.7 Creditor's process**

Any attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Restricted Company having an aggregate value equal to or exceeding SEK 75,000,000 (or its equivalent in other currencies) and is not discharged within sixty calendar days.

#### **3.5.8 Invalidity etc.**

It becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Document or the Security created or expressed to be created thereby is varied or ceases to be effective and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders.

#### **3.5.9 Regulatory event**

The bank licence of Nordax Bank and/or Bank Norwegian is revoked (excluding, for the avoidance of doubt, any lapse or cessation of such license as a result of a merger or other combination not prohibited by these Terms and Conditions, including a merger or combination between Nordax Bank and the Bank Norwegian, provided, in each case, that the bank licence of the surviving entity remains in full force and effect following the completion of any such merger or combination) unless the revocation is remedied within sixty days of the earlier of the Agent giving notice and the Issuer becoming aware of the revocation.

#### **3.5.10 Acceleration of the Notes**

If an Event of Default has occurred and for as long as it is continuing the Agent (acting on the instruction in writing of Noteholders of at least 66 2/3% of the Total Nominal Amount (such instruction may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the instruction is received by the Agent)) may declare that all, but not some only, of the outstanding Notes (including for the avoidance of doubt, any PIK Notes) due and payable together with any other amounts payable under the Finance Documents.

If the Noteholders (in accordance with the Terms and Conditions) instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as, in the opinion of the Agent, may be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.

If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.

In the event of an acceleration of the Notes in accordance with condition 15 in the Terms and Conditions, the Issuer shall redeem all Notes with an amount equal to the redemption amount specified in condition 10.5 (Voluntary total or partial redemption (time unlimited call option)) in the Terms and Conditions, as applicable considering when the acceleration occurs.

### **3.6 Distribution of proceeds**

All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with condition 15 (Events of Default and Acceleration of the Notes) of the Terms and Conditions and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (i) firstly, in or towards payment of unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent;
- (ii) secondly, in or towards payment *pro rata* of unpaid fees, costs, expenses, liabilities and indemnities payable by the Issuer to the Paying Agent;
- (iii) thirdly, in or towards payment *pro rata* of accrued but unpaid interest under the Notes (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);
- (iv) fourthly, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (v) fifthly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Terms and Conditions.

Any excess funds after the application of proceeds in accordance with the paragraphs above shall be paid to each of Cidron Humber Sarl and/or Cidron Xingu Sarl in proportion to the proceeds received from the enforcement of the Transaction Security granted by that company, and to the extent such funds have been distributed to the companies proportionally, any excess funds thereafter to the Issuer.

Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with condition 16 as soon as reasonably practicable.

If the Issuer or the Agent shall make any payment under condition 16 of the Terms and Conditions, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least ten Business Days before the payment is made. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but



unpaid, the Record Date specified in condition 8.1 (Payments in respect of the Notes) of the Terms and Conditions shall apply and for any partial redemption in accordance with condition 10.3 (Voluntary total or partial redemption (time limited call option)), condition 10.4 (Voluntary partial redemption (equity call)) or 10.5 (Voluntary or partial redemption (time unlimited call option)) due but not made, the Record Date specified in conditions 10.3.2, 10.4.3 and 10.5.3 of the Terms and Conditions shall apply.

### **3.7 Noteholders rights**

#### **3.7.1 The Agent**

The Noteholder's agent in relation to the Notes is Intertrust (Sweden) AB, with business registration number 556625-5476. Documents related to the Notes may be found at the Agents webpage [www.intertrustgroup.com/locations/sweden/](http://www.intertrustgroup.com/locations/sweden/).

By subscribing for Notes, each initial Noteholder appoints:

- (i) the Agent to act as its agent on the terms described in the Terms and Conditions and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by the Terms and Conditions or the Finance Documents) in any legal or arbitration proceedings relating to the Notes held by such Noteholder;
- (ii) the Agent to act as its agent in all matters relating to the Transaction Security and the Security Documents, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security; and
- (iii) authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.

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

The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

##### **3.7.1.1 The duties of the Agent**

The Agent's duties under the Finance Documents are solely mechanical and administrative in nature.

The Agent shall represent the Noteholders in accordance with the Finance Documents, including, inter alia, holding the Transaction Security pursuant to the Security Documents on behalf of the Noteholders and, where relevant, enforcing the Transaction Security on behalf of the Noteholders and otherwise in accordance with its duties under the Terms and Conditions.

The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents, including the Terms and Conditions.

### **3.7.2 Information from the Issuer**

The Issuer shall make the following information available in the English language to the Noteholders by publishing this information on its website ([www.cidronromanov.com](http://www.cidronromanov.com), or such other site as it may notify under condition 26.2 (Notices) in the Terms and Conditions from time to time):

- (i) as soon as the same become available, but in any event within 120 calendar days after the end of each financial year (the first financial year for this purpose ending on 31 December of the calendar year in which the Completion Date occurs), the audited annual financial statements of the Issuer;
- (ii) as soon as the same become available, but in any event within two months following the end of the half-year reporting period, the unaudited half-year financial statements of the Issuer; and
- (iii) as soon as the same become available, but in any event within 60 days after each Quarter Date, the quarterly unaudited consolidated reports of Nordax Bank.

At the request of the Agent:

- (i) the Issuer shall take all reasonable steps to procure that senior management of Nordax Bank shall once in every financial year (starting in 2022) hold a presentation for Noteholders in relation to the on-going business and financial performance of the Issuer and any other matter which a Noteholder (through the Agent) may reasonably request; and
- (ii) the Issuer shall take all reasonable steps to procure that representatives of NC Advisory AB shall make themselves available twice in every financial year for discussions about the on-going business and financial performance of the Issuer and any other matter which a Noteholder (through the Agent) may reasonably request.

The Issuer shall promptly notify the Noteholders (but in the case of a Listing Failure Event, only the Listing Failure Event Noteholders) and the Agent:

- (i) upon becoming aware of the occurrence of a Change of Control Event, Listing Failure Event or Re-Valuation Event or Dilution Tracking Event, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice; or
- (ii) of a proposed Restricted Payment set out in paragraph 14.2.4 of condition 14.2 (Distribution) in the Terms and Conditions.

The Issuer shall as soon as possible upon becoming aware of any potential Dilution Tracking Event inform the Agent thereof and provide any information and details made available to it regarding a potential Dilution Tracking Event.

When the financial statements and other information are made available to the Noteholders pursuant to this Section, the Issuer shall send copies of such financial statements and other information to the Agent.

The Issuer shall submit a Compliance Certificate which shall contain calculations and figures in respect of the LTV on a pro forma basis and show compliance with the Incurrence Test to the Agent in connection with:

- (i) any Restricted Payment made in accordance with paragraph 14.2.4 of condition 14.2 (Distribution) in the Terms and Conditions;
- (ii) a Dilution Tracking Event;
- (iii) a redemption of Notes in accordance with condition 10.9 (Force Majeure And Limitation of Liability) in the Terms and Conditions; and/or
- (iv) a Re-Valuation Event,

The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice.

Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

The Issuer is only obliged to inform the Agent according to condition 12 in the Terms and Conditions if informing the Agent would not conflict with any applicable laws or, when the Notes are listed, the Issuer's listing obligations to the Regulated Market on which the Notes are listed. If such a conflict would exist pursuant to the listing contract with the Regulated Market on which the Notes are listed or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market on which the Notes are listed or undertake other reasonable measures, including if applicable and if permitted entering into a non-disclosure agreement with the Agent, in order to be able to inform the Agent in a timely manner according to condition 12 in the Terms and Conditions.

### **3.7.3 Information from the Agent**

The Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing. Information from the Agent to the Noteholders will be provided through the Paying Agent and the CSD.

### **3.7.4 Information among the Noteholders**

Subject to applicable regulations, the Agent shall promptly upon request by a Noteholder forward by post any information from such Noteholder to the Noteholders which relates to the Notes. The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work). Information from the Agent to the Noteholders will be provided through the Paying Agent and the CSD.

### **3.7.5 Availability of Finance Documents**

The latest version of the Terms and Conditions (including any document amending the Terms and Conditions) shall be available on the websites of the Issuer and the Agent.

The latest versions of the Security Documents, (including any document amending such Security Documents) shall upon written request be made available by the Agent to any person by way of email or at the office of the Agent. The Agent may require that the requesting person reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

### **3.7.6 Noteholders' meeting**

The Noteholders' Meeting represents the supreme authority of the Noteholders community in all matters relating to the Notes. If a resolution by the Noteholders is required, such resolution shall be passed at a Noteholders' Meeting or by Written Procedure. Resolutions passed at Noteholders' Meetings or by Written Procedure are binding upon and prevail for all the Notes.

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

Any request from the Issuer or a Noteholder (or Noteholders) representing at least 10% of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion, for example, more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.

The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if

- (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given; or
- (ii) the suggested decision is not in accordance with applicable laws.

Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with the Terms and Conditions, without condition 17.3 being applicable, the Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead.

### **3.7.6.1 Calling a Noteholder' Meeting**

The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is a Noteholder on a date selected by the Agent which falls no more than five Business Days prior to the date on which the notice is sent.

The notice shall include:

- (i) time for the meeting;
- (ii) place in Sweden for the meeting;
- (iii) agenda for the meeting (including each request for a decision by the Noteholders);
- (iv) the day on which a person must be Noteholder in order to exercise Noteholders' rights at the Noteholders' Meeting; and
- (v) a form of power of attorney.

Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

The Noteholders' Meeting shall be held no earlier than ten Business Days and no later than twenty Business Days after the effective date of the notice.

### **3.7.6.2 Calling a Written Procedure**

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

The communication shall include:

- (i) each request for a decision by the Noteholders;
- (ii) a description of the reasons for each request;
- (iii) a specification of the Business Day on which a person must be a Noteholder in order to be entitled to exercise voting rights;
- (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney; and
- (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten Business Days and not longer than thirty Business Days from the effective date of the communication pursuant to condition 19 in the Terms and Conditions).

If the voting is to be made electronically, instructions for such voting shall be included in the communication.

### **3.7.6.3 Quorum**

Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least 50% of the Adjusted Nominal Amount in case of a matter pursuant to condition 17.7 of the Terms and Conditions, and otherwise 20% of the Adjusted Nominal Amount;

- (i) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (ii) in respect of a Written Procedure, reply to the request.

If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

### **3.7.6.4 Voting requirements**

The following matters shall require the consent of Noteholders representing at least 66 and 2/3% of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure:

- (i) a change to the terms of any of condition 2 and condition 2.5 (Status of the Notes) in the Terms and Conditions;
- (ii) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to condition 10 (Redemption and repurchase of the Notes) in the Terms and Conditions;
- (iii) a change to the Interest Rate or the Nominal Amount of any Note (other than as a result of an application of condition 10 (Redemption and repurchase of the Notes) in the Terms and Conditions);
- (iv) a change to the terms for the distribution of proceeds set out in condition 16 (Distribution of Proceeds) in the Terms and Conditions;
- (v) a change to the terms dealing with the requirements for Noteholders' consent set out in condition 17 in the Terms and Conditions;
- (vi) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (vii) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
- (viii) a mandatory exchange of the Notes for other securities; and
- (ix) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to condition 15 (Events of Default and Acceleration of the Notes) or as otherwise permitted or required by the Terms and Conditions.

Any other matter not covered above and in condition 17.7 in the Terms and Conditions shall require the consent of Noteholders representing more than 50% of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted

pursuant to condition 20.1 (i) (Amendments and waivers) of the Terms and Conditions or (ii)), an acceleration of the Notes or the enforcement of any Transaction Security.

### **3.7.7 Right to act on behalf of a Noteholder**

If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.

A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.

The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise apparent from its face or the Agent has actual knowledge to the contrary.

## 4. CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL

### 4.1 Corporate information

The Issuer's legal and commercial name is "Cidron Romanov Limited". The Issuer is a limited liability company organized and existing under the laws of Jersey pursuant to the Jersey Companies Law. The Issuer was incorporated in Jersey on 24 December 2020. The Issuer's business registration number is 133309 and its LEI code is 213800BLVRBW1DU6SY44.

The Issuer's registered office is located at 26 Esplanade, St. Helier, JE2 3QA, Jersey. The Issuer's main telephone number is +44 1534 605 100 and its e-mail is [admin@nordiccapital.je](mailto:admin@nordiccapital.je).

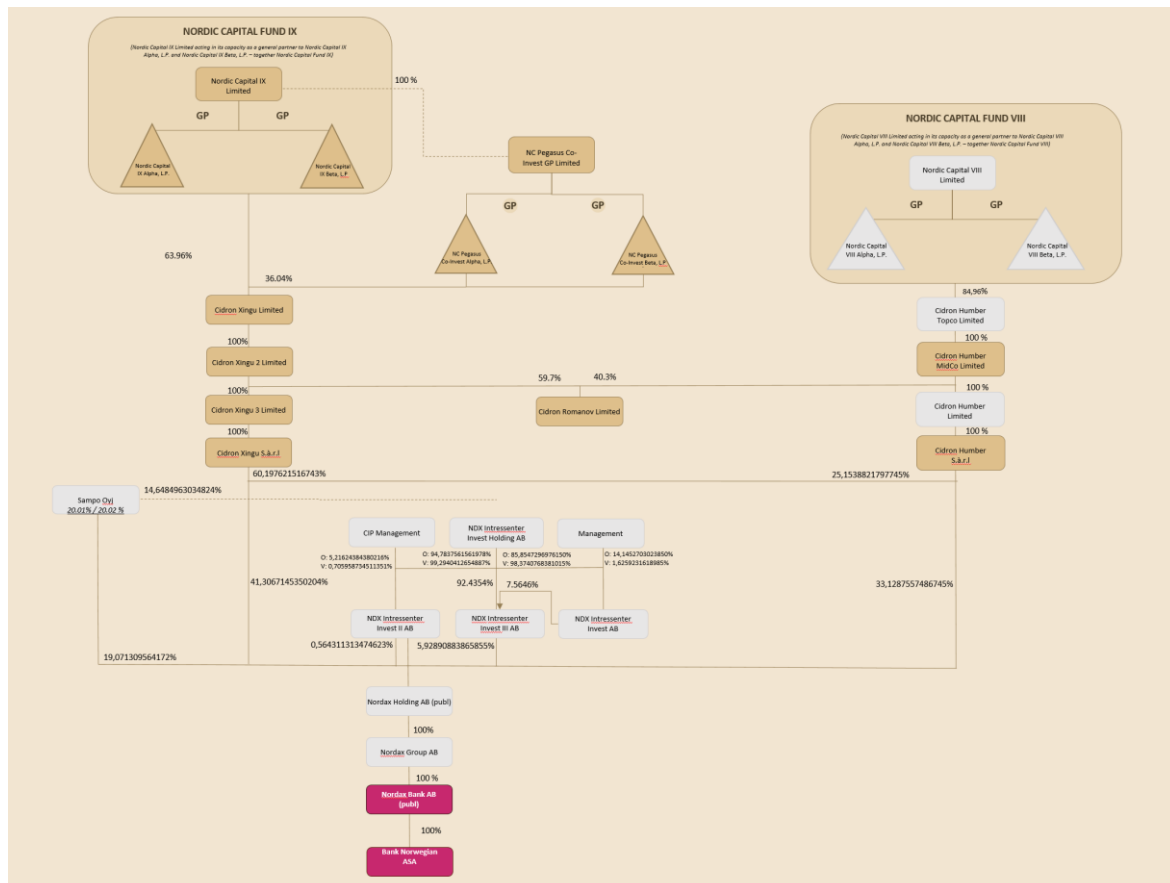
The Issuer's website can be found at [www.cidronromanov.co.uk](http://www.cidronromanov.co.uk). The content of the website is not incorporated by reference into this Prospectus, nor does it in any other manner constitute a part of this Prospectus.

### 4.2 Legal structure and major shareholders

The Issuer has two shareholders; Cidron Xingu 2 Limited and Cidron Humber Midco Limited holding 59.7% and 40.3% of the shares in the Issuer, respectively. At the date of this Prospectus the Issuer does not have any control limiting measures in place. The ultimate owner of Cidron Xingu 2 Limited is Nordic Capital Fund IX and the ultimate owner of Cidron Humber Midco Limited is Nordic Capital Fund VIII. The Issuer does not have any subsidiaries.

The Issuer is an indirect sister company to Nordax through its shareholders holding shares in Nordax.

An illustration of the organisational structure is included below.





At the date of this Prospectus, Issuer is not aware of any circumstances or arrangements which may result in a change of control in the Issuer.

#### **4.3 Dependency on other entities**

The Issuer does not have any operations other than in relation to issue the Notes to finance the Bank Norwegian Acquisition. As described in Section 1.2.2 "The Issuer is dependent on Cidron Xingu 3 Limited and Cidron Humber Limited receiving dividends and upstream cash from the Bank Group to make payments under the Notes" the proceeds from the Notes have been lent from the Issuer to Cidron Xingu 3 Limited and Cidron Humber Limited, which in turn have transferred the funds to Nordax by way of equity injections against newly issued shares or by way of shareholder loan. As such, the Issuer depends on repayment or settlement of the shareholder loans made to Cidron Xingu 3 Limited and Cidron Humber Limited to service its debt and make operational expenditures. As a consequence, the Issuer depends on adequate liquidity in Cidron Xingu 3 Limited and Cidron Humber Limited through upstreaming of cash and dividends from the Bank Group, in order to receive settlement of the shareholder loans. The performance and financial position of the Bank Group will affect Nordax' ability to pay dividends and to repay any outstanding intragroup loans related to the proceeds from the Notes transferred to it. As such, the Issuer is dependent on other entities within the group in order to make repayments under the Notes.

## **5. BUSINESS OF THE ISSUER**

### **5.1 Introduction**

The Issuer is a recently established company for the sole purpose of issuing the Notes to partially finance the Bank Norwegian Acquisition. As such, the Issuer has not conducted any operations other than in relation to providing the financing for acquisition of the shares in Bank Norwegian under the Bank Norwegian Acquisition. Therefore, the Issuer has a limited financial and operating history.

As described in Section 4.3 "Dependency on other entities" above, the Issuer depends on adequate liquidity in its shareholders through upstreaming of cash and dividends from the Bank Group, in order to receive settlement of the shareholder loans. As the performance and financial position of the Bank Group will affect Nordax' ability to pay dividends and to repay any outstanding intragroup loans related to the proceeds from the Notes transferred to it, a brief introduction to the business of the Bank Group has been included below.

### **5.2 The business of Nordax and Bank Norwegian**

#### **5.2.1 Nordax**

Nordax Bank AB (publ) is a public limited liability company incorporated under the banking laws of Sweden with company registration number 556647-7286. Nordax has its registered office at Gävlegatan 22, 113 30 Stockholm, Sweden. Nordax was established in 2003 and was listed on Nasdaq Stockholm in 2015 before it was taken private in 2018. Nordax is a wholly owned subsidiary of Nordax Group AB, which is a wholly owned subsidiary of Nordax Holding AB (publ). Nordax Holding AB (publ) is the parent company of a Swedish financial group (prudential consolidated situation) under supervision by the Swedish Financial Supervisory Authority. As of the date of this Prospectus the indirect parent company of Nordax, Nordax Holding AB (publ), is owned: approximately 19% owned by Sampo Oyj based in Finland, approximately 41% by Cidron Xingu Sarl based in Luxembourg and approximately 33% by Cidron Humber Sarl based in Luxembourg. The remaining shares are owned by a few minority owners through NDX Intressenter Invest II AB and NDX Intressenter Invest III AB, both based in Sweden. Nordic Capital Fund VIII, has an indirect ownership in Nordax Holding AB (publ) through its holding in Cidron Humber Sarl and Nordic Capital Fund IX has an indirect ownership in Nordax Holding AB (publ) through its holding in Cidron Xingu Sarl.

Nordax is a specialist bank targeting the markets in Sweden, Norway, Finland and Germany, and offering personal loans and savings products on a cross-border basis from Sweden. Important parts of the business model are a centralised platform, expertise in targeted marketing, data-driven credit underwriting and a diversified funding platform.

As of 31 December 2021, Nordax's lending to the public amounted to SEK 70.7 billion and deposits amounted to SEK 67.4 billion.<sup>7</sup> The number of private customers to which Nordax offers savings and loans amounts to just under 2 million.<sup>8</sup> Since May 2018 and March 2019, Nordax also offers mortgage loans in Sweden and Norway. SHP, which is a specialist in equity release products, has been a wholly owned subsidiary of Nordax since 2019. SHP is one of few that offers equity release mortgages in Sweden.

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<sup>7</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January–December 2021, Bank Norwegian is included in the figures from November 2021.

<sup>8</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January–December 2021, Bank Norwegian is included in the figures from November 2021.

Nordax offers large personal loans to individuals who, based on the absence of historical losses, are deemed to pose a low risk and have high creditworthiness. The loan customers are typically middle-aged with incomes above or in-line with the national average for household incomes. They are also close to or above the national averages for home ownership and do not have a record of non-payment. Nordax also offers savings products in Sweden, Norway, Finland, Germany and the Netherlands covered by the Swedish state deposit insurance scheme.

Nordax's mortgage offer is targeted towards a niche of the mortgage market which is primarily customers with an employment form other than a traditional full-time position e.g. part-time workers, self-employed persons, freelancers etc. Other target groups are individuals with limited credit history or people who have a payment remark. All groups are individuals who might have problems being granted a mortgage loan from a full-service bank and the offer comes with a higher interest rate than a regular mortgage in such bank.

Nordax offers equity release mortgages through its subsidiary SHP. Equity release mortgages allow retirees to release equity from properties with a significant over-value. The equity release mortgage is life-long and non-amortising. All interest is capitalised during the life of the loan and repaid together with the principal and at time of the repayment, usually when the borrowers either sell their property or decease. All customers benefit from a 'No negative equity guarantee', which guarantees that the borrower can never owe a loan amount higher than the market value of their home, or interest payments during the life of the loan. SHP is licensed as a mortgage credit company by the Swedish FSA.

As of 31 December 2021, the Bank Group had 474 full-time employees, with offices in Stockholm, Malmö, Gothenburg and Fornebu, Oslo.<sup>9</sup>

### 5.2.2 Bank Norwegian

Bank Norwegian ASA, company registration number 991 455 671, is a Norwegian Public Limited Liability Company registered under the laws of Norway with its main offices at Snarøyveien 36, 1364 Fornebu, Norway. Bank Norwegian ASA is a wholly owned subsidiary of Nordax following the completion of the Bank Norwegian Acquisition on 3 November 2021 (please see Section 5.3 "The Bank Norwegian Acquisition").

Bank Norwegian was established in 2007 as a subsidiary of Norwegian Finans Holding ASA. On 20 July 2021 Bank Norwegian became the parent company of Bank Norwegian group as a result of the reverse parent subsidiary merger, with Norwegian Finans Holding ASA as the transferring company and Bank Norwegian as the acquiring company and surviving entity (the "**Reverse Merger**"). Norwegian Finans Holding ASA was listed on Oslo Børs in 2016 until the Reverse Merger, which resulted in Bank Norwegian on 21 July 2021 being listed on Oslo Børs. Following the completion of the Bank Norwegian Acquisition, Bank Norwegian delisted its shares from Oslo Børs on 12 November 2021.

The Bank Norwegian group consists of Bank Norwegian ASA and Lilienthal Finance Ltd. Lilienthal Finance Ltd is a wholly owned subsidiary of Bank Norwegian, which was acquired by Norwegian Finans Holding ASA in 2018 as part of Bank Norwegian's plans to expand its operations into the European consumer finance market.

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<sup>9</sup> Figures included from Nordax Bank AB's year-end report for the financial period January-December 2021. In the year-end report January-December 2021, Bank Norwegian is included in the figures from November 2021.

Bank Norwegian offers banking services in the form of consumer loans, credit cards and deposits to retail customers in the Nordic market. The operations in Sweden, Denmark and Finland are established through cross-border operations by Bank Norwegian. At the end of October and beginning of November 2021 Bank Norwegian launched operations in Spain and Germany as planned with Bank Norwegian's product mix; instalment loans, saving accounts and credit card, simultaneously. Following the same operating model as in the other Nordic countries with cross border operations from Bank Norwegian's headquarters in Norway. The launch was conducted in accordance with plans and expectations, and in line with the hypothesis with reusage of large part of the infrastructure while inventing new solutions where relevant on euro-payments and customer identification Bank Norwegian also offers insurance products together with selected partners.

Bank Norwegian is a fully digital bank and offers standardised deposits and lending products online.

### **5.3 The Bank Norwegian Acquisition**

On 14 July 2021, Nordax announced a public voluntary offer to buy all the outstanding shares in Bank Norwegian against a consideration in cash of NOK 105 per share (the "**Voluntary Offer**"). On 5 August 2021, an offer document related to the Voluntary Offer was approved by the NFSA (the "**Bank Norwegian Offer Document**"). Following the approval of the Bank Norwegian Offer Document, the board of directors of Bank Norwegian issued a statement recommending the Voluntary Offer at a price per share of NOK 105.

On 20 October 2021, Nordax announced the final results of the Voluntary Offer showing that Nordax received acceptances of the Voluntary Offer for a total of 130,148,692 shares, representing approximately 69.63% of the outstanding shares and votes in Bank Norwegian. In addition, prior to the launch of the Voluntary Offer, Nordax held a total of 6,313,456 shares in Bank Norwegian, representing approximately 3.38% of the shares and votes. Further, pursuant to the contribution agreements as set out in the Bank Norwegian Offer Document, Nordax had conditionally agreed to acquire 42,472,603 shares, representing approximately 22.72% of the shares and votes in Bank Norwegian. Consequently, following the completion of the Voluntary Offer on 2 November 2021, Nordax held a total of 178,934,751 shares in Bank Norwegian, constituting approximately 95.74% of the shares and votes.

Further, on 3 November 2021 Nordax announced the launch of a compulsory acquisition of all the remaining shares held by minority shareholders in Bank Norwegian in accordance with the Norwegian Public Limited Liability Companies Act Section 4-25 and the Norwegian Securities Trading Act Section 6-22 (the "**Compulsory Acquisition**"). Following the completion of the Compulsory Acquisition, Nordax held all outstanding shares in Bank Norwegian and Bank Norwegian became a wholly owned subsidiary of Nordax.

On 10 November 2021, Bank Norwegian announced a delisting of all its shares from Oslo Børs with the last trading date set to 12 November 2021.

The Bank Norwegian Acquisition was partially funded by the proceeds from the Notes Issue. The proceeds were lent from the Issuer to Cidron Xingu 3 Limited and Cidron Humber Limited, which in turn have transferred the funds to Nordax by way of equity injections against newly issued shares or by way of intra-group loans.

### **5.4 History and important events**

Due to the Issuer being a recently established company it has a limited operational and financial history. The key milestones of the Issuer from its incorporation and up to the date of this Prospectus is listed below.

<b>Year</b>	<b>Event</b>
2020	Cidron Romanov Limited was incorporated under the laws of Jersey.
2021	The Notes were issued on 22 October 2021.
2021	The acquisition of all shares in Bank Norwegian by Nordax was completed on 3 November 2021.

### **5.5 Legal and arbitration proceedings**

The Issuer is not, nor has been, since its incorporation involved in any governmental, legal or arbitration proceedings which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability, and the Issuer is not aware of any such proceedings which are pending or threatened.

### **5.6 Material contracts**

Other than in connection with the Notes Issue, the Issuer has not entered into any material contracts outside the ordinary course of business from its incorporation on 24 December 2020 and up to the date of this Prospectus.

## 6. THE BOARD OF DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE

### 6.1 The Issuer's Board of Directors

The table below sets out the names and details of the members of the board of directors of the Issuer (the "**Board of Directors**" or the "**Board**").

Name	Position
Jamie Michael Purdy	Director
Jean Le Creurer	Director
Michael Gerard Kelly	Director

The Issuer's registered business address, 26 Esplanade, St. Helier, JE2 3QA, Jersey, serves as business address for the members of the Board of Directors in relation to their directorship in the Issuer.

#### **Jamie Michael Purdy, Director**

Jamie Michael Purdy has served on the Board of Directors since 24 December 2020. In addition to serving on the Issuer's Board, Mr. Purdy is currently employed by Nordic Capital Limited as an Associate Director. Having qualified as a lawyer with CMS Cameron McKenna, Mr. Purdy is now based in Jersey where he is responsible for leading Deal Execution in Nordic Capital, coordinating operational matters for transactions for the Nordic Capital Funds. Mr. Purdy previously worked in the Corporate department of Carey Olsen, a leading offshore law firm, where he acted for a number of private equity clients on M&A transactions. Mr. Purdy holds an LL.B. (Hons) and PgDip from the University of Aberdeen.

#### **Jean Le Creurer, Director**

Jean Le Creurer has served on the Board of Directors since 24 December 2020. In addition to serving on the Issuer's Board, Ms. Le Creurer is currently employed as a Director on the board of directors of Nordic Capital Limited and on all the general partners' boards of the Predecessor Funds and Continuation Vehicle. Ms. Le Creurer holds a Bachelor of Business (Hon) from Galway-Mayo Institute of Technology, Ireland, qualified as a Chartered Accountant in November 1998 and is currently a FCA member of Chartered Accountants Ireland. From 1999 to 2001, she worked with Ernst and Young in the Cayman Islands where she was involved in the audit and advisory practise for various financial services clients, including hedge funds, trusts, captive insurance vehicles, banks and many others. In 2001, Ms. Le Creurer joined Abacus Financial Services Group in Jersey and was responsible for the operations of private equity funds. Ms. Le Creurer joined Nordic Capital Limited from the Aztec Group where she concentrated on a select number of private equity clients.

#### **Michael Gerard (Ged) Kelly, Director**

Ged Kelly has served on the Board of Directors since 24 December 2020. In addition to serving on the Issuer's Board, Mr. Kelly is a qualified ACA and is based in Jersey where he is responsible for Fund Operations. This includes managing all the administration and coordinating the risk and compliance matters for the Nordic Capital Products. Mr. Kelly previously held senior roles within private equity finance functions including at HgCapital and Livingbridge. Mr. Kelly holds a BA (Hons) in Accounting & Financial Management from the University of Sheffield.

## **6.2 Group Management**

The Issuer does not have a management except the Board of Directors.

## **6.3 Conflicts of interest**

Each of the directors of the Issuer's Board of Directors are also directors of other Nordic Capital affiliated entities including (but not limited to) Cidron Xingu 2 Limited, Cidron Humber Midco Limited, Nordic Capital VIII Limited and Nordic Capital IX Limited, being the direct and/or indirect parent companies of the Issuer. In addition, each director of the Issuer is an employee of Nordic Capital Limited, the administrator of the Issuer.

Other than as stated above, there are no actual or potential conflicts of interest between the Issuer and the private interests or other duties of any of the members of its Board of Directors.

## **7. FINANCIAL INFORMATION**

### **7.1 Financial statements**

As the Issuer was incorporated on 24 December 2020, the Issuer has only prepared audited financial statements for the period from its incorporation on 24 December 2020 until 31 December 2021 (the "**Financial Statements**"). The Financial Statements and the related audit report are included by reference to this Prospectus, please see Section 8.4 "Incorporation by reference" below.

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002 (EU IFRS). The Financial Statements have been audited by PricewaterhouseCoopers CI LLP, in accordance with International Standards on Auditing (ISAs).

### **7.2 The audit**

The audit report for the Financial Statements includes a statement on material uncertainty relating to going concern due to the Issuer's net liability.

The audit report contains the following language on page 1:

*"Material Uncertainty Relating to Going Concern*

*We draw attention to note 2 in the financial statements, which indicates that the company had a net liability of SEK 10,999,394 at the period end, predominantly from expenses incurred during the first period of operation. As stated in note 2, these events or conditions, along with other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."*

For more information see the Financial Statements and the audit report included in Section 8.4 "Incorporation by reference".

### **7.3 Significant change in the financial performance**

No significant changes have been made in the Issuer's financial performance since 31 December 2021.

### **7.4 Material adverse change in the prospects of the Issuer**

No material adverse changes have been made in the prospects of the Issuer since 31 December 2021.



## 8. ADDITIONAL INFORMATION

### 8.1 Certain material interests

ABG Sundal Collier ASA acted as manager under the Notes Issue. ABG Sundal Collier ASA (and its affiliates) has engaged in, and may in the future engage in, investment banking and/or other services for the Issuer in the ordinary course of business for which they may have received and may continue to receive customary fees and commissions. Therefore, conflicts of interest may exist or may arise as a result of ABG Sundal Collier ASA having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Except as set out above, the Issuer is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Notes Issue.

### 8.2 Resolution to issue the Notes

The decision to issue the Notes was authorised by a resolution of the Board of Directors of the Issuer on 15 October 2021.

### 8.3 Documents available

The following documents are electronically available at [www.cidronromanov.co.uk](http://www.cidronromanov.co.uk) (the information on the website is not a part of this Prospectus and has not been reviewed by the Norwegian FSA):

- (i) This Prospectus;
- (ii) The certificate of incorporation of the Issuer;
- (iii) The articles of association of the Issuer;
- (iv) The audited financial statements for the period from 24 December 2020 until 31 December 2021; and
- (v) The audit report for the financial statements for the period from 24 December 2020 until 31 December 2021.

### 8.4 Incorporation by reference

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

Audited financial statements for the period from 24 December 2020 until 31 December 2021	<a href="https://cidronromanov.co.uk/media/1034/cidron-romanov-limited-financial-statements-311221-final.pdf">https://cidronromanov.co.uk/media/1034/cidron-romanov-limited-financial-statements-311221-final.pdf</a>
Audit report for the financial statements for the period from 24 December 2020 until 31 December 2021	<a href="https://cidronromanov.co.uk/media/1034/cidron-romanov-limited-financial-statements-311221-final.pdf">https://cidronromanov.co.uk/media/1034/cidron-romanov-limited-financial-statements-311221-final.pdf</a>

### 8.5 Auditor

The Issuer's auditor is PricewaterhouseCoopers CI LLP, a limited liability partnership registered in England with registered number OC309347 having its registered office at 1 Embankment Place, London WC2N 6RH and its principal place of business is 37 Esplanade, St Helier, Jersey JE1 4XA.

PricewaterhouseCoopers CI LLP is regulated by the Institute of Chartered Accountants of England & Wales.

The Issuer has not had any other independent auditor than PricewaterhouseCoopers CI LLP in the period covering the Financial Statements.

### **8.6 The auditor's review**

The auditor of the Issuer has not audited, reviewed or produced any report on any other information provided in this Prospectus.

### **8.7 Advisors**

Advokatfirmaet Wiersholm AS, with business address Dokkveien 1, 0250 Oslo, has acted as legal advisor to the Issuer.

### **8.8 Approval of the Prospectus**

This Prospectus has been approved by the Financial Supervisory Authority of Norway (No. Finanstilsynet) (the Norwegian FSA), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the Issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

### **8.9 Information sourced from third-parties**

Certain of the information in this Prospectus has been sourced from Nordax Bank AB's year-end report for the financial period January-December 2021. The information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from the information published, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **8.10 Jersey insolvency law and enforcement of security**

The Issuer is incorporated in Jersey, as such any potential future insolvency proceedings with respect to the Issuer may be initiated in Jersey. There are two principal regimes for corporate insolvency in Jersey: "désastre" and "creditors' winding up". The "désastre" procedure in respect of a Jersey company may be instigated by the JF SC, an eligible creditor or the company making an application for an Act of the Royal Court of Jersey (the "**Royal Court**") under the Bankruptcy (Désastre) (Jersey) Law 1990, as amended (the "**Jersey Bankruptcy Law**") declaring the property of a debtor to be "*en désastre*" (a "**Declaration**"). On a Declaration of *désastre*, title and possession of the property of the debtor vest automatically in the Viscount, an official of the Royal Court (the "**Viscount**"). With effect from the date of the declaration, a creditor has no other remedy against the property or person of the debtor in respect of the debt, and may not commence or, except with the consent of the Viscount or the Royal Court, continue any action or legal proceedings to recover the debt. There are two forms of "creditors' winding up" available in respect of a Jersey company pursuant to the Companies (Jersey) Law 1991, as amended (the "**Jersey Companies Law**"): (a) a court ordered procedure (a "**Court ordered creditors' winding up**") which is instigated by an eligible creditor of the company making an application for an order of the Royal Court to commence a creditors' winding up; and (b) a voluntary procedure (a "**Non-court ordered creditors' winding up**") which is instigated by a special resolution of the shareholders of the company. On a creditors' winding up, a liquidator is nominated by the applying creditor (in the case of a Court ordered creditors' winding up) or the shareholders (in the case of a Non-court ordered creditors' winding up).

The court (in the case of a Court ordered creditors' winding up) or the creditors (in the case of a Non-court ordered creditors' winding up) may approve such a liquidator or appoint a different liquidator. In the case of a Court ordered creditors' winding up, the Royal Court may also appoint a provisional liquidator in the intervening period between the initial application and the order to commence the creditors' winding up. In the case of a Court ordered creditors' winding up, the liquidator (including any liquidator appointed provisionally) must, within seven days of their appointment, give known creditors notice calling a creditors' meeting to be held 21 days' after the date of the relevant order of the Royal Court and, in the case of a Non-court ordered creditors' winding up, the shareholders must give creditors 14 days' notice of the meeting to commence the creditors' winding up, with a meeting of creditors' to be held immediately following such commencement meeting. Any liquidator appointed provisionally will carry out such functions as conferred by, and may have their powers limited by, the Royal Court. Once the creditors' winding up has commenced, the liquidator will stand in the shoes of the directors and administer the winding up, gather assets, make appropriate disposals of assets, settle claims and distribute assets as appropriate. After the appointment of a liquidator provisionally or the commencement of the creditors' winding up, no action can be taken or proceeded with against a company except with the leave of the Royal Court. A secured party may, however, without the sanction of a liquidator and without an order of the Royal Court, exercise any power of enforcement it may have under Part 7 (Enforcement of Security Interests) of the 2012 Law. To the extent that the proceeds of such enforcement are insufficient to discharge liabilities owed, that secured party has no other remedy against the company, and may not, without leave of the Royal Court, take or proceed with any other action to recover the balance of the debt. The corporate state and capacity of a company continues until the end of the winding up procedure, when the company is dissolved.

The Jersey Companies Law requires a creditor of a company (subject to appeal) to be bound by an arrangement entered into by the company and its creditors immediately before or in the course of its creditors' winding up if (among other things) three quarters in number and value of the creditors acceded to the arrangement.

Under the laws of Jersey, a person incorporated, resident or domiciled in Jersey is deemed to have capacity to grant security governed by foreign law over property situated outside Jersey, but to the extent that any floating charge or other security interest governed by a foreign law is expressed to apply to any asset, property and undertaking of a person incorporated, resident or domiciled in Jersey such floating charge or other security interest is not likely to be held valid and enforceable by the Jersey courts in respect of Jersey situs assets.

The Insolvency Act 1986 (either as originally enacted or as amended, including by the provisions of the Enterprise Act 2002) does not apply in Jersey and receivers, administrative receivers and administrators are not part of the laws of Jersey. Accordingly, the Jersey courts may not recognize the powers of an administrator, administrative receiver or other receiver appointed in respect of Jersey situs assets.

The Royal Court (in its inherent jurisdiction) may, however, under Article 49(1) of the Jersey Bankruptcy Law assist the courts of prescribed countries and territories and, applying general principles of comity, assist the courts in other jurisdictions, in all matters relating to the insolvency of any person to the extent that the Royal Court thinks fit. Further, in doing so, the Royal Court may have regard to the UNCITRAL model law, even though the model law has not been (and is unlikely to be) implemented as a separate law in Jersey.

If insolvency proceedings have been commenced in another jurisdiction in relation to a Jersey company, the nature and extent of the cooperation from Jersey is likely to depend on the nature of the requesting country's insolvency regime.

In the case of both statutory and non-statutory requests for assistance, it should be noted that the UNCITRAL provisions will not automatically be followed as this is a matter for the discretion of the Royal Court. The Royal Court's position may also not be in accordance with the EU Insolvency Regulation. Jersey does not form part of the European Community for the purposes of implementation of its directions. Accordingly, the EU Insolvency Regulation does not apply as a matter of Jersey domestic law and the automatic test of centre of main interests does not apply.

Enforcement of a security interest against a Jersey company may be further limited by bankruptcy, insolvency, liquidation, dissolution, re-organization or other laws of general application relating to or affecting the rights of creditors, and laws in relation to transactions at an undervalue, preference, extortionate credit transactions, disclaimer of onerous property and fraudulent dispositions also apply in Jersey.

## 9. DEFINITIONS AND GLOSSARY OF TERMS

<b>ABS</b>	Asset-backed securities.
<b>Agent</b>	Intertrust (Sweden) AB.
<b>Bank Group</b>	Nordax together with its direct and indirect subsidiaries, including, Bank Norwegian.
<b>Bank Norwegian</b>	Bank Norwegian ASA.
<b>Bank Norwegian Acquisition</b>	The acquisition of all the outstanding shares in Bank Norwegian ASA by Nordax Bank AB (publ).
<b>Bank Norwegian Offer Document</b>	The offer document dated 5 August 2021 describing the terms of Nordax's voluntary offer to acquire all outstanding shares in Bank Norwegian.
<b>Board or Board of Directors</b>	The board of directors of the Issuer.
<b>BRRD</b>	The Bank Recovery and Resolution Directive (2014/59/EU).
<b>BRRD II</b>	Directive (EU) 2019/879, amending BRRD.
<b>CET1</b>	Common equity tier 1 capital.
<b>Compulsory Acquisition</b>	The compulsory acquisition of all the remaining shares held by minority shareholders in Bank Norwegian in accordance with the Norwegian Public Limited Liability Companies Act Section 4-25 and the Norwegian Securities Trading Act Section 6-22 launched by Nordax on 5 November 2021.
<b>Court ordered creditors' winding up</b>	A court ordered procedure which is instigated by an eligible creditor of the company making an application for an order of the Royal Court to commence a creditors' winding up.
<b>CRD IV</b>	The EU Capital Requirements Directive 2013/36/EU.
<b>CRD V</b>	Directive (EU) 2019/878, amending CRD IV.
<b>CRR</b>	The EU Capital Requirements Regulation 11(99) (EU) No. 575/2013.
<b>CRR II</b>	Regulation (EU) 2019/876, amending CRR.
<b>CSD</b>	The central securities depository, Verdipapirsentralen ASA.
<b>CSDR</b>	The Central Securities Depositories Regulation.
<b>Declaration</b>	Declaring the property of a debtor to be "en désastre" under the Jersey Bankruptcy Law.
<b>EBA</b>	The European Banking Authority.
<b>EEA</b>	European Economic Area.

<b>EU Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act.
<b>Financial Statements</b>	The Issuer's audited financial statements for the period from 24 December 2020 until 31 December 2021.
<b>GDP</b>	Gross domestic product.
<b>GDPR</b>	The EU General Data Protection Regulation 2016/679/EU.
<b>IASB</b>	The International Accounting Standards Board.
<b>IFRS 9</b>	The International Financial Reporting Standard 9 (Financial Instruments).
<b>Issuer</b>	Cidron Romanov Limited.
<b>Jersey Bankruptcy Law</b>	The Bankruptcy (Désastre) (Jersey) Law 1990, as amended.
<b>Jersey Companies Law</b>	The Companies (Jersey) Law 1991, as amended.
<b>JFSC</b>	The Jersey Financial Services Commission.
<b>LTV</b>	Loan-to-value.
<b>MBN</b>	Mortgage backed securities.
<b>MiFID II</b>	Directive 2014/65/EU.
<b>NCR</b>	Nordic Credit Rating AS.
<b>NOK</b>	Norwegian Kroner, the legal currency of Norway.
<b>Non-court ordered creditors' winding up</b>	A voluntary procedure which is instigated by a special resolution of the shareholders of the company.
<b>Nordax</b>	Nordax Bank AB (publ).
<b>Norwegian FSA</b>	The Financial Supervisory Authority of Norway ( <i>No. Finanstilsynet</i> ).
<b>Norwegian Securities Trading Act</b>	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended.
<b>Notes</b>	The notes issued in Cidron Romanov Limited with ISIN NO0011134405.
<b>Notes Issue</b>	The issuance of the Notes by Cidron Romanov Limited
<b>PRIPs Regulation</b>	Regulation (EU) No 1286/2014.
<b>Prospectus</b>	This prospectus dated 7 April 2022, including appendices.

<b>Reverse Merger</b>	When Bank Norwegian became the parent company of the Bank Norwegian group as a result of the reverse parent subsidiary merger, with Norwegian Finans Holding ASA as the transferring company and Bank Norwegian as the acquiring company and surviving entity.
<b>Royal Court</b>	The Royal Court of Jersey.
<b>SEK</b>	Swedish Kroner, the legal currency of Sweden.
<b>Share Pledges</b>	Share pledges made by affiliates of the Issuer's shareholders over their shares in Nordax Holding AB and NDX Intressenter Invest Holding AB as security for the Notes.
<b>SHP</b>	Svensk Hypotekspension AB.
<b>Swedish FSA</b>	The Swedish Financial Supervisory Authority.
<b>S&amp;P</b>	S&P Global Ratings Europe Limited.
<b>Taxes</b>	Present or future taxes, duties, assessments or governmental charges of whatever nature.
<b>Terms and Conditions</b>	The terms and conditions of the Notes dated 22 October 2021.
<b>Transaction Security</b>	The Share Pledges.
<b>U.S. Securities Act</b>	The United States Securities Act of 1933, as amended.
<b>Viscount</b>	The Viscount, an official of the Royal Court.
<b>Voluntary Offer</b>	The public voluntary offer to buy all the outstanding shares in Bank Norwegian against a consideration in cash of NOK 105 per share announced by Nordax on 14 July 2021.

**Cidron Romanov Limited**

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**TERMS AND CONDITIONS FOR  
CIDRON ROMANOV LIMITED  
SEK 2,550,000,000 & NOK 2,500,000,000  
SENIOR SECURED FLOATING RATE NOTES  
ISIN: NO0011134413 & NO0011134405**

## **SELLING RESTRICTIONS**

### **Prohibition of sales to EEA retail investors**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available at any time to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as amended (“**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

No person may circulate any invitation to acquire or apply for any of the Notes in any manner such that such invitation constitutes or may constitute a prospectus (as defined in the Companies (Jersey) Law 1991) the circulation of which requires the consent of the Registrar of Companies in Jersey under the Companies (General Provisions) (Jersey) Order 2002 unless such consent has first been obtained and remains in effect.

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

## **PRIVACY NOTICE**

Each of the Issuer, the Agent and the Paying Agent may collect and process personal data relating to the Noteholders, the Noteholders’ representatives or agents, and other persons nominated to act on behalf of the Noteholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Notes). The personal data relating to the Noteholders is primarily collected from the registry kept by the CSD. The personal data relating to other persons is primarily collected directly from such persons.

The personal data collected will be processed by the Issuer, the Agent and the Paying Agent for the following purposes (i) to exercise their respective rights and fulfil their respective obligations under the Finance Documents, (ii) to manage the administration of the Notes and payments under the Notes, (iii) to enable the Noteholders to exercise their rights under the Finance Documents and (iv) to comply with its obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Agent and the Paying Agent in relation to items (i) to (iii) above is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to item (iv), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Agent or the Paying Agent (as applicable). Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

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

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent or the Paying Agent (as applicable). In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format.

Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Paying Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: [www.cidronromanov.com](http://www.cidronromanov.com), [www.dnb.no](http://www.dnb.no) and [www.intertrustgroup.com/locations/sweden/](http://www.intertrustgroup.com/locations/sweden/).

## TABLE OF CONTENTS

1.	DEFINITIONS AND CONSTRUCTION .....	5
2.	STATUS OF THE NOTES.....	22
3.	USE OF PROCEEDS.....	23
4.	CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT .....	23
5.	TRANSFER RESTRICTIONS .....	24
6.	NOTES IN BOOK-ENTRY FORM .....	24
7.	RIGHT TO ACT ON BEHALF OF A NOTEHOLDER.....	25
8.	PAYMENTS IN RESPECT OF THE NOTES .....	25
9.	INTEREST .....	26
10.	REDEMPTION AND REPURCHASE OF THE NOTES.....	27
11.	TRANSACTION SECURITY.....	32
12.	INFORMATION TO NOTEHOLDERS .....	33
13.	INCURRENCE COVENANT AND DILUTION TRACKING EVENT .....	35
14.	GENERAL UNDERTAKINGS .....	36
15.	EVENTS OF DEFAULT AND ACCELERATION OF THE NOTES .....	39
16.	DISTRIBUTION OF PROCEEDS .....	41
17.	DECISIONS BY NOTEHOLDERS .....	42
18.	NOTEHOLDERS' MEETING .....	45
19.	WRITTEN PROCEDURE .....	46
20.	AMENDMENTS AND WAIVERS.....	46
21.	APPOINTMENT AND REPLACEMENT OF THE AGENT .....	49
22.	APPOINTMENT AND REPLACEMENT OF THE PAYING AGENT .....	52
23.	APPOINTMENT AND REPLACEMENT OF THE CSD .....	52
24.	NO DIRECT ACTIONS BY NOTEHOLDERS.....	53
25.	PRESCRIPTION .....	53
26.	NOTICES.....	53
27.	FORCE MAJEURE AND LIMITATION OF LIABILITY .....	54
28.	GOVERNING LAW AND JURISDICTION .....	55

## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

“**Account Operator**” means a bank or other party registered as account operator (No. *Kontofører*) with Verdipapirsentralen ASA, through which a Noteholder has opened a Securities Account in respect of its Notes.

“**Account Pledge Agreement**” means any account pledge agreement entered into by the Issuer and the Agent with respect to a certain account or accounts to secure the Issuer’s obligations under the Notes.

“**Accounting Principles**” means the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (as in force on the First Issue Date).

“**Adjusted Nominal Amount**” means:

- (a) the Total Nominal Amount less the aggregate Nominal Amount of all Notes of all Tranches owned directly or indirectly by a Group Company or an Affiliate; or
- (b) if all of the outstanding Notes of all Tranches are owned directly or indirectly by any Group Company and/or any Affiliate, the Total Nominal Amount.

“**Affiliate**” means (i) an entity under common control with the Issuer other than a Group Company, (ii) Nordic Capital and (iii) an entity controlled by Nordic Capital other than a Group Company.

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

“**Agent**” means the Noteholders’ agent under these Terms and Conditions from time to time; initially Intertrust (Sweden) AB (corporate identity no 556625-5476).

“**BidCo**” means Nordax Holding AB, a limited liability company incorporated under the laws of Sweden with corporate identity no. 559097-5743.

“**BidCo Shares**” means all shares issued by BidCo from time to time.

“**BidCo Share Pledge Agreement (LuxCo VIII & Humber 3)**” means a share pledge agreement to be entered into among LuxCo VIII, Humber 3 and the Agent with respect to certain shares to be owned by Humber 3 and subsequently LuxCo VIII in BidCo, to secure the Issuer’s obligations under the Notes.

“**BidCo Share Pledge Agreement (LuxCo IX)**” means a share pledge agreement to be entered into by LuxCo IX and the Agent with respect to certain shares to be owned by LuxCo IX in BidCo, to secure the Issuer’s obligations under the Notes.

“**BidCo Share Pledge Agreements**” means the BidCo Share Pledge Agreement (LuxCo VIII & Humber 3) and the BidCo Share Pledge Agreement (LuxCo IX).

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

“**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**” means the Issuer’s right to redeem all or some of the outstanding Notes in accordance with Condition 10.5 (*Voluntary total or partial redemption (time unlimited call option)*).

“**Call Option Amount**” means, with respect to a Note,:

- (a) 100 per cent. of the Nominal Amount of that Note, together with accrued but unpaid Interest on that Note; *plus*
- (b) the Applicable Premium set out in the table below depending upon the Redemption Date:

<b>Redemption Date</b>	<b>Applicable Premium</b>
Before (but excluding) the First Call Date	Make-Whole Premium
From (and including) the First Call Date to (but excluding) the date 30 months after the First Issue Date	An amount equal to 5.58% of the Nominal Amount of that Note
From (and including) the date 30 months after the First Issue Date to (but excluding) the date 36 months after the First Issue Date	An amount equal to 4.65% of the Nominal Amount of that Note
From (and including) the date 36 months after the First Issue Date to (but excluding) the date 42 months after the First Issue Date	An amount equal to 3.72% of the Nominal Amount of that Note
From (and including) the date 42 months after the First Issue Date to (but excluding) the date 48 months after the First Issue Date	An amount equal to 2.79% of the Nominal Amount of that Note
From (and including) the date 48 months after the First Issue Date to (but excluding) the date 54 months after the First Issue Date	An amount equal to 1.86% of the Nominal Amount of that Note
From (and including) the date 54 months after the First Issue Date to (but excluding) the date 57 months after the First Issue Date	An amount equal to 0.93% of the Nominal Amount of that Note

Redemption Date	Applicable Premium
From (and including) the date 57 months after the First Issue Date to (but excluding) the date 60 months after the First Issue Date	An amount equal to 0.93% of the Nominal Amount of that Note or, to the extent that the relevant redemption is financed in full or part by way of one or several Market Loan issuances, nil.  For these purposes, “ <b>Market Loans</b> ” shall mean bonds, notes or other debt securities (however defined), which are or can be quoted, listed, traded or otherwise admitted to trading on a Regulated Market, an MTF or an organised trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).
From (and including) the date 60 months after the First Issue Date	Nil

“**Capital Adequacy Group**” means the prudential consolidated situation (Sw. *finansiell företagsgrupp*) which is headed by BidCo.

“**Capital Gains**” means any profit recorded in the consolidated income statement of BidCo and its Subsidiaries resulting from the sale of any assets outside the ordinary course of business **provided that**, for the avoidance of doubt, any sale of non-performing loans shall always be deemed to constitute ordinary course of business.

“**Cash Margin**” means 9.30 per cent. per annum.

“**Change of Control Event**” means:

- (a) save for any Permitted Restructuring, that Nordic Capital ceases, directly or indirectly, to own and control at least 50.1 per cent. of the capital and voting shares in each of Xingu 2 and Humber 2;
- (b) save for any Permitted Restructuring, that Xingu 2 and Humber 2 together cease to own and control, directly or indirectly, 100 per cent. of the capital and voting shares in the Issuer;
- (c) save for any Permitted Restructuring, at any time prior to a Public Offering, that Xingu 2 and Humber 2 together cease, directly or indirectly, to have the power (whether by way of ownership of shares, proxy, contract or otherwise) to appoint not less than half of the directors of BidCo, including the chairman of the board of directors, and thereby, subject to certain reserved matters set out in the Shareholders’ Agreement, ultimately control the board of directors of BidCo; or
- (d) save for any Permitted Restructuring, upon and following a Public Offering, any person or group of persons acting in concert (other than, directly or indirectly, Nordic Capital and any person directly or indirectly controlled by Nordic Capital) gains control of more than 50 per cent. of the voting shares in BidCo, **provided that**, for such purpose, “**acting in concert**” means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition and/or ownership of voting shares in BidCo, to obtain or consolidate control (directly or indirectly) of BidCo **provided that** the persons voting in the same or consistent manner at any general meeting of BidCo will not be considered to be acting in concert by virtue only of exercising their votes in such manner.

“**Completion Date**” means the Squeeze-Out Procedure Settlement Date.

“**Compliance Certificate**” means a certificate, in form and substance reasonably satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it. If the Compliance Certificate is provided in connection with the Incurrence Test, the certificate shall include calculations and figures in respect of the LTV.

“**CSD**” means the central securities depository in which the Notes are registered from time to time, initially Verdipapirsentralen ASA, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

“**CSD Business Day**” means a day on which the CSD settlement system is open and the relevant currency settlement system is open.

“**CSD Regulations**” means the CSD’s rules and regulations applicable to the Issuer, the Agent and the Notes from time to time.

“**Debt Instruments**” means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a MTF.

“**Derivative Arrangements**” means, in relation to any Dilution Tracking Event:

- (a) an agreement (the “**Derivative Agreement**”) to be made by the Noteholders having participated in the Dilution Tracking Event Loan (the “**Funding Noteholders**”) and the Issuer (or LuxCo VIII and/or LuxCo IX, as applicable) pursuant to which the Issuer (or LuxCo VIII and/or LuxCo IX, as applicable) and the Funding Noteholders shall agree that:
  - (i) all sale or other proceeds, distributions and returns received in respect of any and all Dilution Tracking Event Securities shall be paid or otherwise distributed in their entirety to the Funding Noteholders (the “**Relevant Proceeds**”);
  - (ii) the Funding Noteholders shall be solely responsible for any costs, expenses, losses attributable to such Dilution Tracking Event Securities and shall have no remedy or right to repayment of any Dilution Tracking Event Loan other than by way of receipt of the Relevant Proceeds (if any);
  - (iii) the Funding Noteholders shall have no recourse against the Issuer under any Dilution Tracking Event Loan other than with respect to the Relevant Proceeds; and
  - (iv) the Funding Noteholders shall not be entitled to any rights (as shareholders or otherwise) accruing to such shares or other equity securities other than those set out in subparagraph (i) of this definition (whether under the Shareholders’ Agreement or otherwise); and
- (b) any arrangements whereby all Dilution Tracking Event Securities are transferred to a special purpose vehicle owned by the Issuer and such special purpose vehicle adopts articles of association (or relevant contractual arrangements are made) which would mirror the provisions of any Derivative Agreement.

“**Dilution Event**” means, at any time after the LTV Long-Stop Date, that:

- (a) there is a new issue of shares in BidCo; and/or



- (b) there is a new issue of other equity securities (excluding, for the avoidance of doubt, any Additional Tier 1 capital instruments issued to and subscribed for by any person not being an Affiliate) convertible into shares in BidCo at a price per share which is less than the Fair Value per share on the LTV Long-Stop Date,

in each case whereby LuxCo VIII and LuxCo IX do not, directly or indirectly, in aggregate, subscribe for at least their *pro rata* share of such new shares or other instruments in accordance with the terms of the Shareholders' Agreement (excluding for the avoidance of doubt any new issue of shares in connection with BidCo's management investment programme **provided that** management investors after such new issue do not have a direct or indirect aggregate ownership in BidCo which is greater than five per cent.).

**"Dilution Tracking Event"** means, at any time after the LTV Long-Stop Date, a rights issue by BidCo or a new issue of other equity securities convertible into shares in BidCo where the subscription price or the conversion rate, as applicable, is less than the Fair Value per share on the LTV Long-Stop Date.

**"Dilution Tracking Event Loan"** means the investment in any Dilution Tracking Event Securities by a Funding Noteholder by virtue of a loan or other funding provided by the Funding Noteholders for the purpose of the Issuer participating in a Dilution Tracking Event.

**"Dilution Tracking Event Securities"** means any and all BidCo Shares or other equity securities convertible into shares in BidCo subscribed for by LuxCo VIII and LuxCo IX in a Dilution Tracking Event.

**"Downstream Loan"** means any Financial Indebtedness owed by (i) any Restricted Company to any of its shareholders that is not a Restricted Company provided that such loan is subordinated to the other liabilities of such Restricted Company or, at the election of the Agent, security is granted (on a limited recourse basis) over all rights and benefits under such loan to secure the Issuer's obligations in respect of the Notes, in each case on terms satisfactory to the Agent (acting reasonably) (ii) any Restricted Company to any other Restricted Company.

**"Event of Default"** means an event or circumstance specified in Condition 15.1 (*Non-Payment*) to and including Condition 15.9 (*Regulatory event*).

**"Fair Value"** means the value of the BidCo Shares calculated in each case other than that referred to in sub-paragraph (b) below in accordance with Schedule 2 (*Calculation Principles*), being:

- (a) the agreed value of the BidCo Shares as at the First Issue Date, being SEK 10,124,000,000:
- (i) **increased** by the amount of:
    - (A) any Shareholder Contribution; and
    - (B) any Retained Ordinary Distribution; and
  - (ii) **decreased** by the amount of:
    - (A) any Material Distribution; and
    - (B) any Retained Ordinary Distribution that has been distributed to the shareholders of BidCo if it previously has increased the amount derived under paragraph (i) above;

- (b) after a Public Offering, the weighted average closing price of the listed shares during a period of 30 Business Days (or, if the Public Offering occurred a period of less than 30 Business Days prior to the date of calculation, during the entirety of such period) prior to the relevant date (determined pro forma if BidCo is not the listed entity or if replacement Security has been granted in accordance with Condition 20.4 (*Amendments and waivers*)).

“**Final Maturity Date**” means the date falling five (5) years after the First Issue Date.

“**Finance Documents**” means the Terms and Conditions, the Security Documents, the Agency Agreement and any other document designated to be a Finance Document by the Issuer and the Agent.

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

- (a) monies borrowed or raised, (including, but not limited to monies borrowed or raised under any bank financing or Debt Instrument);
- (b) the amount of any liability in respect of any financial lease (which is defined as a lease in the accounts of the Group or is treated as an asset and a corresponding liability), to the extent the arrangement is treated as a financial lease in accordance with the Accounting Principles and, for the avoidance of doubt, any leases treated as operational leases by the Accounting Principles shall not, regardless of any changes or amendments to the Accounting Principles, be considered as financial leases;
- (c) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Final Maturity Date or are otherwise classified as borrowings under the Accounting Principles;
- (d) receivables sold or discounted (other than on a non-recourse basis, applying the Accounting Principles);
- (e) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (f) the marked-to-market value of derivative transactions entered into in connection with protection against or benefit from fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (g) 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 each case guaranteeing drawn debt; and
- (h) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a)-(g).

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

“**First Call Date**” means the date falling twenty-four (24) months after the First Issue Date.

“**First Issue Date**” means 22 October 2021.

“**Force Majeure Event**” has the meaning given to that term in Condition 27.1 (*Force Majeure and Limitation of Liability*).

“**Group**” means each Restricted Company, BidCo, MIP HoldCo and each of their Subsidiaries from time to time (each a “**Group Company**” and together the “**Group**”).

“**Humber 2**” means Cidron Humber Midco Limited, a private limited company incorporated under the laws of Jersey with registration no. 133308 whose registered office is at 26 Esplanade, St Helier, Jersey JE2 3QA.

“**Humber 3**” means Cidron Humber Limited, a private limited company incorporated under the laws of Jersey with registration no. 124233 whose registered office is at 26 Esplanade, St Helier, Jersey JE2 3QA.

“**Incurrence Test**” means the test of the financial incurrence covenant as set out in Condition 13 (*Incurrence Covenant and Dilution Tracking Event*).

“**Initial NOK Note**” means a NOK Note issued on the First Issue Date.

“**Initial Note**” means an Initial NOK Note and/or an Initial SEK Note, as applicable.

“**Initial SEK Note**” means a SEK Note issued on the First Issue Date.

“**Insolvent**” means, in respect of a relevant person or entity, such person or entity (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due, (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective, (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting **creditors’** rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation, or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof, (e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger), (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter, (h) is bankrupt (as that term is interpreted pursuant to Article 8 of the Interpretation (Jersey) Law 1954), it or its assets are made subject of a declaration of *en désastre* or is subject to involuntary winding-up, dissolution or liquidation or (i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) (inclusive) of this definition.

“**Interest**” means the interest on the Notes calculated in accordance with Conditions 9.1 to 9.5.

“**Interest Payment Date**” means 30 June in each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 30 June 2022 and the last Interest Payment Date shall be the relevant Redemption Date.

“**Interest Period**” means:

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

“**Interest Rate**” for each Interest Period means the percentage rate per annum which is the aggregate of:

- (a) the Margin; and
- (b) the SEK Mid-Swap Rate for SEK Notes and the NOK Mid-Swap Rate for NOK Notes.

“**Issuer**” means Cidron Romanov Limited, a private limited company incorporated under the laws of Jersey with registration no. 133309 whose registered office is at 26 Esplanade, St Helier Jersey, JE2 3QA.

“**Issue Date**” means:

- (a) with respect to an Initial Note: the First Issue Date; and
- (b) with respect to a PIK Note: the date on which such PIK Note was issued in accordance with Condition 9.2 (*Interest*).

“**Issue Price**” means, in respect of each Note, 100 per cent. of the Nominal Amount of that Note.

“**Legal Opinions**” means:

- (a) a legal opinion as to the capacity of the Issuer and Humber 3 to enter into the Finance Documents to which it is a party issued by Carey Olsen Jersey LLP as legal advisors to the Issuer as to matters of Jersey law;
- (b) a legal opinion as to the capacity of each of LuxCo IX and LuxCo VIII to enter into the Finance Documents to which they are a party issued by Loyens & Loeff Luxembourg S.à r.l. as legal advisors to each of LuxCo IX and LuxCo VIII as to matters of Luxembourg law; and
- (c) a legal opinion as to the enforceability of each Finance Document governed by Swedish law issued by Advokatfirma DLA Piper Sweden KB as legal advisors to the Agent as to matters of Swedish law,

in each case substantially in the form distributed to the Agent prior to the First Issue Date.

“**Liquidity Buffer**” means an amount in cash equal to six (6) months accrued Interest in respect of the Notes.

“**Listing Failure Event**” means that (i) the Initial Notes are not admitted to trading on a Regulated Market within six (6) months following the First Issue Date or (ii) in the case of a successful admission, that a period of six (6) months has elapsed since the Initial Notes ceased to be admitted to trading on a Regulated Market.

“**Listing Failure Event Noteholders**” means Noteholders who are holding Notes that are subject to a Listing Failure Event.

“**LTV**” means (i) the outstanding principal amount of all Permitted Debt under paragraphs (a) and (b) of the definition “Permitted Debt” divided by (ii) the Pledged Assets Value, expressed as a percentage. The Issuer shall determine any currency conversion necessary to calculate the LTV in good faith on the basis of:

- (a) with respect to any conversion of NOK into SEK for the purposes of the determination of the Opening LTV, the rate of exchange for NOK against SEK included in Schedule 2 (*Calculation Principles*); or
- (b) with respect to any other currency conversion for the purposes of the determination of the LTV, the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)) or any successor to such rate or page (or, if no such rate is available, the most recently published rate).

“**LTV Long-Stop Date**” means the earlier to occur of:

- (a) the date falling seven weeks after the Completion Date; and
- (b) the date falling six months after the First Issue Date.

“**LTV Long-Stop Date Test Certificate**” has the meaning given to that term in Condition 4.2 (*Condition Subsequent*).

“**LTV Step-Down Date**” means the date falling one month after the LTV Long-Stop Date.

“**LuxCo VIII**” means Cidron Humber SARL, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 8, rue Lou Hemmer, L - 1748 Senningerberg being registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés Luxembourg*) under number B249246.

“**LuxCo IX**” means Cidron Xingu SARL, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 8, rue Lou Hemmer, L - 1748 Senningerberg being registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés Luxembourg*) under number B231907.

“**LuxCos**” means each of LuxCo VIII and/or LuxCo IX (as applicable).

“**Make-Whole Premium**” means, with respect to a Note, the higher of:

- (a) 1.00 per cent. of the Nominal Amount of that Note; and
- (b) an amount equal to:
  - (i) 105.58 per cent. of the Nominal Amount of that Note; plus
  - (ii) all remaining scheduled Interest payments on that Note up to and including the First Call Date (on the basis of the Cash Margin); minus
  - (iii) accrued but unpaid Interest on that Note up to the relevant Redemption Date (on the basis of the Cash Margin); minus
  - (iv) the Nominal Amount of that Note.

“**Manager**” means ABG Sundal Collier ASA.

“**Margin**” means the Cash Margin for the relevant Interest Period plus, if the Issuer has exercised the right to roll-up the Interest with respect to a Tranche for the relevant Interest Period in accordance with Condition 9.2 (*Interest*), an additional 0.75 per cent. per annum with respect to that Tranche for that Interest Period.

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

- (a) the ability of the Issuer to comply with its payment obligations under the Finance Documents;
- (b) the ability of the Issuer to comply with the Incurrence Test when required; and/or
- (c) the possibility to enforce the Transaction Security granted under the Finance Documents.

“**Material Company**” means any member of the Group which has gross assets representing 10 per cent. or more of the gross assets of the Group.

“**Material Distribution**” means any distribution or transfer of value from BidCo to its shareholders that does not constitute an Ordinary Distribution.

“**MIP HoldCo**” means NDX Intressenter Invest Holding AB (corporate identity no. 559149-1542) (or any successor thereto).

“**MIP HoldCo Shares**” means all shares issued by MIP HoldCo from time to time.

“**MIP HoldCo Share Pledge Agreement (LuxCo VIII & Humber 3)**” means a share pledge agreement to be entered into among LuxCo VIII, Humber 3 and the Agent with respect to certain shares to be owned by Humber 3 and subsequently LuxCo VIII in MIP HoldCo, to secure the Issuer’s obligations under the Notes.

“**MIP HoldCo Share Pledge Agreement (LuxCo IX)**” means a share pledge agreement to be entered into by LuxCo IX and the Agent with respect to certain shares to be owned by LuxCo IX in MIP HoldCo, to secure the Issuer’s obligations under the Notes.

“**MIP HoldCo Share Pledge Agreements**” means the MIP HoldCo Share Pledge Agreement (LuxCo VIII & Humber 3) and the MIP HoldCo Share Pledge Agreement (LuxCo IX).

“**MTF**” means any multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

“**Net Proceeds**” means the gross proceeds from the offering of the Notes, minus the costs incurred by the Issuer in conjunction with the issuance and listing of the Notes.

“**NOK Mid-Swap Rate**” means, in relation to any Interest Period, the interest rate fixed for a period comparable to the relevant Interest Period expressed as an annual mid-swap rate for interest rate swap transactions in NOK with a term of 1 year commencing on the relevant Reset Date as displayed on Bloomberg screen “NKSX1V3” at 12:00 noon Central European Time or, if such rate is not displayed on such screen as at the relevant time, the mid-swap rate expressed as an annual rate for interest rate swap transactions in NOK with a term comparable to the relevant Interest Period commencing on the relevant Reset Date as displayed on such other page as reasonably selected by the Manager and as then notified to the Paying Agent by the Manager, or if no quotation is available, the interest rate which according to the reasonable assessment of the Manager, the Paying Agent and the Issuer best reflects the mid-swap rate for interest rate swap transactions in NOK with a term of 1 year for the relevant Interest Period

where, in each case, if the NOK Mid-Swap Rate so determined is below zero, the rate shall be deemed to be zero.

“**NOK Note**” a debt instrument, denominated in NOK and which is governed by and issued under these Terms and Conditions, with ISIN NO0011134405.

“**NOK PIK Note**” has the meaning given to that term in Condition 9.2 (*Interest*).

“**Nominal Amount**” means:

(a) In relation to an Initial Note:

(i) in relation to an Initial SEK Note, SEK 2,000,000; and

(ii) in relation to an Initial NOK Note, NOK 2,000,000,

or, in each case, the nominal amount of any such Initial Note as in effect pursuant to a Note Split of that Initial Note; and

(b) in relation to a PIK Note:

(i) in relation to a SEK PIK Note, the nominal amount of each Initial SEK Note in effect at the Issue Date of such SEK PIK Note; and

(ii) in relation to a NOK PIK Note, the nominal amount of each Initial NOK Note in effect at the Issue Date of such NOK PIK Note,

or, in each case, the nominal amount of any such PIK Note as in effect pursuant to a Note Split of that PIK Note.

“**Nordax Bank**” means Nordax Bank AB (publ) (corporate identity no. 556647-7286) (or any successor thereto)

“**Nordax Group**” means Nordax Group AB (publ) (corporate identity no. 556993-2485) (or any successor thereto).

“**Nordic Capital**” means (a) Nordic Capital VIII Alpha L.P., Nordic Capital VIII Beta L.P., Nordic Capital IX Alpha L.P., Nordic Capital IX Beta L.P., Nordic Capital X Alpha, L.P., Nordic Capital X Beta, L.P., Nordic Capital X Alpha, SCSp, Nordic Capital X Beta, SCSp and NC X Gamma Investor SCSp (each acting by their general partner or delegated portfolio manager), (b) Nordic Capital Epsilon SCA, SICAV-RAIF and/or (c) one or more other funds, special purpose vehicles, trusts, partnerships, other entities and/or compartments (including, in each case, any continuation fund or successor of any such entity or compartment) which are directly or indirectly owned, managed, sponsored, controlled and/or advised by (i) Nordic Capital VIII Limited, Nordic Capital IX Limited, Nordic Capital X, L.P. (acting through its general partner Nordic Capital X Limited), Nordic Capital X GP, SCSp (acting through its general partner Nordic Capital X SARL) and/or NC 10 Orthogranit SARL and/or (ii) any other ‘Nordic Capital’ entity acting in a similar capacity (each of (i) and (ii) being an “**NC Entity**”) and/or (iii) any affiliate, direct or indirect subsidiary, subsidiary undertaking or holding company, partner, member or trustee of an NC Entity.

“**Norwegian Companies Act**” means the Norwegian Public Companies Act of 13 June 1997 No. 45.

“**Norwegian Krone**” and “**NOK**” means the lawful currency of Norway.

“**Norwegian Securities Register Act**” means the Norwegian Act relating to registration of securities of 15 March 2019 No. 6.

“**Norwegian Securities Trading Act**” means the Norwegian Securities Trading Act of 29 June 2007 No. 75.

“**Noteholder**” means a person who is registered in the CSD as directly registered owner (Sw. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to a Note.

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

“**Notes**” or “**Note**” shall be references to the SEK Note(s) and the NOK Note(s).

“**Opening LTV**” means the LTV at 11.59 p.m. (Stockholm time) on the Voluntary Offer Settlement Date.

“**Ordinary Distribution**” means any distribution or other transfer of value from BidCo to its shareholders which does not in any financial year exceed an amount equal to 100 per cent. of the consolidated annual net profit of BidCo and its subsidiaries for the preceding financial year as shown in the audited annual financial statements of BidCo and its subsidiaries for that financial year, but:

- (a) excluding for these purposes any profit attributable to any Capital Gains or any profit or loss attributable to any material revaluations of tangible and/or intangible assets resulting from any acquisition related purchase price allocation; and
- (b) disregarding in the establishment of any net profit any amount attributable to linear amortisation of goodwill or any other tangible and/or intangible assets, net of deferred tax, resulting from any acquisition related purchase price allocation.

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

“**Permitted Debt**” means Financial Indebtedness of any Restricted Company:

- (a) incurred under all Tranches of Notes then in issue;
- (b) incurred under the issuance of other Debt Instruments or the entering into of any bilateral or syndicated facility, in each case subordinated to the Notes on terms reasonably acceptable to the Agent;
- (c) arising under a Downstream Loan;
- (d) arising under a Dilution Tracking Event Loan; or
- (e) arising as a result of a refinancing of all Tranches of the Notes in full.

“**Permitted Related Party Dealings**” means payments of (i) investor directors’ fees, (ii) annual monitoring fees and/or (iii) expenses related to holding company activities of a holding company of any Restricted Company, in an aggregate amount not exceeding SEK 2,000,000 within any twelve (12) month period. Such 12 month periods shall commence initially on the First Issue Date and thereafter on each anniversary thereof.

“**Permitted Restructuring**” means:

- (a) a solvent corporate merger between any two Restricted Companies;



- (b) a solvent contribution of Humber 3's BidCo Shares and/or MIP HoldCo Shares to LuxCo VIII;
- (c) a solvent corporate merger between LuxCo VIII and Humber 3, or such other step, matter or transaction pursuant to which the BidCo Shares owned by LuxCo VIII become owned by Humber 3 and LuxCo VIII ceases to be a Restricted Company;
- (d) a solvent corporate merger between LuxCo IX and Xingu 3, or such other step, matter or transaction pursuant to which the BidCo Shares owned by LuxCo IX become owned by Xingu 3 and LuxCo IX ceases to be a Restricted Company; and
- (e) a Public Offering Restructuring.

**“Permitted Security”** means any Security:

- (a) created under the Security Documents;
- (b) created in relation to any Permitted Debt (other than Permitted Debt under paragraphs (c) or (d) of such definition);
- (c) created for purposes of securing certain obligations to Verdipapirsentralen ASA;
- (d) provided in the form of a pledge over an escrow account to which the proceeds incurred in relation to a refinancing of the Notes in full (a **“Refinancing”**) are intended to be received; and
- (e) agreed to be provided for the benefit of the financing providers in relation to a Refinancing, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Notes in full.

**“PIK Note”** means a NOK PIK Note and/or a SEK PIK Note, as the context requires.

**“Pledged Assets Value”** means the sum, calculated in each case in accordance with Schedule 2 (*Calculation Principles*), of:

- (a) the Fair Value attributable to the BidCo Shares pledged under the BidCo Share Pledge Agreements from time to time (or such other replacement Security granted in accordance with Condition 20.4 (*Amendments and waivers*));
- (b) the value attributable to the MIP HoldCo Shares pledged under the MIP HoldCo Share Pledge Agreements from time to time, calculated on a *pro forma* basis having regard to MIP HoldCo's economic interest in BidCo Shares via BidCo's management investment programme and the Fair Value of the relevant BidCo Shares; and
- (c) any cash or cash equivalent assets standing to the credit of an account which has been secured in favour of the Secured Parties on terms reasonably satisfactory to the Agent.

**“Public Offering”** means an initial public offering of any shares in BidCo or any other Group Company.

**“Public Offering Entity”** means an entity whose shares are the subject of a Public Offering.

**“Public Offering Restructuring”** means any restructuring, reorganisation, step or other activity (including with respect to any Group Company, the Notes or the Security Documents) in preparation for or in connection with a Public Offering, including any restructuring, reorganisation, step or other activity pursuant to which BidCo is liquidated, dissolved, merged with another Group Company or otherwise ceases to exist, ceases to be affiliated with the Group

Companies or otherwise ceases to be the appropriate entity to fulfil its role under the Finance Documents.

**“Quarter Date”** means the last day of each calendar quarter of the Issuer’s financial year.

**“Record Date”** means in relation to any payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the CSD Regulations from time to time.

**“Redemption Date”** means the date on which the relevant Notes are to be redeemed or repaid in accordance with Condition 10 (*Redemption and repurchase of the Notes*).

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

**“Relevant Jurisdiction”** means Jersey or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes or any other payments made in respect of the Finance Documents.

**“Reset Date”** means the date falling two Business Days prior to the first day of any Interest Period.

**“Restricted Companies”** means Xingu 3, Humber 3, the Issuer, LuxCo VIII and LuxCo IX.

**“Restricted Payment”** has the meaning given to that term in Condition 14.2 (*Distributions*).

**“Retained Ordinary Distribution”** means the amount of any potential Ordinary Distribution which has not been distributed to the shareholders of BidCo.

**“Re-Valuation Event”** means:

- (a) the occurrence of a Dilution Event; or
- (b) the receipt by LuxCo IX and LuxCo VIII at any time after the LTV Long-Stop Date of the proceeds of any Material Distribution.

**“Secured Obligations”** means all present and future obligations and liabilities of any member of the Group to the Secured Parties under the Finance Documents.

**“Secured Parties”** means the Noteholders, the Agent and the Paying Agent.

**“Securities Account”** means the account for dematerialised securities maintained by and held with the CSD pursuant to the Norwegian Securities Register Act , in which (i) an owner of such security is directly registered or (ii) an owner’s holding of securities is registered in the name of a nominee.

**“Securities Act”** means the U.S. Securities Act of 1933, as amended.

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

**“Security Documents”** means:

- (a) any Account Pledge Agreement;

- (b) the BidCo Share Pledge Agreements;
- (c) the MIP HoldCo Share Pledge Agreements; and
- (d) any other document designated by the Issuer and the Agent (on behalf of itself and the Noteholders) as a Security Document.

**“Security Ratio”** means:

- (a) at any time prior to the LTV Long-Stop Date, a Pledged Assets Value equal to an amount which is at least two point eighty-five (2.85) times greater than the Total Nominal Amount;
- (b) at any time on or after the LTV Long-Stop Date but on or prior to the LTV Step-Down Date, a Pledged Assets Value equal to an amount which is at least three point thirty-three (3.33) times greater than the Total Nominal Amount; and/or
- (c) at any time after the LTV Step-Down Date, a Pledged Assets Value equal to an amount which is at least four (4) times greater than the Total Nominal Amount at such time taking into account all relevant Notes in issue,

in each case calculated as set out in Schedule 2 (*Calculation Principles*).

**“SEK Mid-Swap Rate”** means, in relation to any Interest Period, the interest rate fixed for a period comparable to the relevant Interest Period expressed as an annual mid-swap rate for interest rate swap transactions in SEK with a term of 1 year commencing on the relevant Reset Date as displayed on Bloomberg screen “SKSW1” at 12:00 noon Central European Time or, if such rate is not displayed on such screen as at the relevant time, the mid-swap rate expressed as an annual rate for interest rate swap transactions in SEK with a term comparable to the relevant Interest Period commencing on the relevant Reset Date as displayed on such other page as reasonably selected by the Manager and as then notified to the Paying Agent by the Manager, or if no quotation is available, the interest rate which according to the reasonable assessment of the Manager, the Paying Agent and the Issuer best reflects the mid-swap rate for interest rate swap transactions in SEK with a term of 1 year for the relevant Interest Period where, in each case, if the SEK Mid-Swap Rate so determined is below zero, the rate shall be deemed to be zero.

**“SEK Note”** a debt instrument denominated in SEK and which are governed by and issued under these Terms and Conditions, with ISIN NO0011134413.

**“SEK PIK Note”** has the meaning given to that term in Condition 9.2 (*Interest*).

**“Shareholders’ Agreement”** means the amended and restated shareholders’ agreement dated 3 May 2021 and made among the shareholders of BidCo, as amended, restated and/or replaced from time to time.

**“Shareholder Contribution”** means the aggregate amount contributed, directly or indirectly, by the direct or indirect shareholders of BidCo to BidCo whether in the form of subscription of shares or unconditional shareholder’s contributions and contributed after the First Issue Date. For the avoidance of doubt:

- (a) any contribution to BidCo of the proceeds of the Notes shall constitute a Shareholder Contribution;
- (b) any contribution to BidCo of any Target Shares by BidCo’s direct or indirect shareholders shall constitute a Shareholder Contribution, and the amount of such

contribution shall be the number of Target Shares so contributed multiplied by the offer price per Target Share in the Voluntary Offer as at the date on which the Voluntary Offer is declared unconditional; and

- (c) any conversion in whole or part of a loan made by any direct or indirect shareholder of BidCo into equity by way of a capital contribution of such loan receivable to BidCo, issuance of shares by BidCo in redemption of such loan or otherwise shall constitute a Shareholder Contribution, and the amount of such contribution shall be the principal amount of the loan so converted.

**“Squeeze-Out Procedure”** means any acquisition for cash made by Nordax Bank in accordance with (a) section 4-25 of the Norwegian Companies Act or (b) section 6-22 of the Norwegian Securities Trading Act for the compulsory acquisition of any minority shareholding in the Target, in each case once 90 per cent. or more of the shares and votes of the Target is owned by Nordax Bank.

**“Squeeze-Out Procedure Settlement Date”** the last day for settlement any acquisition of Target Shares pursuant to the Squeeze-Out Procedure.

**“Subsidiary”** means, with respect to a person, a subsidiary of that person according to Chapter 1 Section 11 of the Swedish Companies Act (or under such provision as may replace this provision).

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

**“Target”** means Bank Norwegian ASA.

**“Target Shares”** means shares issued in the capital of the Target (including any shares in the capital of the Target issued or to be issued whilst the Squeeze-Out Procedure remains ongoing).

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

**“Tranche”** means the SEK Notes or the NOK Notes.

**“Transaction Security”** means the Security provided for the Secured Obligations pursuant to the Security Documents.

**“U.S. persons”** has the meaning given in Regulation S under the Securities Act.

**“Voluntary Offer”** means a voluntary offer for the Target Shares to be made by Nordax Bank pursuant to section 6-19 of the Norwegian Securities Trading Act.

**“Voluntary Offer Settlement Date”** means the last day for settlement of any acquisition of Target Shares pursuant to the Voluntary Offer in accordance with its terms.

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

**“Xingu 2”** means Cidron Xingu 2 Limited, a private limited company incorporated under the laws of Jersey with registration no. 133310 whose registered office is at 26 Esplanade, St Helier, Jersey JE2 3QA.

**“Xingu 3”** means Cidron Xingu 3 Limited, a private limited company incorporated under the laws of Jersey with registration no. 133311 whose registered office is at 26 Esplanade, St Helier, Jersey JE2 3QA.

## 1.2 Construction

- 1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:
- (a) “**assets**” includes present and future properties, revenues and rights of every description;
  - (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (c) a “**regulation**” includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (d) a provision of law is a reference to that provision as amended or re-enacted; and
  - (e) a time of day is a reference to Stockholm time.
- 1.2.2 An Event of Default is continuing if it has not been remedied or waived and if remedied or waived shall not be treated as continuing.
- 1.2.3
- (a) In ascertaining the Total Nominal Amount and the Adjusted Nominal Amount for the purpose of calculating the requisite percentage of Noteholders to approve any request for a consent, waiver, amendment or other vote under the Notes Documents, for the purposes of taking any step, decision, direction or exercise of discretion which is calculated by reference to any Notes denominated in NOK, the rate of exchange for NOK against SEK, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)) at 12:00 (noon) on the First Issue Date.
  - (b) Save as provided in the definition of “LTV”, when ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall, at the Company’s election, be determined on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)) or any successor to such rate or page (or, if no such rate is available, the most recently published rate).
- 1.2.4 Where any person gives a certificate on behalf of any of the parties to the Finance Documents pursuant to any provision thereof and such certificate proves to be incorrect, the individual shall incur no personal liability in consequence of such certificate being incorrect save where such individual acted fraudulently or recklessly in giving such certificate (in which case any liability of such individual shall be determined in accordance with applicable law).
- 1.2.5 No delay or omission of the Agent, the Paying Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- 1.2.6 Any reference in these Terms and Conditions:

- (a) to an entity that is the subject of a merger shall be to the surviving entity of that merger;
- (b) to any other entity that ceases to exist, ceases to be affiliated with the Restricted Companies or otherwise ceases to be the appropriate entity to fulfil its role under the Finance Documents, in each case following a Permitted Restructuring, shall be to:
  - (i) in the case of LuxCo IX, to Xingu 3 or such other entity as agreed between the Agent and the Issuer
  - (ii) in the case of LuxCo VIII, to Humber 3 or such other entity as agreed between the Agent and the Issuer; and
  - (iii) in the case of BidCo following a Public Offering Restructuring, the Public Offering Entity or such other entity as agreed between the Agent and the Issuer; and
  - (iv) in all other cases, such other entity as agreed between the Agent and the Issuer.

## 2. STATUS OF THE NOTES

- 2.1 The SEK Notes are denominated in Swedish Kronor and the NOK Notes are denominated in Norwegian Kroner and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.
- 2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.3 As at the First Issue Date, the nominal amount of each Initial NOK Note is NOK 2,000,000 and of each Initial SEK Note is SEK 2,000,000. The Total Nominal Amount of the Notes as at the First Issue Date is the aggregate of SEK 2,550,000,000 and NOK 2,500,000,000 (or its equivalent in NOK or SEK). All Notes are or will be issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount of that Note.
- 2.4 The Notes constitute direct, general, unconditional, and unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other direct, general, unconditional, and unsubordinated obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Finance Documents.
- 2.5 Except as set out in Condition 5 (*Transfer restrictions*), and subject to any restrictions to which a Noteholder may be subject due to local law or otherwise, the Notes are freely transferable. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.6 The CSD, initially being Verdipapirsentralen ASA, shall perform its obligations as CSD in accordance with the rules and regulations as regularly applied to it in relation to Norwegian bond offerings.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes other than (i) Sweden, where action for that purpose is required and (ii) Jersey, where no invitation to the public to acquire or apply for the Notes which

constitutes a prospectus for the purposes of the Companies (Jersey) Law 1991 and the circulation of which requires the consent of the Registrar of Companies in Jersey under the Companies (General Provisions) (Jersey) Order 2002 may be made unless such consent has first been obtained and remains in effect. The Jersey Financial Services Commission (the “**JFSC**”) has given, and has not withdrawn, or will have given prior to the issue of the Notes and not withdrawn, its consent under Article 4 of the Control of Borrowing (Jersey) Order 1958 (as amended) to the issue of the Notes. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947 (as amended) against liability arising from the discharge of its functions under that law. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

### **3. USE OF PROCEEDS**

- 3.1 The Net Proceeds from the issuance of the Notes shall be used by the Issuer for the purpose of financing, directly or indirectly, Nordax Bank’s acquisition of Target Shares pursuant to the Voluntary Offer, related fees, costs and expenses and/or general corporate purposes of the Group.

### **4. CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT**

#### **4.1 Conditions precedent**

- 4.1.1 The Issuer shall provide to the Agent, on or prior to the First Issue Date the following, in form and substance satisfactory to the Agent (acting reasonably):
- (a) copies of constitutional documents of each Restricted Company that is a party to any Finance Document;
  - (b) copies of necessary corporate resolutions (including authorisations) from each Restricted Company that is a party to any Finance Document;
  - (c) a duly executed copy of each BidCo Share Pledge Agreement;
  - (d) a duly executed copy of each MIP HoldCo Share Pledge Agreement;
  - (e) a certified Group structure chart;
  - (f) a certificate confirming that the Opening LTV will not be in excess of 35 per cent. (together with details as to its calculation); and
  - (g) the Legal Opinions.
- 4.1.2 The Agent may assume that the documentation delivered to it pursuant to Condition 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.
- 4.1.3 The Agent shall confirm to the Issuer and the Paying Agent(s) when the conditions in Condition 4.1 have been satisfied.
- 4.1.4 For the avoidance of doubt, the Paying Agent will have no involvement in confirming that the conditions in Conditions 4.1 have been satisfied.

#### **4.2 Conditions subsequent**

- 4.2.1 Unless the certificate provided pursuant to paragraph (f) of Condition 4.1.1 confirmed that the Opening LTV would not be in excess of 30 per cent., the Issuer shall provide to the Agent, no later than 10 Business Days after the LTV Long-Stop Date, a certificate

(the “**LTV Long-Stop Date Test Certificate**”) evidencing that the LTV as at the LTV Long-Stop Date or such earlier date specified by the Issuer in the LTV Long-Stop Date Test Certificate (if applicable, *pro forma* for any redemption of Notes of which the Issuer has given notice pursuant to Condition 10.3.2 (*Voluntary total or partial redemption (time limited call option)*)) was equal to or less than 30 per cent. (together with details as to its calculation).

- 4.2.2 The Agent may assume that the documentation delivered to it pursuant to Condition 4.2.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.
- 4.2.3 The Agent shall confirm to the Issuer and the Paying Agent when the conditions in Condition 4.2.1 have been satisfied.
- 4.2.4 For the avoidance of doubt, the Paying Agent will have no involvement in confirming that the conditions in Condition 4.2.1 have been satisfied.

## **5. TRANSFER RESTRICTIONS**

- 5.1 The Notes have not been and will not be registered under the Securities Act. The Notes may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.
- 5.2 The Notes have not been and will not be registered in Australia, Japan, Canada, or in any other country where the offering, sale and delivery of the Notes may be restricted by law.
- 5.3 Each Noteholder shall comply with purchase or transfer restrictions with regard to the Notes, as applicable from time to time under local law to which such Noteholder may be subject (due to its nationality, its residency, its registered address or its place of business or otherwise).
- 5.4 Each Noteholder must at all times ensure compliance with applicable local law and regulations at their own cost and expense.

## **6. NOTES IN BOOK-ENTRY FORM**

- 6.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Norwegian Securities Register Act and the CSD Regulations. Registration requests relating to the Notes shall be directed to an Account Operator. The debt register kept by the CSD shall constitute conclusive evidence of the persons who are Noteholders and their holdings of Notes.
- 6.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Norwegian Securities Register Act.
- 6.3 Subject to the CSD Regulations, the Issuer and the Agent shall at all times be entitled to obtain information from the debt register kept by the CSD. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Paying Agent shall be entitled to obtain information from the debt register kept by the CSD.
- 6.4 The Issuer, the Agent and the Paying Agent may use the information referred to in Condition 6.2 only for the purposes of carrying out their duties and exercising their rights in accordance with



the Finance Documents and shall not disclose such information to any Noteholder or third party unless necessary for such purposes.

## **7. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER**

- 7.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 7.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 7.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Condition 7.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise apparent from its face or the Agent has actual knowledge to the contrary.

## **8. PAYMENTS IN RESPECT OF THE NOTES**

- 8.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes requested by a Noteholder pursuant to these Terms and Conditions, shall be made to such person who is registered as a Noteholder in the CSD on the Record Date immediately preceding the relevant payment date, by way of (if no specific order is made by the Agent) crediting the relevant amount to the bank account nominated by such Noteholder in connection with its Securities Account in the CSD.
- 8.2 If a Noteholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 8.3 All amounts payable under the Finance Documents shall be payable in the denomination of the Notes set out in Condition 2.1 (*Status of the Notes*) above. If, however, the denomination differs from the currency of the bank account connected to the Noteholder's Securities Account in the CSD, any cash settlement may be exchanged and credited to this bank account in accordance with the procedures of the CSD.
- 8.4 Any specific payment instructions, including foreign exchange bank account details, to be connected to the Noteholder's account in the CSD must be provided by the relevant Noteholder to the Paying Agent (either directly or through its Account Operator in the CSD) within five Business Days prior to a payment date. Depending on any currency exchange settlement agreements between each Noteholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been

made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

- 8.5 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 Condition 9.1 (*Interest*) during such postponement.
- 8.6 If payment or repayment is made in accordance with this Condition 8, the Issuer shall be deemed to have fulfilled its obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 8.7 Any payment which shall be made under these Terms and Conditions on a date which is not a CSD Business Day, shall be made on the following CSD Business Day in accordance with the Business Day Convention.
- 8.8 Notwithstanding anything to the contrary in these Terms and Conditions, the Notes shall be subject to, and any payments made in relation thereto shall be made in accordance with, the rules and procedures of the CSD.
- 8.9 Payment constituting good discharge of the Issuer's payment obligations to the Noteholders under these Terms and Conditions will be deemed to have been made to each Noteholder once the amount has been credited to the bank holding the bank account nominated by the Noteholder in connection with its Securities Account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Noteholder in question.
- 8.10 All payments in respect of the Notes and the Finance Documents by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In the event any such deduction is required by law the Issuer will make such payment net of the relevant withholding and will have no obligation to pay any additional amounts to Noteholders in respect thereof.

## **9. INTEREST**

- 9.1 Each Note accrues Interest from (and including) its Issue Date up to (and excluding) the relevant Redemption Date during each Interest Period (each a "**Relevant Interest Period**") at the Interest Rate applied to the sum of:
  - (a) the Nominal Amount of that Note (as at the final day of the Relevant Interest Period); and
  - (b) the sum of all amounts of Interest for such Note calculated in respect of any Interest Period prior to the Relevant Interest Period for which the relevant Interest Payment Date has not yet occurred.
- 9.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders in arrear on each Interest Payment Date in respect of the Interest Period ending on such Interest Payment Date, unless the Issuer no later than ten (10) Business Days before an Interest Payment Date notifies the Paying Agent that the Interest falling due on such Interest Payment Date in respect of a Note shall be rolled up (the "**PIK Interest**"), *provided that* if the Issuer exercises its right to roll up interest on a Note (the "**Relevant Note**") in accordance with this Condition 9.2, (x) the Issuer must elect to roll up all of the Interest falling due with respect to the Relevant Note on the relevant Interest Payment Date and may not roll up the Interest falling due with respect to the Relevant Note on an Interest Payment Date only

in part and (y) the Issuer must elect to roll up all of the Interest falling due on all Notes in the same Tranche as the Relevant Note and may not roll up the Interest falling due on an Interest Payment Date with respect to only some but not all of the Notes in a Tranche. For the avoidance of doubt, the Issuer may elect to roll up interest falling due on an Interest Payment Date in respect of one or both Tranches. Any accrued PIK Interest shall be capitalised on the Interest Payment Date by way of issuance of new NOK Notes (the “**NOK PIK Notes**”) in respect of the NOK Notes and new SEK Notes (the “**SEK PIK Notes**”) in respect of the SEK Notes. Interest shall accrue on each PIK Note from, and including, the applicable Interest Payment Date on which such PIK Note is issued, on the same principles as set out in this Condition 9.

- 9.3 In relation to any Interest due on a Redemption Date which is not an Interest Payment Date, the Issuer will pay any accrued but unpaid Interest on a Note for the Interest Period (or part thereof) from (but excluding) the preceding Interest Payment Date or, if none, the Issue Date for that Note (as applicable) to (and including) the applicable Redemption Date calculated by reference to the Nominal Amount of the Notes being redeemed.
- 9.4 Interest for each Interest Period shall be calculated by the Issuer on the basis of the actual number of days in the relevant Interest Period divided by 360 (actual/360-day count basis).
- 9.5 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 two (2) per cent. higher than the then applicable Interest Rate. Accrued default interest shall not be capitalised. At least 5 Business Days before any due date for payment of default interest, the Issuer will (failing which the Agent will) notify the Paying Agent of the amount of default interest payable and the date on which the default interest is to be paid.

## **10. REDEMPTION AND REPURCHASE OF THE NOTES**

### **10.1 Redemption at maturity**

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

### **10.2 Purchase of Notes by the Issuer/Group Companies**

10.2.1 The Issuer and any other Group Company may at any time purchase Notes. Notes held by a Group Company may at such Group Company’s discretion be retained, sold or cancelled.

10.2.2 Notes owned by a Group Company or an Affiliate shall not have voting rights in respect of any matter put to the vote of the Noteholders, unless at the time of the relevant vote, all of the outstanding Notes are held by any Group Company and/or any Affiliate.

### **10.3 Voluntary total or partial redemption (time limited call option)**

10.3.1 In addition to and without limiting its separate rights under this Condition 10, the Issuer may at any time on or prior to the LTV Step-Down Date redeem all or part of the outstanding Notes at a price per Note equal to 101 per cent. of the Nominal Amount of that Note, together with accrued but unpaid Interest on that Note such that (i) the LTV (calculated by the Issuer on a pro forma basis) after the redemption of all such Notes must to the extent possible be as close as possible to but not exceed 30 per cent. and (ii) the number of each relevant Noteholder’s Notes being redeemed by such partial or full redemption must be an integral number of Notes for each Noteholder.

10.3.2 Redemption in accordance with this Condition 10.3 shall be made by the Issuer giving not less than three (3) and not more than thirty (30) Business Days' notice to the Noteholders, the Agent and the Paying Agent prior to the relevant Redemption Date (being a date that is not within the 5 Business Day period immediately prior to an Interest Payment Date) which should be specified in the relevant notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem Notes at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in Swedish Kronor or Norwegian Krone (as applicable) and rounded down to the nearest SEK 1 or NOK 1 (as applicable).

10.3.3 The Issuer must apply a redemption of Notes made under this Condition 10.3 on a *pro rata* basis as between all of the Tranches of Notes.

#### 10.4 **Voluntary partial redemption (equity claw)**

10.4.1 In addition to and without limiting its separate rights under this Condition 10, pursuant to this Condition 10.4 the Issuer may redeem Notes in an aggregate amount not exceeding forty (40) per cent. of the Total Nominal Amount at a price per Note equal to 103 per cent. of the Nominal Amount of such Note together with accrued but unpaid Interest on that Note, **provided that** such redemption is made pursuant to, in connection with or with the proceeds of, an equity offering or issuance of any member of the Group (including a Public Offering).

10.4.2 The Issuer must apply a redemption of Notes made under this Condition 10.4 on a pro rata basis as between all of the Tranches, and any such redemption will be used towards pro rata payment to the Noteholders holding Notes in each Tranche in accordance with the CSD Regulations.

10.4.3 Partial redemption in accordance with this Condition 10.4 shall be made by the Issuer giving not less than fifteen (15) and not more than thirty (30) Business Days' notice to the Noteholders, the Agent and the Paying Agent prior to the relevant Redemption Date (being a date that is not within the 5 Business Day period immediately prior to an Interest Payment Date) which should be specified in the relevant notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem each Note in part at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in Swedish Kronor or Norwegian Krone (as applicable) and rounded down to the nearest SEK 1 or NOK 1 (as applicable).

#### 10.5 **Voluntary total or partial redemption (time unlimited call option)**

10.5.1 In addition to and without limiting its separate rights under this Condition 10, the Issuer may at any time redeem all or (subject to Condition 10.5.4 below) some of the outstanding Notes at an amount per Note equal to (i) 100 per cent. of the Call Option Amount for that Note applicable to the relevant period for the redemption of the Notes or, (ii) in the case of partial redemption, a part of the Call Option Amount for that Note applicable to the relevant period for the redemption of the Notes where such part is equal to the percentage of the Call Option Amount elected by the Issuer at its option for redemption and which it will specify by notice to the Noteholders.

- 10.5.2 The Issuer must apply a redemption of Notes made under this Condition 10.5 on a pro rata basis as between all of the Tranches, and any such redemption will be used towards pro rata payment to the Noteholders holding Notes in each Tranche in accordance with the CSD Regulations.
- 10.5.3 Redemption in accordance with this Condition 10.5 shall be made by the Issuer giving not less than fifteen (15) and not more than thirty (30) Business Days' notice to the Noteholders, the Agent and the Paying Agent prior to the relevant Redemption Date (being a date that is not within the 5 Business Day period immediately prior to an Interest Payment Date) which should be specified in the relevant notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem each Note in whole or in part (as applicable) at the applicable amount on the specified Redemption Date. The applicable amount shall be an even amount in Swedish Kronor or Norwegian Krone (as applicable) and rounded down to the nearest SEK 1 or NOK 1 (as applicable).
- 10.5.4 A partial redemption of outstanding Notes under Condition 10.5.1 made with the proceeds of a Public Offering shall not be made if it would result in:
- (a) the total aggregate Nominal Amount of the SEK Notes outstanding immediately following such redemption being less than forty (40) per cent. of the total aggregate Nominal Amount of the Initial SEK Notes outstanding at the First Issue Date; or
  - (b) the total aggregate Nominal Amount of the NOK Notes outstanding immediately following such redemption being less than forty (40) per cent. of the total aggregate Nominal Amount of the Initial NOK Notes outstanding at the First Issue Date,

**provided that**, for the avoidance of doubt, this Condition 10.5.4 shall be without prejudice to the Issuer's right to redeem (i) all of the outstanding Notes with the proceeds of a Public Offering or (ii) some of the outstanding Notes with any amount not representing the proceeds of a Public Offering, in each case in accordance with Condition 10.5.1 above.

## 10.6 Early redemption due to illegality (call option)

- 10.6.1 The Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount of such Note together with accrued but unpaid Interest on that Note on a date determined by the Issuer if it is or would become unlawful for the Issuer to perform its obligations under the Finance Documents. For the avoidance of doubt, illegality shall for these purposes not include the circumstance that the Issuer would be deemed to form part of the Capital Adequacy Group and a redemption would be required or desirable in order to comply with capital adequacy requirements applicable to it.
- 10.6.2 The Issuer shall give notice of any redemption pursuant to this Condition 10.6 not less than fifteen (15) and not more than thirty (30) Business Days' after having received actual knowledge of any event specified therein (after which time period such right shall lapse).

## 10.7 **Mandatory redemption due to a Change of Control Event (put option)**

- 10.7.1 In accordance with Condition 12.1.3 (*Information among the Noteholders*), the Issuer shall promptly notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event (a “**CCE Notice**”). A CCE Notice must include the proposed Redemption Date which must be a date (i) no earlier than thirty (30) Business Days and no later than forty (40) Business Days after the date of the CCE Notice and (ii) that is not within the 5 Business Day period immediately prior to an Interest Payment Date.
- 10.7.2 Upon receipt of a CCE Notice, each Noteholder shall have the right to request that all, or some only, of its Notes be redeemed on the relevant Redemption Date specified in the CCE Notice at a price per Note equal to 101.00 per cent. of the Nominal Amount of such Note together with accrued but unpaid Interest on that Note, during a period of fifteen (15) Business Days following the date of the CCE Notice (after which time period such rights lapse). Such request shall be irrevocable.
- 10.7.3 The Issuer may seek to identify, during a period of fifteen (15) Business Days following the date of the CCE Notice, a third party who is willing to purchase all Notes validly tendered in accordance with Condition 10.7.2, at no less than the amount and on the terms set out in Condition 10.7.2 save that the repurchase date must occur prior to the 20th Business Day after the date of the CCE Notice and that interest will be calculated up to and including the repurchase date (or on terms more favourable to the Noteholders, as determined by the Agent). If such a third party is identified, the Issuer shall notify the Agent and the Noteholders that the put option set out in Condition 10.7.2 is cancelled and of such third party and all relevant arrangements for the repurchase (including settlement arrangements which will include a requirement for Noteholders to set up settlement instructions which match those of the relevant third party) no later than the 4th Business Day prior to the repurchase date and from the date of that notification the redemption will be treated as a mandatory repurchase with the third party acting as the purchaser.
- 10.7.4 If the third party does not purchase all Notes validly tendered in accordance with Condition 10.7.3 on the purchase date, the Issuer shall redeem any such Notes in the manner and on the terms set out in Condition 10.7.2 on the Redemption Date specified in the CCE Notice.

## 10.8 **Mandatory redemption due to a Listing Failure Event (put option)**

- 10.8.1 In accordance with Condition 12.1.3 (*Information among the Noteholders*), the Issuer shall promptly notify the Listing Failure Event Noteholders and the Agent upon becoming aware of the occurrence of a Listing Failure Event (a “**LFE Notice**”). A LFE Notice must include the proposed Redemption Date which must be a date (i) no earlier than thirty (30) Business Days and no later than forty (40) Business Days after the date of the LFE Notice and (ii) that is not within the 5 Business Day period immediately prior to an Interest Payment Date.
- 10.8.2 Upon receipt of a LFE Notice, each Listing Failure Event Noteholder shall have the right to request that all, or some only, of its Notes be redeemed on the relevant Redemption Date specified in the LFE Notice at a price per Note equal to 101 per cent. of the Nominal Amount of such Note together with accrued but unpaid Interest on that Note, during a period of fifteen (15) Business Days following the date of the LFE Notice (after which time period such rights lapse). Such request shall be irrevocable.
- 10.8.3 The Issuer may seek to identify, during a period of fifteen (15) Business Days following the date of the LFE Notice, a third party who is willing to purchase all Notes validly

tendered in accordance with Condition 10.8.2 in the manner, at no less than the amount and on the terms set out in Condition 10.8.2 save that the repurchase date must occur prior to the 20th Business Day after the date of the LFE Notice and that interest will be calculated up to and including the repurchase date (or on terms more favourable to the Listing Failure Event Noteholders, as determined by the Agent). If such a third party is identified, the Issuer shall notify the Agent and the Listing Failure Event Noteholders that the put option set out in Condition 10.8.2 is cancelled and of such third party and all relevant arrangements for the repurchase (including settlement arrangements which will include a requirement for Listing Failure Event Noteholders to set up settlement instructions which match those of the relevant third party) no later than the 4th Business Day prior to the repurchase date and from the date of that notification the redemption will be treated as a mandatory repurchase with the third party acting as the purchaser.

10.8.4 If the third party does not purchase all Notes validly tendered in accordance with Condition 10.8.2 on the purchase date, the Issuer shall redeem any such Notes in the manner and on the terms set out in Condition 10.8.2 on the Redemption Date specified in the LFE Notice.

#### 10.9 **Mandatory redemption due to a Re-Valuation Event or Dilution Tracking Event (put option)**

10.9.1 Upon the occurrence of a Re-Valuation Event or a Dilution Tracking Event as evidenced by a Compliance Certificate delivered pursuant to Condition 12.1.6, each Noteholder shall have the right to request, during the Right to Request Period (as defined in Condition 10.9.3 below), that all or some of its Notes are redeemed at an amount per Note equal to the Nominal Amount of that Note together with accrued but unpaid Interest on that Note such that to the extent possible the LTV (calculated by the Issuer (i) on the 20th Business Day following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event and (ii) on a pro forma basis) after the redemption of all such Notes does not exceed (x) where the date of such notice is on or prior to the LTV Step-Down Date, 30 per cent. and (y) where the date of such notice is following the LTV Step-Down Date, 25 per cent (the “**Re-Valuation LTV**”).

10.9.2 Partial or full redemption shall apply to the Notes held by Noteholders who have requested during the Right to Request Period that all or some of their Notes are redeemed and a number of each such Noteholder’s Notes will be redeemed *pro rata* to the Notes in respect of which such redemption is requested such that (i) the LTV (calculated by the Issuer (a) on the 20th Business Day following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event and (b) on a pro forma basis) after the redemption of all such Notes must to the extent possible be as close as possible to but not exceed the Re-Valuation LTV. It should be noted that if such request(s) are made in relation to an insufficient number of Notes in aggregate then it may not be possible for the LTV to be equal to or less than the Re-Valuation LTV following redemption of all such Notes. In this case all such Notes in respect of which redemption is requested will nevertheless be redeemed in full.

10.9.3 The right to request such redemption shall apply during a period of twenty (20) Business Days immediately following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event (after which time period such rights lapse) (the “**Right to Request Period**”). However, such period may not start earlier than upon the occurrence of the relevant Re-Valuation Event or Dilution Tracking Event.

10.9.4 The Issuer shall notify the Agent and the Noteholders no later than five (5) Business Days after the last day of the Right to Request Period the number of each such Noteholder’s Notes which are to be redeemed in accordance with Condition 10.9.2. The

notice delivered under this Condition 10.9.4 will prevail over the request made under Condition 10.9.1 (including the number of Notes stated therein to be redeemed).

10.9.5 The Redemption Date must (i) fall no earlier than thirty (30) Business Days and no later than forty (40) Business Days after the last day of the Right to Request Period and (ii) not be within the five (5) Business Day period immediately prior to an Interest Payment Date. The Issuer is not required to recalculate the LTV for the purposes of this Condition during the period from (but excluding) the 20th Business Day following the date of the notice from the Issuer of a Re-Valuation Event or Dilution Tracking Event as referred to in Condition 10.9.2 to (and including) the relevant Redemption Date.

## **10.10 Voluntary redemption (PIK Notes)**

10.10.1 In addition to and without limiting its separate rights under this Condition 10, pursuant to this Condition 10.10, on any Interest Payment Date (or, to the extent necessary to permit the making of a Restricted Payment in accordance with Condition 14.2.4 or 14.2.5, on any other date) the Issuer may redeem Notes in an aggregate amount not to exceed the Nominal Amount of the outstanding PIK Notes at such redemption date at an amount per Note equal to the Nominal Amount of such Note together with accrued but unpaid Interest on that Note.

10.10.2 The Issuer shall notify the Agent and the Noteholders no later than ten (10) Business Days prior to the relevant redemption date.

10.10.3 Any redemption in accordance with this Condition 10.10 will be used for pro rata payment to the relevant Noteholders in accordance with the CSD Regulations.

## **10.11 Adjustment of Nominal Amount**

10.11.1 The Agent may instruct the CSD to split each Note in several Notes with a lower nominal value (a “**Note Split**”) in order to facilitate the issuance of a PIK Note in accordance with Condition 9.2 (*Interest*) or a partial redemption of Notes pursuant to, and in accordance with, Condition 10.

## **11. TRANSACTION SECURITY**

### **11.1 Granting of the Transaction Security**

11.1.1 The Transaction Security shall serve as continuing Security for the due and punctual fulfilment of the Secured Obligations. The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents.

11.1.2 The Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.

11.1.3 Unless and until the Agent has received instructions from the Noteholders in accordance with Condition 17 (*Decisions by Noteholders*), the Agent shall (without first having to obtain the Noteholders’ consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent’s reasonable opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Noteholders’ or the Issuer’s rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

11.1.4 The Agent shall be entitled to release all Transaction Security upon the full discharge of the Secured Obligations, or, with respect to Transaction Security granted under an



individual Security Document, as contemplated by Condition 20.4 (*Amendments and waivers*) or the terms of the relevant Security Document.

## 11.2 Enforcement of Security

11.2.1 The Agent may only take any action to accelerate or enforce any Transaction Security in accordance with the terms of the Security Documents.

11.2.2 Upon an enforcement of the Transaction Security, the proceeds shall be distributed in accordance with Condition 16 (*Distribution of Proceeds*).

## 12. INFORMATION TO NOTEHOLDERS

### 12.1 Information from the Issuer

12.1.1 The Issuer shall make the following information available in the English language to the Noteholders by publishing this information on its website ([www.cidronromanov.com](http://www.cidronromanov.com), or such other site as it may notify under Condition 26.2 (*Notices*) from time to time):

- (a) as soon as the same become available, but in any event within 120 calendar days after the end of each financial year (the first financial year for this purpose ending on 31 December of the calendar year in which the Completion Date occurs), the audited annual financial statements of the Issuer; and
- (b) as soon as the same become available, but in any event within 60 days after each Quarter Date, the quarterly unaudited consolidated reports of Nordax Bank.

12.1.2 At the request of the Agent:

- (a) the Issuer shall take all reasonable steps to procure that senior management of Nordax Bank shall once in every financial year (starting in 2022) hold a presentation for Noteholders in relation to the on-going business and financial performance of the Group and any other matter which a Noteholder (through the Agent) may reasonably request; and
- (b) the Issuer shall take all reasonable steps to procure that representatives of NC Advisory AB shall make themselves available twice in every financial year for discussions about the on-going business and financial performance of the Group and any other matter which a Noteholder (through the Agent) may reasonably request.

12.1.3 The Issuer shall promptly notify the Noteholders (but in the case of a Listing Failure Event, only the Listing Failure Event Noteholders) and the Agent (a) upon becoming aware of the occurrence of a Change of Control Event, Listing Failure Event or Re-Valuation Event or Dilution Tracking Event, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice, or (b) of a proposed Restricted Payment set out in paragraph 14.2.4 of Condition 14.2 (*Distribution*).

12.1.4 The Issuer shall as soon as possible upon becoming aware of any potential Dilution Tracking Event inform the Agent thereof and provide any information and details made available to it regarding a potential Dilution Tracking Event.

12.1.5 When the financial statements and other information are made available to the Noteholders pursuant to Condition 12.1 (*Information to Noteholders*), the Issuer shall send copies of such financial statements and other information to the Agent.

12.1.6 The Issuer shall in connection with:

- (a) a Restricted Payment made in accordance with paragraph 14.2.4 of Condition 14.2 (*Distribution*);
- (b) a Dilution Tracking Event;
- (c) a redemption of Notes in accordance with Condition 10.9 (*Force Majeure And Limitation of Liability*); and/or
- (d) a Re-Valuation Event,

submit to the Agent a Compliance Certificate which shall contain calculations and figures in respect of the LTV on a pro forma basis and show compliance with the Incurrence Test.

12.1.7 The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice.

12.1.8 Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, **provided that** the Agent does not have actual knowledge of such event or circumstance.

12.1.9 The Issuer is only obliged to inform the Agent according to this Condition 12 if informing the Agent would not conflict with any applicable laws or, when the Notes are listed, the Issuer's listing obligations to the Regulated Market on which the Notes are listed. If such a conflict would exist pursuant to the listing contract with the Regulated Market on which the Notes are listed or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market on which the Notes are listed or undertake other reasonable measures, including if applicable and if permitted entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent in a timely manner according to this Condition 12.

## 12.2 **Information from the Agent**

12.2.1 The Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing. Information from the Agent to the Noteholders will be provided through the Paying Agent and the CSD.

## 12.3 **Information among the Noteholders**

12.3.1 Subject to applicable regulations, the Agent shall promptly upon request by a Noteholder forward by post any information from such Noteholder to the Noteholders which relates to the Notes. The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including

a reasonable fee for its work). Information from the Agent to the Noteholders will be provided through the Paying Agent and the CSD.

#### **12.4 Availability of Finance Documents**

12.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.

12.4.2 The latest versions of the Security Documents, (including any document amending such Security Documents]) shall upon written request be made available by the Agent to any person by way of email or at the office of the Agent. The Agent may require that the requesting person reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

### **13. INCURRENCE COVENANT AND DILUTION TRACKING EVENT**

#### **13.1 Incurrence Test**

The Incurrence Test is met, in respect of any relevant date while any Note is outstanding, if the LTV at such date does not exceed (x) on or prior to the LTV Step-Down Date, 30 per cent. and (y) following LTV Step-Down Date, 25 per cent.

#### **13.2 Calculation Adjustments**

The calculation of LTV shall be made as of a testing date determined by the Issuer, falling no more than ten (10) Business Days prior to the event relevant for the application of the Incurrence Test on a pro forma basis assuming the implementation of the proposed transaction(s) in respect of which the Incurrence Test is being measured.

#### **13.3 Dilution Tracking Event**

13.3.1 Upon the occurrence of a Dilution Tracking Event where LuxCo VIII and/or LuxCo IX participate (directly or indirectly) with an amount equal to the maximum amount represented by all subscription rights carried by the shares in BidCo indirectly owned by LuxCo VIII and/or LuxCo IX where one or several Noteholders have not exercised their rights to request repurchase of Notes as set out in Condition 10.9 (*Mandatory redemption due to a Re-Valuation Event or Dilution Tracking Event (put option)*), LuxCo VIII and/or LuxCo IX (as applicable) shall grant a pledge over shares in BidCo or cash or cash equivalent assets under an Account Pledge Agreement required to maintain the relevant Security Ratio pursuant the terms of the Security Documents.

13.3.2 Upon the occurrence of a Dilution Tracking Event in which LuxCo VIII and/or LuxCo IX does not participate to an extent equal to the maximum amount that would be permitted by all subscription rights carried by the shares in BidCo directly or indirectly owned by LuxCo VIII and/or LuxCo IX and where Noteholder(s) representing at least 25 per cent. of the Total Nominal Amount have not exercised their rights to request repurchase of Notes as set out in Condition 10.9 (*Mandatory repurchase due to a Re- Valuation Event or Dilution Tracking Event (put option)*), the Issuer shall (i) instruct the Agent to instigate a Written Procedure (in accordance with Condition 20, as modified by Condition 13.3.4 below) in order to allow Noteholders to make a request under this Condition and (ii) ensure that, upon any request of Noteholders representing at least 25 per cent. of the Total Nominal Amount:

- (a) procure that LuxCo VIII and/or LuxCo IX participate in such Dilution Tracking Event with an amount up to the maximum amount represented by all

subscription rights carried by the shares in BidCo directly or indirectly owned by LuxCo VIII and/or LuxCo IX;

- (b) it funds the participation in its entirety by way of a Dilution Tracking Event Loan, the proceeds of which shall be provided to LuxCo VIII and/or LuxCo IX; and
- (c) it enters into (or otherwise completes or procures that LuxCo VIII and/or LuxCo IX enter into or complete) the Derivative Arrangements.

13.3.3 A Noteholder must not make a request under both this Condition 13.3 (*Dilution Tracking Event*) and Condition 10.9 (*Mandatory redemption due to a Re-Valuation Event or Dilution Tracking Event (put option)*) in respect of the same Dilution Tracking Event. If a Noteholder makes a request under both this Condition 13.3 (*Dilution Tracking Event*) and Condition 10.9 (*Mandatory redemption due to a Re- Valuation Event or Dilution Tracking Event (put option)*), such Noteholder shall not be included when determining whether the thresholds set out in Condition 13.3.2 are met.

13.3.4 The Written Procedure referred to in Condition 13.3.2 above shall be instigated in accordance with Condition 20 (*Amendments and waivers*) with the following modifications:

- (a) no quorum requirements will apply;
- (b) the requisite majority will be Noteholders representing at least 25 per cent. of the Total Nominal Amount; and
- (c) requests will only be valid if received during a period of forty (40) Business Days (unless otherwise agreed) following notice from the Issuer of a Dilution Tracking Event (after which time period such rights lapse).

## 14. GENERAL UNDERTAKINGS

### 14.1 General

The Issuer undertakes to (and shall, where applicable, procure that each Group Company will) comply with the undertakings set out in this Condition 14 for as long as any Notes remain outstanding.

### 14.2 Distribution

14.2.1 The Issuer shall not (and shall procure that neither Xingu 3 nor Humber 3 will) (i) repurchase its shares, (ii) redeem its share capital or other restricted equity with repayment to shareholders, (iii) make any dividend payments, (iv) make any payment of principal or interest under any debt permitted under paragraph (b) of the definition of “Permitted Debt” or (v) make other distributions or transfers of value to its shareholders or Affiliates (items (i)-(v) above are together and individually referred to as a “**Restricted Payment**”).

14.2.2 For the avoidance of doubt Permitted Related Party Dealings shall not constitute Restricted Payments and shall be permitted until an Event of Default has occurred and is continuing.

14.2.3 The restriction set out in paragraph 14.2.1 above will not apply to any Restricted Payment made no later than the LTV Step-Down Date **provided that** the LTV Long-Stop Date Test Certificate (or the certificate provided pursuant to paragraph (f) of

Condition 4.1.1 or such other Compliance Certificate) has been delivered to the Agent evidencing that the LTV on a *pro forma* basis for such Restricted Payment will be equal to or less than 30 per cent (together with details as to its calculation).

14.2.4 The restriction set out in paragraph 14.2.1 above will not apply to a Restricted Payment made after the LTV Step-Down Date of:

- (a) the Restricted Companies' aggregate *pro rata* share of any Ordinary Distribution or Retained Ordinary Distribution **provided that**:
  - (i) the Incurrence Test is met on a *pro forma* basis;
  - (ii) no Event of Default is continuing or would result from such Restricted Payment;
  - (iii) all interest due in respect of the Notes has been duly paid and no PIK Notes have been issued, or if PIK Notes have been issued, Notes with an aggregate Nominal Amount equal to the aggregate Nominal Amount of the PIK Notes issued have been redeemed in accordance with Condition 10.10 (*Voluntary redemption (PIK Notes)*);
  - (iv) the Issuer will after the making of the Restricted Payment maintain the Liquidity Buffer; and
  - (v) the Capital Adequacy Group will after the making of the Restricted Payment comply with all applicable material capital adequacy laws and regulations applicable to it; or
- (b) the proceeds of a Material Distribution **provided that**:
  - (i) no Event of Default is continuing or would result from such Restricted Payment;
  - (ii) the exercise period referred to in Condition 10.9.3 (*Mandatory redemption due to a Re-Valuation Event or Dilution Tracking Event (put option)*) has lapsed and, if applicable, the repurchase of Notes required thereunder has occurred;
  - (iii) the Issuer will after the making of the Restricted Payment maintain the Liquidity Buffer;
  - (iv) all interest due in respect of the Notes has been duly paid and no PIK Notes have been issued, or if PIK Notes have been issued, Notes with an aggregate Nominal Amount equal to the aggregate Nominal Amount of the PIK Notes issued have been redeemed in accordance with Condition 10.10 (*Voluntary redemption (PIK Notes)*);
  - (v) the Capital Adequacy Group will after the making of the Restricted Payment comply with all applicable material capital adequacy laws and regulations applicable to it;
  - (vi) no Dilution Tracking Event under Condition 13.3 (*Dilution Tracking Event*) has occurred during the relevant financial year and/or the preceding financial year; and
  - (vii) the Incurrence Test is met and, if applicable, the Issuer has granted or procured to be granted a pledge over additional shares in BidCo or cash

or cash equivalent assets under an Account Pledge Agreement corresponding to the relevant Security Ratio pursuant to the terms of the Security Documents;

14.2.5 The restriction set out in paragraph 14.2.1 above will not apply to a Restricted Payment made with the proceeds of an equity offering or issuance of any member of the Group (including a Public Offering) **provided that**:

- (a) a Compliance Certificate has been delivered to the Agent evidencing that the LTV on a *pro forma* basis for such Restricted Payment will be equal to or less than 17.5 per cent (together with details as to its calculation);
- (b) no Event of Default is continuing or would result from such Restricted Payment;
- (c) all interest due in respect of the Notes has been duly paid and no PIK Notes have been issued, or if PIK Notes have been issued, Notes with an aggregate Nominal Amount equal to the aggregate Nominal Amount of the PIK Notes issued have been redeemed in accordance with Condition 10.10 (*Voluntary redemption (PIK Notes)*);
- (d) the Issuer will after the making of the Restricted Payment maintain the Liquidity Buffer; and
- (e) the Capital Adequacy Group will after the making of the Restricted Payment comply with all applicable material capital adequacy laws and regulations applicable to it.

#### 14.3 **Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business of the Group from that carried on immediately after the Completion Date.

#### 14.4 **Financial Indebtedness**

No Restricted Company shall incur or allow to remain outstanding any Financial Indebtedness other than Permitted Debt.

#### 14.5 **Dealings with Affiliates**

Each Restricted Company shall conduct all dealings with any Affiliates at arm's length terms, except for Permitted Related Party Dealings.

#### 14.6 **Negative pledge**

No Restricted Company shall create or allow to subsist, retain, provide, prolong or renew any security over any of its assets (present or future), provided however that any such Restricted Company shall have the right to retain, allow to subsist, provide, prolong and renew any Permitted Security.

#### 14.7 **Admission to trading**

14.7.1 The Issuer shall procure that the Initial Notes are admitted to trading on Oslo Børs (the Oslo Stock Exchange) or other Regulated Market within six (6) months, and that they remain admitted to trading on a Regulated Market.

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

#### 14.8 **Pari Passu**

The Issuer shall ensure that its payment obligations under the Notes at all times rank at least *pari passu* with all its other direct, general, unconditional, unsubordinated and unsecured obligations, except for those obligations which are mandatorily preferred by law, and without any preference among them.

#### 14.9 **Compliance with laws etc.**

The Issuer shall (and the Issuer shall procure that each other Restricted Company will) comply in all material respects with all laws and regulations to which it may be subject, if failure so to comply would have a Material Adverse Effect.

#### 14.10 **Shareholders' Agreement**

The Issuer shall procure that each of LuxCo IX and LuxCo VIII at all times shall use its commercially best efforts to exercise its rights under the Shareholders' Agreement if the non-exercise of such rights would have a Material Adverse Effect.

#### 14.11 **Structuring undertaking**

The Issuer shall procure that, subject to any Permitted Restructuring:

- (a) there will only be one class of shares in BidCo;
- (b) no additional holding companies shall be introduced as between any two Restricted Companies (excluding any special purpose vehicle established in connection with BidCo's management investment programme); and
- (c) neither Nordic Capital nor any Affiliate of it shall contribute any funds (whether in the form of equity or debt) to BidCo and/or any of its Subsidiaries other than through the Restricted Companies and their respective Subsidiaries from time to time.

#### 14.12 **Undertakings until the Completion Date**

The Issuer shall procure that:

- (a) the Completion Date occurs by the date falling 19 weeks after the First Issue Date; and
- (b) prior to the Completion Date, there is compliance in all material respects with the Norwegian Securities Trading Act and all other applicable laws, regulations and stock-exchange rules in relation to the acquisition of the Target Shares (including, without limitation in relation to the Voluntary Offer and the Squeeze-Out Procedure).

### 15. **EVENTS OF DEFAULT AND ACCELERATION OF THE NOTES**

Each of the events and circumstances set out in this Condition 15 (other than Condition 15.10 (*Acceleration of the Notes*)) is an Event of Default.

### 15.1 **Non-Payment**

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay:

- (a) is caused by technical or administrative or error; and
- (b) is remedied within five (5) Business Days from the due date.

### 15.2 **Conditions subsequent**

The Issuer or any other party to the Finance Documents (other than the Noteholders, the Paying Agent and the Agent) does not comply with Condition 4.2 (*Condition Subsequent*) unless the non-compliance (i) is capable of remedy; and (ii) is remedied within ten (10) Business Days of the earlier of Agent giving notice and the Issuer becoming aware of the non-compliance.

### 15.3 **Other Obligations**

The Issuer or any other party to the Finance Documents (other than the Noteholders, the Paying Agent and the Agent) does not comply with the Finance Documents to which it is a party in any way other than as set out in Condition 15.1 (*Non-Payment*) and Condition 15.2 (*Conditions subsequent*), above unless the non-compliance (i) is capable of remedy; and (ii) is remedied within twenty (20) Business Days of the earlier of Agent giving notice and the Issuer becoming aware of the non-compliance.

### 15.4 **Cross-acceleration/cross payment default**

Any Financial Indebtedness of any Restricted Company is not paid when due as extended by any originally applicable grace period (if there is one), or ten (10) Business Days from the due date (if there is no grace period), or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), **provided that** no Event of Default will occur under this paragraph if the aggregate amount of Financial Indebtedness is less than SEK 75,000,000, (or its equivalent in other currencies).

### 15.5 **Insolvency**

A Restricted Company or a Material Company is, or is deemed for the purposes of any applicable law to be, Insolvent.

### 15.6 **Merger**

A decision is made that any Restricted Company shall be merged or demerged (other than a merger where a Restricted Company is the surviving entity), unless the Agent has given its consent (not to be unreasonably withheld or delayed) in writing prior to the merger and/or demerger.

### 15.7 **Creditors' process**

Any attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Restricted Company having an aggregate value equal to or exceeding SEK 75,000,000 (or its equivalent in other currencies) and is not discharged within sixty (60) calendar days.

### 15.8 **Invalidity etc.**

It becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Document or the Security created or expressed to be created thereby is varied or



ceases to be effective and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders.

#### 15.9 **Regulatory event**

The bank licence of Nordax Bank and/or the Target is revoked (excluding, for the avoidance of doubt, any lapse or cessation of such license as a result of a merger or other combination not prohibited by these Terms and Conditions, including a merger or combination between Nordax Bank and the Target, provided, in each case, that the bank licence of the surviving entity remains in full force and effect following the completion of any such merger or combination) unless the revocation is remedied within sixty (60) days of the earlier of the Agent giving notice and the Issuer becoming aware of the revocation.

#### 15.10 **Acceleration of the Notes**

- (a) If an Event of Default has occurred and for as long as it is continuing the Agent (acting on the instruction in writing of Noteholders of at least sixty-six and two thirds ( $66\frac{2}{3}$ ) per cent. of the Total Nominal Amount (such instruction may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the instruction is received by the Agent)) may declare that all, but not some only, of the outstanding Notes (including for the avoidance of doubt, any PIK Notes) due and payable together with any other amounts payable under the Finance Documents.
- (b) If the Noteholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as, in the opinion of the Agent, may be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (c) If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (d) In the event of an acceleration of the Notes in accordance with this Condition 15, the Issuer shall redeem all Notes with an amount equal to the redemption amount specified in Condition 10.5 (*Voluntary total or partial redemption (time unlimited call option)*), as applicable considering when the acceleration occurs.

### 16. **DISTRIBUTION OF PROCEEDS**

16.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Condition 15 (*Events of Default and Acceleration of the Notes*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) firstly, in or towards payment of unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent;
- (b) secondly, in or towards payment *pro rata* of unpaid fees, costs, expenses, liabilities and indemnities payable by the Issuer to the Paying Agent;
- (c) thirdly, in or towards payment *pro rata* of accrued but unpaid interest under the Notes (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);

- (d) fourthly, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (e) fifthly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (e) above shall be paid to each of LuxCo VIII and/or LuxCO IX in proportion to the proceeds received from the enforcement of the Transaction Security granted by that LuxCo, and to the extent such funds have been distributed to the LuxCos proportionally, any excess funds thereafter to the Issuer.

- 16.2 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Transaction Security constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Condition 16 as soon as reasonably practicable.
- 16.3 If the Issuer or the Agent shall make any payment under this Condition 16, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least ten (10) Business Days before the payment is made. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid, the Record Date specified in Condition 8.1 (*Payments in respect of the Notes*) shall apply and for any partial redemption in accordance with Condition 10.3 (*Voluntary total or partial redemption (time limited call option)*), Condition 10.4 (*Voluntary partial redemption (equity call)*) or 10.5 (*Voluntary or partial redemption (time unlimited call option)*) due but not made, the Record Date specified in Conditions 10.3.2, 10.4.3 and 10.5.3 shall apply.

## **17. DECISIONS BY NOTEHOLDERS**

- 17.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 17.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion, for example, more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 17.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 17.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Condition 17.3 being applicable, the

Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead.

- 17.5 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Condition 18 or (ii) instigate a Written Procedure by sending communication in accordance with Condition 19, in both cases with a copy to the Agent. After a request from the Noteholders pursuant to Condition 21.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Condition 18 (*Noteholders' Meeting*). The Issuer shall upon request provide the convening Noteholder(s) with the information available in the debt register kept by the CSD in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with the a notice or the communication.
- 17.6 Only a person who is, or who has been provided with a power of attorney pursuant to Condition 6 (*Right to Act on Behalf of a Noteholder*) from a person who is, a Noteholder:
- (a) on the Business Day specified in the notice pursuant to Condition 18.2 (*Noteholders' Meeting*), in respect of a Noteholders' Meeting, or
  - (b) on the Business Day specified in the communication pursuant to Condition 19.2 (*Written procedure*), in respect of a Written Procedure,

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, **provided that** the relevant Notes are included in the definition of Adjusted Nominal Amount. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

- 17.7 The following matters shall require the consent of Noteholders representing at least sixty-six and two thirds ( $66\frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Condition 19.2 (*Written procedure*):
- (a) a change to the terms of any of Condition 2 and Condition 2.5 (*Status of the Notes*);
  - (b) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Condition 10 (*Redemption and repurchase of the Notes*);
  - (c) a change to the Interest Rate or the Nominal Amount of any Note (other than as a result of an application of Condition 10 (*Redemption and repurchase of the Notes*));
  - (d) a change to the terms for the distribution of proceeds set out in Condition 16 (*Distribution of Proceeds*);
  - (e) a change to the terms dealing with the requirements for Noteholders' consent set out in this Condition 17;
  - (f) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
  - (g) a release of the Transaction Security, except in accordance with the terms of the Security Documents;

- (h) a mandatory exchange of the Notes for other securities; and
  - (i) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Condition 15 (*Events of Default and Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.
- 17.8 Any matter not covered by Condition 17.7 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Condition 19.2 (*Written procedure*). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Condition 20.1(a) (*Amendments and waivers*) or (b)), an acceleration of the Notes or the enforcement of any Transaction Security.
- 17.9 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Condition 17.7, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 17.10 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Condition 18 (*Noteholders' Meeting*)) or initiate a second Written Procedure (in accordance with Condition 19 (*Written procedure*)), as the case may be, **provided that** the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Condition 17.10, the date of request of the second Noteholders' Meeting pursuant to Condition 17 or second Written Procedure pursuant to Condition 18 (*Written procedure*), as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Condition 17.9 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 17.11 Any decision which extends or increases the obligations of the Issuer, the Agent or the Paying Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer, the Agent or the Paying Agent, under the Finance Documents shall be subject to the Issuer's, the Agent's or the Paying Agent's consent, as applicable.
- 17.12 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.13 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the

consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

- 17.14 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- 17.15 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.16 If a decision is to be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes directly or indirectly owned by Group Companies or (to the knowledge of the Issuer) Affiliates. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate.
- 17.17 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each Noteholder on the date referred to in Condition 17.6(a) or 17.6(b), as the case may be, and also be and published on the websites of the Issuer and the Agent, **provided that** a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable. In addition, the Agent will make all such information available to the Paying Agent promptly and in a relevant manner when any action is required by the Paying Agent as a result of a decision taken at a Noteholders' Meeting or by way of a Written Procedure.

## **18. NOTEHOLDERS' MEETING**

- 18.1 The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is a Noteholder on a date selected by the Agent which falls no more than five (5) Business Days prior to the date on which the notice is sent.
- 18.2 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Condition 18 with a copy to the Agent. After a request from the Noteholders pursuant to Condition 21.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Condition 18.
- 18.3 The notice pursuant to Condition 18 shall include (i) time for the meeting, (ii) place in Sweden for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), (iv) the day on which a person must be Noteholder in order to exercise Noteholders' rights at the Noteholders' Meeting, and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting.

Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

- 18.4 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days after the effective date of the notice.
- 18.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **19. WRITTEN PROCEDURE**

- 19.1 The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each person who is a Noteholder on a date selected by the Agent which falls no more than five (5) Business Days prior to the date on which the communication is sent.
- 19.2 A communication pursuant to Condition 19 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Condition 19). If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 19.3 When consents from Noteholders representing the requisite percentage of the total Adjusted Nominal Amount pursuant to Conditions 17.7 and 17.8 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Condition 17.7 or 17.8, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **20. AMENDMENTS AND WAIVERS**

- 20.1 The Issuer and the Agent (acting on behalf of the Noteholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Notes, provided that the Agent is satisfied that such amendment or waiver:
- (a) such amendment or waiver is not, in the opinion of the Issuer and the Agent, detrimental to the interest of the Noteholders as a group, or is made solely for the purpose of rectifying obvious or manifest or proven errors and mistakes;
  - (b) such amendment or waiver is, in the opinion of the Issuer and the Agent, required by applicable law, a court ruling or a decision by a relevant authority;
  - (c) such amendment is, in the opinion of the Issuer and the Agent, necessary for the purpose of the listing of the Notes; or
  - (d) such amendment or waiver has been duly approved by the Noteholders in accordance with Condition 17 (*Decisions by Noteholders*).

- 20.2 Any amendments to the Finance Documents shall be made available in the manner stipulated in Condition 12.4 (*Availability of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Condition 26.2 (*Press Release*), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.
- 20.3 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders' Meeting, in the Written Procedure or by the Agent, as the case may be.
- 20.4 It is acknowledged that a Group Company may wish to consummate a Public Offering prior to the Final Maturity Date, and the Agent shall cooperate with the Issuer and the other Restricted Companies as necessary or desirable in order to facilitate such Public Offering, and any Public Offering Restructuring in connection therewith, in a manner mutually acceptable to the Agent (acting reasonably) and the Issuer (acting reasonably). In particular, notwithstanding anything to the contrary in the Finance Documents, the Agent shall, and is hereby irrevocably authorised and instructed without the requirement for any further authorisation or consent from any Noteholder to, as soon as reasonably practicable upon the reasonable request and at the expense of the Issuer or any relevant Restricted Company, enter into such agreement or agreements with the Issuer or any other Restricted Company in order to implement or facilitate a Public Offering or a Public Offering Restructuring, including any confirmation, amendment, replacement of or supplement to the Finance Documents, including:
- (a) any amendment, waiver or release in respect of any Security Document (other than any Account Pledge Agreement), **provided that** in the case of any release of any Security over any BidCo Shares:
    - (i) such release is limited to the BidCo Shares to be sold in such Public Offering;  
or
    - (ii) such release is coupled with the re-granting, on or prior to such release (acknowledging that it may not be possible to effect any necessary perfection steps in connection with such re-granting on or prior to such release but that such steps shall in any event be completed as soon as possible following such re-granting):
      - (A) of one or more share pledge agreements with respect to the shares to be directly owned by one or more Restricted Companies in the Public Offering Entity immediately following the relevant Public Offering; or
      - (B) of Holdco Security, if either:
        - (1) the Issuer has requested the same in order to facilitate the Public Offering or the Public Offering Restructuring and the Issuer has confirmed that the Notes will be redeemed in full in accordance with Condition 10.4 (*Voluntary partial redemption (equity claw)*) and/or Condition 10.5 (*Voluntary total or partial redemption (time unlimited call option)*) with the proceeds of, or otherwise promptly following, the consummation of, such Public Offering; or
        - (2) there is a legal or regulatory limitation or restriction on the re-granting of security contemplated by sub-paragraph (ii)(A) above (**provided that**, to the extent requested by the Agent before effecting any such release and re-granting, the Issuer

shall use reasonable endeavours to overcome any such limitation or restriction),

in each case, on substantially similar terms to the Security so released,

**provided further that:**

- (aa) to the extent that any such amendment or waiver reduces the scope of the Security under the Security Documents or to the extent that any release of Security under a Security Document occurs (excluding any release in reliance upon sub-paragraph (a)(ii)(B)(1) above), such event shall be deemed to be a “Re-Valuation Event”; and
  - (bb) if a release has occurred in reliance upon sub-paragraph (a)(ii)(B)(1) above and the Notes are not redeemed in full on the relevant due date for redemption as contemplated by such sub-paragraph, the Agent (acting reasonably) shall be entitled to request that further replacement Security is granted as soon as reasonably practicable to secure the Issuer's obligations in relation to the Notes;
- (b) any amendments to the provisions of the Finance Documents relating to the mechanics for calculating the LTV in order to reflect any change to the nature or scope of the Security under the Security Documents as contemplated by paragraph (a) above;
- (c) any amendments to the provisions of the Finance Documents necessary to reflect BidCo being liquidated, dissolved, merged with another Group Company or otherwise ceasing to exist, ceasing to be affiliated with the Group Companies or otherwise ceasing to be the appropriate entity to fulfil its role under the Finance Documents **provided that** any such amendments do not concern the release of any Security, which release shall be governed by paragraph (a) above;
- (d) any other amendments to the provisions of the Finance Documents as may be necessary or, as agreed between the Issuer and the Agent (in its sole discretion), desirable in the context of the Public Offering or Public Offering Restructuring or otherwise consequential upon any other amendment contemplated by this Condition 20.4 **provided that** any such amendments do not concern the release of any Security, which release shall be governed by paragraph (a) above; and/or
- (e) any other action as is reasonably required by the Issuer in order to implement or facilitate a Public Offering or Public Offering Restructuring and which does not adversely affect the Noteholders (as determined by the Agent in its sole discretion).
- (f) For the purposes of this Condition 20.4, “**Holdco Security**” means:
  - (i) a share pledge agreement to be entered into by Xingu 3 with respect to all of its shares in LuxCo IX (or, if LuxCo IX has been the subject of a Permitted Restructuring under paragraph (d) thereof, a share pledge agreement to be entered into by Xingu 2 with respect to all of its shares in Xingu 3); and
  - (ii) a share pledge agreement to be entered into by Humber 3 with respect to all of its shares in LuxCo VIII (or, if LuxCo VIII has been the subject of a Permitted



Restructuring under paragraph (c) thereof, a share pledge agreement to be entered into by Humber 2 with respect to all of its shares in Humber 3),

or such other replacement Security as agreed between the Agent (acting reasonably) and the Issuer in the context of the Public Offering or Public Offering Restructuring.

## **21. APPOINTMENT AND REPLACEMENT OF THE AGENT**

### **21.1 Appointment of the Agent**

21.1.1 By subscribing for Notes, each initial Noteholder appoints:

- (a) the Agent to act as its agent on the terms described in these Terms and Conditions and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions or the Finance Documents) in any legal or arbitration proceedings relating to the Notes held by such Noteholder;
- (b) the Agent to act as its agent in all matters relating to the Transaction Security and the Security Documents, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security; and
- (c) authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

21.1.2 By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf as set out in Condition 21.1 above.

21.1.3 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.

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

21.1.5 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

21.1.6 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### **21.2 Duties of the Agent**

21.2.1 The Agent's duties under the Finance Documents are solely mechanical and administrative in nature.

- 21.2.2 The Agent shall represent the Noteholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Noteholders and, where relevant, enforcing the Transaction Security on behalf of the Noteholders.
- 21.2.3 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall act in the best interest of the Noteholders as a group and carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 21.2.4 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 21.2.5 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 21.2.6 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or the Transaction Security which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Condition 16 (*Distribution of proceeds*).
- 21.2.7 Without prejudice to the generality of paragraph 21.2.6 above, the Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Agent (and so separate from any other lawyers instructed pursuant to the Finance Documents) if the Agent in its reasonable opinion deems this to be desirable.
- 21.2.8 The Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Agent or by any other party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- 21.2.9 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 21.2.10 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 21.2.11 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 21.2.12 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer

of any fee or indemnity due to the Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Condition 21.2.11.

21.2.13 The Agent may provide notices to Noteholders from time to time in connection with any of its duties and responsibilities in relation to the Notes. Such notices may, without limitation, provide all relevant procedures to be followed by Noteholders in connection with any Noteholders' Meeting or Written Procedure. These procedures may, if appropriate, include details as to how Noteholders should provide proof of holding of their Notes to the Agent in order to participate in any relevant procedure in relation to the Notes.

### 21.3 **Limited liability for the Agent**

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

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

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

21.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Condition 17 (*Decisions by Noteholders*) or Condition 15.10 (*Acceleration of the Notes*).

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

### 21.4 **Replacement of the Agent**

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

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

21.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose

of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.

- 21.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 21.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 21.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 21.4.8 In the event that there is a change of the Agent in accordance with this Condition 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **22. APPOINTMENT AND REPLACEMENT OF THE PAYING AGENT**

- 22.1 The Issuer appoints the Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Notes.
- 22.2 The Paying Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Paying Agent at the same time as the old Paying Agent retires or is dismissed. If the Paying Agent is Insolvent, the Issuer shall immediately appoint a new Paying Agent, which shall replace the old Paying Agent as Paying Agent in accordance with these Terms and Conditions.

## **23. APPOINTMENT AND REPLACEMENT OF THE CSD**

- 23.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Notes.
- 23.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative

effect on any Noteholder. The replacing CSD must be authorised to professionally conduct clearing operations and be authorised as a central securities depository in accordance with applicable law.

## **24. NO DIRECT ACTIONS BY NOTEHOLDERS**

- 24.1 A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure any steps which may lead to the Issuer being, or being deemed to be, Insolvent, whether in relation to any of the obligations and liabilities of the Issuer under the Finance Documents or otherwise. Such steps may only be taken by the Agent.
- 24.2 Condition 24 shall not apply if (i) the Agent has been instructed by the Noteholders in accordance with these Terms and Conditions to take certain actions but is legally unable to take such actions, or (ii) the Agent has been instructed to enforce the Transaction Security but is legally unable to take such enforcement actions.

## **25. PRESCRIPTION**

- 25.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders' right to receive payment has been prescribed and has become void.
- 25.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## **26. NOTICES**

Any notice pursuant to any Finance Document shall be in English language.

### **26.1 Notices**

- 26.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- (a) if from the Issuer to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch; or
  - (b) if from the Agent to the Issuer, to the following address:  
  
Address:           26 Esplanade  
                      St Helier Jersey  
                      JE2 3QA  
  
Attention:        the Directors
  - (c) if to the Noteholders, shall be given at their addresses registered with the CSD on a date selected by the sending person which falls no more than five (5)

Business Days prior to the date on which the notice or communication is sent, and by either courier delivery (if practically possible) or letter for all Noteholders. A notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

26.1.2 Any notice or other communication made between the Issuer and Agent under or in connection with the Finance Documents shall be sent by way of courier, personal delivery, letter or e-mail and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Condition 26.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Condition 26.1 or, in the case of e-mail, when received in readable form by the recipient.

## 26.2 **Press releases**

26.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Conditions 10.3 (*Voluntary total or partial redemption (time limited call option)*), 10.4 (*Voluntary partial redemption (equity claw)*), 10.5 (*Voluntary or partial redemption (time unlimited call option)*), 10.6 (*Early redemption due to illegality (call option)*), 10.7 (*Mandatory redemption due to a Change of Control Event (put option)*), 10.8 (*Mandatory redemption due to a Listing Failure Event (put option)*), 10.9 (*Mandatory redemption due to a Re-Valuation Event or Dilution Tracking Event (put option)*), 12.1.3, 12.1.7, 18.1, 19.1, 19.3 and 20.2 shall also be published by way of press release by the Issuer.

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

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

27.1 Neither the Agent nor the Paying Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism blockade or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes,

lockouts, boycotts and blockades applies even if the Agent or the Paying Agent itself takes such measures, or is subject to such measures.

- 27.2 Neither the Agent nor the Paying Agent shall have any liability to the Noteholders if it has observed reasonable care. Neither the Agent nor the Paying Agent shall be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 27.3 Should a Force Majeure Event arise which prevents the Agent or the Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 27.4 The provisions in this Condition 27 apply unless they are inconsistent with the provisions of Swedish Financial Instruments Act which provisions shall take precedence.

## **28. GOVERNING LAW AND JURISDICTION**

- 28.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 28.2 The Issuer submits to the non-exclusive jurisdiction of the Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Jersey

Date: 22 October 2021

**CIDRON ROMANOV LIMITED**

as Issuer



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Name : Jamie Purdy



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

Place:

Date:

**INTERTRUST (SWEDEN) AB**  
as Agent



Name

**Kristofer Nivenius**



**Sandra Westman**