



## **Azerion Holding B.V.**

relating to the listing of

**EUR 200,000,000 Senior Secured Fixed Rate Bonds due 2024**

ISIN: SE0015837794

**Sole Bookrunner**

**Pareto**  
Securities

**Prospectus dated 9 December 2021 and valid up until 9 December 2022. The Issuer's obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no long valid**

## IMPORTANT NOTICE:

This prospectus (the "**Prospectus**") has been prepared by Azerion Holding B.V. (the "**Issuer**", or the "**Company**" or together with its direct and indirect subsidiaries unless otherwise indicated by the context, the "**Group**"), a limited liability company incorporated in the Netherlands, having its headquarters located at the address, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with reg. no. 59272449, in relation to the application for the listing of the senior secured fixed rate bonds denominated in EUR (the "**Bonds**") on the corporate bond list on Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394 ("**Nasdaq Stockholm**"). Pareto Securities AB has acted as sole bookrunner in connection with the issue of the Bonds (the "**Sole Bookrunner**"). This Prospectus has been prepared in accordance with the standards and requirements of Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council (the "**Regulation**") and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 and repealing Commission Regulation (EC) No 809/2004.

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") as the competent authority under the Regulation. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the bonds that are subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 48 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Company's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents incorporated by reference in, and any supplements to, this Prospectus. In this Prospectus, references to "**EUR**" refer to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

Investing in bonds is not appropriate for all investors. Each investor should therefore evaluate the suitability of an investment in the Bonds in light of its own circumstances. In particular, each investor should:

- (a) have sufficient knowledge and experience to carry out an effective evaluation of (i) the Bonds, (ii) the merits and risks of investing in the Bonds, and (iii) the information contained or incorporated by reference in the Prospectus or any supplements;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate in the context of its particular financial situation the investment in the Bonds and the impact that such investment will have on the investor's overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks resulting from an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the investor's own currency;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios relating to the economy, interest rates and other factors that may affect the investment and the investor's ability to bear the risks.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on the corporate bond list on Nasdaq Stockholm. This Prospectus may not be distributed in or into any country where such distribution or disposal would require any additional prospectus, registration or additional measures or contrary to the rules and regulations of such jurisdiction. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold outside the United States to purchasers who are not, or are not purchasing for the account of, U.S. persons in reliance upon Regulation S under the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act.

The offering is not made to individuals domiciled in Australia, Japan, Canada, Hong Kong, the Italian Republic, New Zealand, the Republic of Cyprus, the Republic of South Africa, the United Kingdom, the United States (or to any U.S. person), or in any other country where the offering, sale and delivery of the Bonds may be restricted by law.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Company's management or are assumptions based on information available to the Group. The words "**considers**", "**intends**", "**deems**", "**expects**", "**anticipates**", "**plans**" and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Although the Company believes that the forecasts of, or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting the Group's operations. Such factors of a significant nature are mentioned in the section "**Risk factors**" below.

This Prospectus shall be read together with all documents that are incorporated by reference, see subsection "**Documents incorporated by reference**" under section "**Other information**" below, and possible supplements to this Prospectus.

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## Summary

### Introduction and Warnings

#### Introduction and warnings:

This Prospectus (the "**Prospectus**") has been drawn up in relation to the admission to trading of the 200,000 Bonds relating to the EUR 200,000,000 senior secured callable fixed rate bonds due 2024 issued by the Issuer.

This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability can only be imposed on those persons who have put forward the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

#### Legal and commercial name of the Issuer and its ISIN and LEI

The legal and commercial name of the Issuer is Azerion Holding B.V. The Issuer is a limited liability company (NI. *besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands and registered with the trade register of the Dutch Chamber Commerce (NI. *Kamer van Koophandel, afdeling Handelsregister*) and with its registered office at Beechavenue 182, 1119PX, Schiphol-Rijk, the Netherlands. The registered office of the Board of Directors is Beechavenue 182, 1119PX, Schiphol-Rijk, the Netherlands and the Issuer's head quarter is located at Beechavenue 182, 1119PX, Schiphol-Rijk, the Netherlands. The Issuer's legal entity identifier code ("**LEI Code**") is 724500FAF2LMHPRX9R42. The Bonds will be identified by the ISIN SE0015837794.

#### Identity and contact details of the competent authority approving the prospectus

Finansinspektionen, the Swedish Financial Supervisory Authority, has its registered office at Brunnsgratan 3, P.O Box 7821, SE-103 97 Stockholm, with telephone number (+46) (0)8 408 980 00 and email address finansinspektionen@fi.se. Finansinspektionen's webpage is [www.fi.se](http://www.fi.se).

#### Date of approval of the prospectus

Finansinspektionen has in its capacity as competent authority under the Prospectus Regulation, on 9 December 2021, approved this Prospectus.

### KEY INFORMATION ON THE ISSUER

#### Who is the issuer of the securities?

#### Issuer's domicile and legal form, its LEI, the law under which it operates and its country of incorporation

The legal and commercial name of the Issuer is Azerion Holding B.V. The Issuer is a limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands and registered with the trade register of the Dutch Chamber Commerce (*Kamer van Koophandel, afdeling Handelsregister*) under reg. no. 59272449 and having its registered office at Beechavenue 182, 1119PX, Schiphol-Rijk, the Netherlands. The Issuer's LEI Code is 724500FAF2LMHPRX9R42. The Issuer is subject to regulations such as, inter alia, the Netherlands Book 2 of Dutch Civil Code.

#### Principal activities of the Issuer/Group

The Issuer together with its direct and indirect subsidiaries from time to time (the "**Group**"), is a digital entertainment and media platform. The Group has shifted from focusing solely on casual and social gaming in recent years to expand along the value chain to engage in digital advertising. At 30 June 2021, the Group had a portfolio that consisted of more than 16,000 game titles and more than 2,000 game portals. The Group was founded in 2014 and have through a high acquisition activity

grown rapidly and has completed more than 40 acquisitions since 2014. The Group currently employs over 1000 employees across its 26 global offices.

## Major shareholders

Principion Holding B.V. ("**Principion**") has a shareholding of 90.71 % of the shares in the Issuer, and Principion is in turn owned by the founders of the Group, Atilla Aytekin (36.25 % of the shares and votes in Principion), Umut Akpinar (36.25 % of the shares and votes in Principion), Yerhan Erbas (20.00 % of the shares and votes in Principion) and Salih Hikmet Cosgun (7.50 % of the shares and votes in Principion). The remaining 9.29 % of the shares in the Issuer are owned by Stichting Administratiekantoor Azerion Holding.

The shares of the Issuer are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Issuer had an issued share capital of EUR 1,175.63 divided into 117,563 shares.

## Executive Management

The Executive Management consists of a team of six people. Atilla Aytekin (Group CEO), Umut Akpinar (Group CEO), Maria del Dado Alonso Sanchez (Group CFO), Joost Merks (Group CIO) and Sebastiaan Moesman (Group CRO).

## Auditor

PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam, the Netherlands, is the Issuer's auditor since 2019. Wouter Poot is the auditors who is responsible for the entire period covering the financial information incorporated in this Prospectus. Wouter Poot is a State Authorized Public Accountant in the Netherlands and a members of the professional body Royal Nederlandse Beroepsorganisatie van Accountants, the professional institute for the accountancy sector in the Netherlands.

## What is the key financial information regarding the Issuer?

### Financial information

The table below sets out a summary of the key financial information extracted from the Issuer's financial report for the period ending 31 December 2019 and 31 December 2020 (in EUR).

Condensed income statement		
	2020	2019
Total operating profit/loss	3,848,966	1,966,362
Condensed balance sheet		
Net financial debt (long term debt plus short term debt minus cash)	79,289,483	61,189,557
Condensed cash flow statement		
Cash flow from operating activities	19,552,400	6,475,636
Cash flow from financing activities	3,623,089	31,136,998
Cash flow from investment activities	22,661,371	16,197,019

### Audit qualifications

There are no qualifications in the audit reports pertaining to the Issuer's annual financial statements for the financial year ending 2020 and 2019.

## What are the key risks that are specific to the Issuer?

### Acquisition risk

As part of the Group's growth strategy, the Group considers the acquisition of other companies, assets or similar that either complement or expand the Group's existing business and create economic value. The Group cannot assure that it will be able to consummate any such transactions or that any future acquisitions will be consummated at acceptable prices and terms. In addition, the Group may not be able to successfully (further) integrate (future or historical) acquisitions without substantial costs, delays or other problems ultimately affecting the Group's business, earnings and results of operations.

**Risks related to handling of personal data and GDPR**

The Group is handling data that may relate to an identified or identifiable natural person, i.e. data subject, and therefore qualifies as personal data in the meaning of the European General Data Protection Regulation or other applicable legislation or regulations. Failure to comply with data protection and privacy obligations may result in financial penalties imposed by Data Protection Authorities, regulatory oversight, significant brand and reputational damage, legal action (class action or breach of contract) and shareholder divestment.

**Risks related to intellectual property**

The Group operates in a business segment that makes it dependable on copyright, trademark, industrial design, trade secrets and other related laws as well as contractual provisions and internal confidentiality procedures to protect, maintain and enforce its proprietary technology and intellectual property rights ("IPR"), and it will therefore rely on such in all jurisdictions it may operate in in the future. Due to differences in foreign trademark, trade dress, copy right, protection of trade secrets and other laws concerning intellectual property rights, the Group's IPR may not receive the same degree of protection in new jurisdictions as it does in the jurisdiction where the Group currently is protected, or it may not receive protection at all. The Group's failure to process, obtain or maintain adequate protection of its IPR, or defend itself from IPR infringements for any reason in any current or new jurisdictions may have a material adverse effect on its business, results of operations and financial condition.

**Customer behaviour**

The sales of the Group's products and services are dependent upon the buying power, purchase patterns, preferred entertainment forms and/or advertising solutions of its end customers. Changes in customers' strategies or purchasing patterns may adversely affect the Group's net sales. A portion of the Group's revenue from its games comes from the sale and/or online auctions of advertisements. If the Group is unable to attract and maintain a sufficient user base or otherwise fails to offer attractive advertising models and/or auction tech platforms, advertisers may not be interested in purchasing advertisements in the Group's games and/or network and publishers may not be interested in selling advertisement space through the Group's monetization tech solutions, which would have a material adverse effect on the Group's sales, earnings and financial position.

**KEY INFORMATION ON THE SECURITIES**

**What are the main features of the securities?**

**Governing law, type, class and ISIN**

The Terms and Conditions of the Bonds are governed by Swedish law. The Bonds are senior secured fixed rate callable bonds with ISIN: SE0015837794.

**Currency, denomination, par value, the number of securities issued and the term of the securities**

The Bonds are denominated in EUR. The Nominal Amount of each Bond is EUR 1,000 and the minimum permissible investment in the Bond Issue is EUR 100,000. The Issuer has issued a total of 200,000 bonds in an aggregate amount of EUR 200,000,000. The final maturity date of the Bonds is 28 April 2024.

**Rights attached to the securities**

Any request from the Issuer or a Bondholder (or Bondholders) 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 Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent.

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

The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with the Terms and Conditions.

**Ranking** The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except (A) those obligations which are mandatorily preferred by law and (B) the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement, if any.

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

**Payout policy** The Bonds Interest Payment Dates are quarterly each year 28 January, 28 April, 28 July and 28 October commencing on 28 July 2021. Interest will accrue from (but excluding) the Issue Date. The last interest payment date shall be the Final Maturity Date of 28 April 2024 (or such earlier date on which the Bonds are redeemed in full). The Bonds carry an interest of 7.25 per cent. *per annum*.

### **Where will the securities be traded?**

**Trading** The Bonds will be admitted to trading on the regulated market of Nasdaq Stockholm Corporate Bond List or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

### **Is there a guarantee attached to the securities?**

**Nature and scope of the guarantee** The Guarantors (as defined below) have agreed to jointly and severally guarantee the full and punctual payment and performance of all Secured Obligations, including the payment of principal and interest under the Senior Finance Documents (as defined in the Issuer Intercreditor Agreement as defined below) when due, whether at maturity, by acceleration, by redemption or otherwise, and interest on any such obligation which is overdue, and of all other monetary obligations of the Issuer to the Secured Parties under the Senior Finance Documents.

**Guarantors** The Issuer's obligations under the Bonds are jointly and severally guaranteed by each of:

- Azerion Games en Content Holding B.V a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 76432874 and its LEI Code is 9845004F6CF998711131;
- Azerion Tech Holding B.V. a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 76432572 and its LEI Code is 9845006A06OB45691A19;
- Azerion International Holding B.V. a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 76432998 and has no LEI Code;
- Azerion Sweden SB AB a limited liability company incorporated in Sweden, registered with the Swedish Companies Registration Office with reg. no. 556782-9261 and has no LEI Code;
- Youda Games Holding B.V. a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 54136369 and has no LEI Code;
- Voidu B.V. a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 67876153 and has no LEI Code;
- SPIL GAMES Group B.V. a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 32081488 and has no LEI Code;
- Yoki Network Holding B.V., a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 17245693 and has no LEI Code; and

- Keygames Network B.V., a limited liability company incorporated in the Netherlands, registered in the trade register of the Dutch Chamber of Commerce with reg. no. 14077784 and has no LEI Code,
- Whow Games GmbH, a limited liability company incorporated in Germany, registered in the commercial register of the local court of Hamburg with reg. no HRB 126959 and has no LEI Code, each a "**Guarantor**" and jointly the "**Guarantors**".

Considering the high level of guarantee coverage, with a majority of the Group's subsidiaries guaranteeing the obligations under the bonds, key financial information for the purpose of assessing the Guarantor's ability to fulfil its commitments under the guarantee should be obtained from the Issuer's consolidated financial statements.

## Material risk factors pertaining to the Guarantors

### Risks relating to the guarantees

Although the Group's obligations towards the bondholders under the Bonds are guaranteed, there is risk that any enforcement of claims under the guarantees would be insufficient to satisfy all amounts owed to the bondholders at the time of enforcement. Furthermore, the guarantors are not restricted from granting any additional guarantees. If the guarantors were to guarantee any other obligations, there is a risk that guarantees granted towards the current bondholders would be impaired.

If the Issuer were to be unable to make repayments under the Bonds, there is a risk that the bondholders would find it difficult or impossible to recover the amounts owed to them under the Bonds. There is a risk that the guarantees granted in respect of the Bonds will be insufficient in respect of any of the Issuer's obligations under the Bonds in the event the Issuer becomes insolvent.

The validity and enforceability of any guarantees entered into by a Dutch guarantor may be affected or limited by Dutch law rules of general application now or hereafter in force including (but not necessarily limited to) applicable insolvency laws, ultra vires limitations (*doeloverschrijding*), fraudulent preference (*actio pauliana*), and/or claims based on tort (*onrechtmatige daad*).

## What are the key risks that are specific to the securities?

### Risks relating to the transaction security

Although the Group's obligations towards the bondholders under the Bonds are secured, there is a risk that the proceeds of any enforcement sale of the pledged shares or that the sums of money of the pledged intra-group loans will not be sufficient to satisfy all amounts owed to the bondholders.

According to the Terms and Conditions the Issuer may issue subsequent Bonds and the holders of such Bonds will become bondholders entitled to share the security granted to the existing bondholders. There is a risk that the issue of subsequent Bonds will have a material adverse effect on the value of the security granted to the bondholders.

The bondholders are represented by Nordic Trustee & Agency AB (publ) as security agent (the "**Security Agent**") in all matters relating to the transaction security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security.

If a subsidiary is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, there is a risk that the secured assets would then have limited value because all of the subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for bondholders to claim. As a result, there is a risk that bondholders will not recover the full value (or any value in the case of an enforcement sale) of the shares. In addition, there is a risk that the value of the secured assets will decline over time.

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



In addition, there is a risk that any enforcement could be delayed due to any inability to sell the security assets in a timely and efficient manner.

In relation to shares in the share capital of Dutch entities, it should be noted that enforcement and sale generally takes a significant amount of time, and there is a risk that proceeds remain limited due to an inability to create sufficient demand (market) for the shares within such a brief period of time.

## **KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET**

### **Under which conditions and timetable can I invest in this security?**

**Details of the admission to trading on Nasdaq Stockholm** This Prospectus has been prepared for the admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm (or another Regulated Market). This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Bonds.

**Listing costs** The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 450,000.

**Expenses charged to the Bondholders by the Issuer** No costs will be borne by the Bondholders.

### **Why is this Prospectus being produced?**

**Reason for the admission to trading on a Regulated Market** This Prospectus has been prepared to enable the Bonds to be admitted to trading on the corporate bond list of Nasdaq Stockholm (or another Regulated Market) which is a requirement from the Bondholders and as set out in the Terms and Conditions.

**Use of proceeds** The Issuer has used the proceeds from the issuance of the Bonds to (i) refinance the Existing Bonds, (ii) finance the Acquisitions and any Eligible Acquisition and (ii) finance general corporate purposes of the Group, including capital expenditure and acquisitions.

The Issuer will further use the proceeds from the issuance of the Bonds to finance (i) any finance Eligible Acquisition and (ii) general corporate purposes of the Group, including capital expenditure and acquisitions.

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

## Risk Factors

*Risk factors deemed to be of importance for Azerion Holding B.V., reg. no. 59272449 (the "Issuer"), and its subsidiaries (together with the Issuer the "Group" and each a "Group Company") the Group's business and future development and risks relating to the Issuer's senior secured fixed rate bonds with ISIN SE0015837794 (the "Bonds") are described below. The risk factors presented below are categorised as "RISKS RELATING TO THE GROUP" or "RISKS RELATING TO THE BONDS" on the basis of whether they pertain to the Group or to the Bonds. The risk factors categorised as "RISKS RELATING TO THE GROUP", are categorised as risk factors pertaining to the Group and not as risk factors pertaining to the Issuer, as the major part of the business operations of the Group are conducted by the Issuer's subsidiaries. The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of low, medium or high. The assessment of the materiality of the risk factors have been based on the probability of their occurrence and the expected magnitude of their negative impact.*

### RISKS RELATING TO THE GROUP

#### Risks related to competition and inadequate market adaption

*Medium level risk*

##### Coronavirus disease (COVID-19) risks

The 2019 novel coronavirus ("COVID-19") outbreak is currently having an indeterminable adverse impact on the world economy. COVID-19 was reportedly first discovered in Wuhan, Hubei Province, China, in 2019, and the World Health Organization declared COVID-19 a pandemic on 11 March 2020. The COVID-19 outbreak has become a widespread health crisis, which may in turn result in protracted volatility in international markets and/or result in a global recession as a consequence of disruptions to travel and retail segments, tourism, and manufacturing supply chains. In particular, in February to April 2020 the COVID-19 outbreak caused stock markets worldwide to lose significant value and impacted economic activity worldwide. The trading price of the Bonds may therefore be adversely affected by the economic uncertainty caused by COVID-19. Furthermore, there is a risk that the Group's ability to generate revenue will be adversely affected by the COVID-19 outbreak.

Following the outbreak of COVID-19 the activity of the userbase in the Group's gaming segment has increased, as a consequence of lock-down measures causing people in affected areas to stay more in-doors. The increase in activity included, more new users, higher activity amongst users and increased spending of users and although the initial effects of COVID-19 on the gaming segment has been positive, this trend may change in the future if the Group is not able to provide high quality content to retain the users and keep them spending on the Group's different platforms. The Group has, since the peak activity among users during COVID-19, seen a slow normalisation of user activity back to pre-COVID-19 levels. Further, the effects of the outbreak of COVID-19 on the Group's monetization tech segment is that its customers have reduced their advertisement budgets. The Group has, since the bottom and the lowest levels of advertising during COVID-19, seen a slow increase in activity within the Monetization tech segment. The initial effects of the COVID-19 led to a decreased activity among advertisers and ad-buyers on the Group's platforms which have had a negative effect on the Group's revenues and the negative spiral may continue.

*Medium level risk*

### **Customer behaviour**

The sales of the Group's products and services are dependent upon the buying power, purchase patterns, preferred entertainment forms and/or advertising solutions of its end customers. Changes in customers' strategies or purchasing patterns may adversely affect the Group's net sales. A portion of the Group's revenue from its games comes from the sale and/or online auctions of advertisements. If the Group is unable to attract and maintain a sufficient userbase or otherwise fails to offer attractive advertising models and/or auction tech platforms, advertisers may not be interested in purchasing advertisements in the Group's games and/or network and publishers may not be interested in selling advertisement space through the Group's monetization tech solutions, which would have a material adverse effect on the Group's sales, earnings and financial position.

*Medium level risk*

### **Dependence on paying players and risk related to "cheats"**

The Group's games are mainly available to users for free, and the Group generates revenue from the games, *inter alia*, when users make in-app purchases while playing a game as well as from in-app and/or in game advertising. Paying users usually spend money in the Group's games because of the perceived value of the virtual goods and/or services that the Group offers for purchase. This value is dependent on the relative ease of securing an equivalent good via non-paid levels within the game. The perceived value of these virtual goods and/or services can be impacted by various actions that the Group takes in the games, such as offering discounts for virtual goods and/or services, giving away virtual goods and/or services in promotions or providing easier non-paid means to secure these virtual goods and/or services. Unrelated third parties have developed, and may continue to develop "cheats" or guides that enable users to advance in the Group's games or other types of malfunction which could reduce the demand for i.a. in-app virtual goods and/or services. If the Group fails to manage its gaming economies properly, or fails to protect the Group's games against cheats or malfunction, users may be less likely to spend money in the games, which would have a material adverse effect on the Group's future prospects and ability to generate earnings.

*Low level risk*

### **Risks related to competitive landscape**

The Group faces competition from a large number of existing competitors, as well as potential new competitors, and is dependent on its ability to successfully compete in the highly competitive market. The Group's competitors may adapt to an emerging technology or business model more effectively, develop games, products or business models superior to the Group's and/or more appealing to consumers. Potential new competitors may have significant resources for developing or acquiring games and gaming companies, and on the other hand smaller companies and individuals may with relatively limited resources or expertise be successful in creating and launching games and other content in competition with the Group's businesses. There is a risk that any failure to respond to such competition would have a material adverse effect on the Group's business and result of operation.

The Group is not only competing with other providers of online and mobile games with its range of products and services, but also with other providers in the entertainment industry such as providers of console games and so-called social media providers as well as traditional, non-computer-supported forms of games (offline), TV entertainment, film and television. Although the market for online and mobile games has been growing in recent years, it cannot be ruled out that other forms of entertainment will again be increasingly preferred by customers over online and mobile games in the future. The Group's possibility to compete depends upon the Group's ability to anticipate future market changes and trends and to rapidly react on existing and future market needs. The success of the Group depends on identifying new trends and developments in good time, constantly improving existing online and mobile games as well as platform services, including new games and platform services in the product range in good time. There is a risk that any failure to attract and obtain players and meet changing player and market demands would have a material adverse effect on the Group's business and future prospects which could ultimately effect the Group's financial position and earnings.

## **Risks related to regulatory non-compliance**

*Medium level risk*

### **Risks related to handling of personal data and GDPR**

The Group is handling data that may relate to an identified or identifiable natural person, i.e. data subject, and therefore qualifies as personal data in the meaning of the European General Data Protection Regulation ("**GDPR**") or other applicable legislation or regulations. The Group processes or might process these personal data as part of its business. The Group is liable for incorrect processing of the personal data and damages caused by unauthorized processing and disclosure of personal data. The Group recognizes the importance of adhering to applicable data protection and privacy laws and regulations, and has therefore established an in-house data protection officer unit. Failure to comply with data protection and privacy obligations may result in financial penalties imposed by Data Protection Authorities, regulatory oversight, significant brand and reputational damage, legal action (class action or breach of contract) and shareholder divestment.

GDPR sets out significant financial penalties that can be imposed on the Group as the result of any non-compliance with the GDPR. Unauthorized disclosure of any such information may damage the Group's brand and/or reputation. Further, this may also lead to customers attempting to cancel ongoing agreements with the Group and/or affect the Group's ability to retain current customers and/or attract new customers. There is a risk that a data breach event would damage the Group's reputation and also have a material adverse effect on the Group's business.

Further, the Court of Justice of the European Union (the "**CJEU**") delivered its ruling on 16 July 2020 in the Schrems II-case, pursuant to which the CJEU invalidated the Commission's adequacy decision 2016/1250 for the EU-US Privacy Shield Framework and the Commission decision 2010/87 on standard contractual clauses. On 11 November 2020, The European Data Protection Board adopted recommendations on measures that supplement transfer tools to ensure compliance with the EU level of protection of personal data. Azerion has been analysing the effects of these recommendations and new draft standard contractual clauses on its operations, also engaging external legal advisors to assist in this matter in order to take adequate measures to be fully

compliant with the regulatory rules. In general, the developments of this CJEU decision has created some ambiguity in the market. If the developments of this CJEU decision were to be negative for the market, it may have a negative effect on the Group's monetization tech operations as well, which could result in decreased revenues from the monetization tech segment.

There is also the risk that third parties may obtain and use customer-related data or other information by circumventing the internal security systems which is part of the Issuer's business secrets. Should data from customers not be properly handled, for example as a result of misconduct on the part of employees or commissioned persons or companies or as a result of unlawful access, or should other doubts arise as to the security of the data collected and managed by the Issuer, this may impair the reputation of the Issuer and thus of the entire Group in the public eye and in particular result in players refraining from making use of the Group's services which would have a material adverse effect on the Group's business, financial position and result of operation

*Low level risk*

### **Violation of legal framework conditions, consumer protection, protection of minors and licensing law**

The regulation of online gaming and digital advertisement may be subject to changes which could impact the Group's financial performance. For a number of people, gaming can become a problem, and advertising of gaming and services and other marketing activities may be subject to more regulatory restrictions relating to inter alia, content, targeting and placement of adverts, to protect minors and other vulnerable members of the public. New legislation is continually introduced, and litigation and regulatory enforcement actions are taking place, which may add development and administrative costs and affect the way in which the Group offers content and features, distributes and markets its products and its ability to profit from its monetization strategy.

The Group is active in the online gaming and digital advertisement market, which is subject to extensive regulation in many countries. Regulatory decisions, publications and changes in legislation may impact the Group's operations and the possibility to provide or market its services in specific countries. Regulatory decisions may also have an indirectly adverse effect by restricting customers' use of gaming websites, or by for example requiring financial institutions to prevent transactions between customers and gaming operators.

The adoption and enforcement of legislation or self-regulation by the industry that restricts the marketing, content, business operating model or sales of the Group's products in countries in which the Group operates may adversely affect the Group by limiting the products and/or services the Group is able to provide to its customers and the size of the potential market. The growth and development of digital commerce and virtual goods may prompt call for more stringent consumer protection laws or app store platform policies that may impose additional burdens or limitation on the operations of companies such as the Group conducting business through the internet and mobile devices. The Group is subject to laws and regulations relating to protection of minors, consumer privacy, accessibility, advertising, taxation, payments, intellectual property, distribution and antitrust among others. In addition, existing or new laws and government regulations regarding the Group's business, regulation of currency, banking institutions, virtual currencies and money laundering may be interpreted to cover virtual goods and/or services, which could negatively affect

the way the Group develops its content, markets its products and benefits from user monetization as costs could increase, revenues could decrease and changes could be implemented to the Group's business. There is a risk that a failure to comply with the applicable rules and regulations in each jurisdiction, including industry codes of socially responsible conduct, would result in fines and other penalties as well as negatively affect the Group's reputation, which would have a material adverse effect on the Group's business and result of operation.

## **Risks related to IT and Intellectual property**

*Medium level risk*

### **Risk related to cyber security and dependence on third parties**

The Group is increasingly exposed to cyber security related risks. The Group relies on the continued function of its IT and communications systems, including services provided by third-party Internet, data center and cloud service providers. If the Group experiences material disruptions in its IT or communications systems, including due to its third-party service providers experiencing connectivity or capacity problems causing the third-party services to be unavailable for periods of time or disruptions in their communications networks, the game playing experience would be affected and could cause the loss or corruption of game data, among other negative consequences such as, but not limited to, negative publicity and the Group will not be able to claim any damages for loss of profits or anticipated profits from such third-party service providers. A security breach could affect the advertisement part of the business as well and harm (external) digital advertisement platforms, publishers and cause (consequential) damages to the Group's reputation, third parties, end users etc.

This exposes the Group's IT-systems and personnel as potential targets for threats ranging from insiders misusing legal accesses to external threats like hackers and others trying to exploit the data the Group is processing for financial gain or collecting of information for other illegal purposes. There is a risk that customers of the Group or third parties may attempt to prevent or negatively influence the use of the online and mobile games and platform services offered by the Group by using fraud software, hacking and/or other unfair activities such as distributed denial of service attacks (DDOS) and/or to provide participants with advantages over other players within the scope of the games. Furthermore, there is a risk that service lines will fail and the corresponding services will no longer be made available or will be interrupted up to a loss of control over the Group's infrastructure. As a provider of online and mobile games and platform services, the Group is also exposed to the risk that the games distributed on the respective platforms may be illegally copied and offered on other platforms. If games are played on platforms other than those operated by the Group or are played in counterfeit games, the Group cannot guarantee that this can be switched off or prevented with the result that income will be lost. There is a risk that the Group failing to prevent any disruptions and/or external threats like hackers, could have a have a material adverse effect on the Group's earnings and business and ultimately have an effect on the financial position of the Group.

*Medium level risk*

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

The Group operates in a business segment that makes it dependable on copyright, trademark, industrial design, trade secrets and other related laws as well as contractual provisions and internal confidentiality procedures to protect, maintain and enforce its proprietary technology and intellectual property rights, and it will therefore rely on such in all jurisdictions it may operate in in the future. Due to differences in foreign trademark, trade dress, copy right, protection of trade secrets and other laws concerning intellectual property rights, the Group's IPR may not receive the same degree of protection in new jurisdictions as it does in the jurisdiction where the Group currently is protected, or it may not receive protection at all. The Group's failure to process, obtain or maintain adequate protection of its IPR for any reason in any current or new jurisdictions may have a material adverse effect on its business, results of operations and financial condition.

There is a risk that the Group's IPR infringes on intellectual property rights of third parties in the jurisdictions where the Group currently is active or in the jurisdictions where the Group intends to expand its business in the future. Even allegations of infringements of the Group's IPR by third party intellectual property right holders might cause the Group to reconsider entering or pursuing business in the affected jurisdiction and the Group may not have sufficient financial resources to organise the defence for any such infringing activity. If suit is brought, there can be no assurances that the Group will be successful. The Group's failure to protect its intellectual property rights and expenses related thereto may adversely impact the Group's operations, competitiveness or reputation and thus its financial performance.

There is a risk that the Group's IPR is infringed by third parties, and there can be no assurance that the Group will successfully prevent or restrict infringing activities. The cost incurred in bringing or defending infringement actions may be substantial, regardless of the merits of the claim, and an unsuccessful outcome for the Group may result in royalties or damages payable and/or the Group being required to cease the use of a part of its IPR or embodiments of such IPR. If the defence by the Group is unsuccessful and the Group cannot stop the infringement of the Group's IPR by the third party, the Group may not be able to develop or obtain (on favorable terms or at all) alternative non-infringing intellectual property rights.

Because the Group's IPR constitutes a large part of the Group's business, its ability to be a strong competitor in the market it operates depends, among other things, on its ability to protect, register and enforce (as appropriate) its intellectual property. Pursuit of substantial financial resources, and the Group may not have sufficient financial resources to pursue any such infringing activity. If suit is brought, there can be no assurances that the Group will be successful. There is a risk that the Group's failure to protect its IPR and expenses related thereto would have a material adverse effect on the Group's competitiveness and ability to generate earnings which could affect the Group's business and financial position.

*Low level risk*

### **Risks related to gaming errors and flaws**

The Group's games have contained, and may in the future contain, errors or flaws that are not detected until after the release of such game or game update, regardless of the Group's extensive quality assurances review process. Any such errors could harm the overall game playing experience for users of the Group's games, which could cause users to reduce their playing time or in-app

purchases in the games, discontinue playing the Group's games altogether or not recommend the Group's games to others. Such errors could also result in the Group's games being non-compliant with applicable laws or create legal liability for the Group. In addition, vulnerabilities in the design of the Group's games and the platforms upon which they run could be discovered after their release, which may result in a decrease in revenues from paying users or increased cost of developing technological measures to respond to these challenges. There is a risk that resolving such errors also could disrupt the Group's operations, cause the Group to divert resources from other projects, which would have a material adverse effect on the Group's future prospects and earnings.

## **Risks related to internal management and business strategy**

*High level risk*

### **Acquisition risks**

As part of the Group's growth strategy, the Group considers the acquisition of other companies, assets or similar that either complement or expand the Group's existing business and create economic value. The Group may fail to identify or acquire suitable acquisition candidates or investment opportunities or make unsuitable acquisitions, which may lead to the potential impairment of acquired intangible assets and goodwill or could otherwise impair its ability to achieve its strategic growth objectives, including its financial targets and objectives.

The Group continually evaluates potential acquisition opportunities in the ordinary course of business, including those that could be material in size and scope. Acquisitions involve a number of special risks, including (i) the diversion of management's attention and resources to the assimilation of the acquired companies and their employees and to the management of expanding operations, (ii) the incorporation of acquired products into the Group, (iii) problems associated with maintaining relationships with employees and customers of acquired businesses, (iv) the increasing demands on the Group's operational systems, (v) ability to integrate and implement effective disclosure controls and procedures and internal controls for financial reporting within allowable time frames, (vi) possible adverse effects on the Group's reported operating results, particularly during the first several reporting periods after such acquisitions are completed; and (vii) the loss of key employees and the difficulty of presenting a unified corporate image.

The Group has an in-house M&A team focusing on, business, financial and legal aspects in connection with acquisitions or divestments, and for larger and more complex transactions the Group customarily engages external legal and financial advisors as necessary. Despite such aforementioned measures, the Group may in connection with an acquisition or divestment, become responsible for unexpected liabilities that the Group failed or was unable to discover in the course of performing due diligence in connection with historical acquisitions and any future acquisitions and indemnification rights which have been obtained, or will in the future be obtained, may not be enforceable, collectible or sufficient in amount, scope or duration to fully offset the possible liabilities associated with the business or property acquired. Any of these liabilities, individually or in the aggregate, would, if materialised, have a material adverse effect on the Group's businesses, products, prospects, financial condition and results of operations.



In addition, the Group may not be able to successfully (further) integrate (future or historical) acquisitions without substantial costs, delays or other problems. The costs of such integration could have a material adverse effect on the Group's operating results and financial condition. Furthermore, the Group may not realize all of the cost savings and synergies it expects to achieve from the Group's current strategic initiatives due to a variety of risks, including, but not limited to, difficulties in integrating shared services with the Group's business, higher than expected employee severance or retention costs, higher than expected overhead expenses, delays in the anticipated timing of activities related to the Group's cost-saving plans and other unexpected costs associated with operating the Group's business. The Group being unable to achieve the cost savings or synergies that it expects to achieve from the Group's strategic initiatives, would have a material adverse effect on the Group's business, financial position and result of operation.

*Medium level risk*

### **Monetization tech risks**

The monetization tech segment of the Group's operations allows advertisers and publishers to purchase marketing slots on the Group's platforms. Online marketing of this kind is a mass product but with a high degree of customization. Due to the nature of the product the Group's contracts with advertisers and publishers typically extend over a short period of time and do not contain provisions on minimum volumes of ads to be purchased during the tenor of the contracts, as is customary in the industry for these types of products. The contracts may be terminated with relatively short notice for unqualified reasons and such termination by an advertiser or publisher does not warrant any compensation to the Group for loss of revenue. The short contract lengths combined with the contracts being relatively easy to terminate and not containing minimum volumes may cause advertisers and publishers to not renew, or terminate, their contracts on short notice and take their business to a competitor of the Group. As a result, advertisers and publishers may partially or completely stop purchasing ads without the Group being entitled to any compensation or generating any income in this segment which will have an adverse effect on the Group's earnings and results of operations.

*Medium level risk*

### **Dependency on third parties**

The Group relies in part on various third parties to successfully run its business. The success of the Group's distribution platforms is dependent on its ability to offer users and business partners sufficiently attractive gaming and other content owned by third parties through its distribution platforms. In addition, the Group relies in part on third-party platforms to distribute its owned premium games to users and to collect payments from users.

If the Group fails to maintain its relationships with these content owners or platforms, if the Group's revenue-sharing arrangements with these content owners or platforms change to the Group's detriment, or if such third-party platforms restrict or ban the Group from providing its services, the Group's business, financial condition and results of operations may be materially and adversely affected.

*Low level risk*

### **Dependence on management and key employees**

The Group's success is driven through and dependent on its ability to recruit, train and retain a focused management team and skilled specialist employees, particularly operational and technical personnel. There is a risk that failure to hire and retain key employees or to integrate new talent to supplement the existing team and failure of the Group's management team and (key) employees to comply with (local) laws and regulations. There is a risk that the Group's failure to protect its IPR and expenses related thereto would have a material adverse effect on the Group's business, financial position and result of operation.

## **RISKS RELATING TO THE BONDS**

### **Risks related to the nature of the bonds**

*Medium level risk*

#### **Put options**

According to the terms and conditions for the Bonds (the "**Terms and Conditions**"), the Bonds are subject to prepayment at the option of each bondholder (put options) if (i) an event or series of events occur whereby one or more persons, not being the Main Shareholder (as defined in the Terms and Conditions) (or an Affiliate thereof), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 50.0 per cent of the shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer, or (c) following an initial public offering of shares in the Issuer, after which such shares shall be quoted, listed, traded or otherwise admitted to trading on a regulated market or unregulated market, the occurrence of an event or series of events whereby the Issuer's shares are delisted from a Regulated Market (as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended). There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which would have a material adverse effect on the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus have a material adverse effect on all bondholders and not only those that choose to exercise the option.

*Medium level risk*

#### **Risks related to early redemption**

Under the Terms and Conditions, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the bondholders have the right to receive an early redemption amount which exceeds the nominal amount in accordance with the Terms and Conditions. However, there is a risk that the market value of the Bonds is higher than the early redemption amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the

interest rate on the Bonds. It is possible that the Issuer, in the event of a mandatory prepayment, will not have sufficient funds to carry out the required redemption of Bonds.

## **Risks related to security**

*Medium level risk*

### **Risks related to intercreditor arrangement**

The Issuer may in the future, together with certain of its subsidiaries, incur debt under a super senior working capital facility (the "**Super Senior Working Capital Facility**") and request that the Bondholders (represented by Nordic Trustee & Agency AB (publ)) enters into an intercreditor agreement with the Issuer, the creditors in respect of the Super Senior Working Capital Facility and the Hedging Agreements and any provider of New Debt (each as defined in the intercreditor term sheet appended to the Terms and Conditions). Any Super Senior Working Capital Facility and the Hedging Agreements will, following the entering into of an intercreditor agreement, rank senior to the Bonds and there is a risk that the proceeds from an enforcement sale of the security assets will not be sufficient to repay any amounts under the Bonds

*Medium level risk*

### **Risks relating to the guarantees**

Although the Group's obligations towards the bondholders under the Bonds are guaranteed, there is risk that any enforcement of claims under the guarantees would be insufficient to satisfy all amounts owed to the bondholders at the time of enforcement. Furthermore, the guarantors are not restricted from granting any additional guarantees. If the guarantors were to guarantee any other obligations, there is a risk that guarantees granted towards the current bondholders would be impaired.

If the Issuer were to be unable to make repayments under the Bonds, there is a risk that the bondholders would find it difficult or impossible to recover the amounts owed to them under the Bonds. There is a risk that the guarantees granted in respect of the Bonds will be insufficient in respect of any of the Issuer's obligations under the Bonds in the event the Issuer becomes insolvent.

The validity and enforceability of any guarantees entered into by a Dutch guarantor may be affected or limited by Dutch law rules of general application now or hereafter in force including (but not necessarily limited to) applicable insolvency laws, ultra vires limitations (*doeloverschrijding*), fraudulent preference (*actio pauliana*), and/or claims based on tort (*onrechtmatige daad*).

*Medium level risk*

### **Risks relating to the transaction security**

Although the Group's obligations towards the bondholders under the Bonds are secured, there is a risk that the proceeds of any enforcement sale of the pledged shares or that the sums of money of the pledged intra-group loans will not be sufficient to satisfy all amounts owed to the bondholders.

According to the Terms and Conditions the Issuer may issue subsequent Bonds and the holders of such Bonds will become bondholders entitled to share the security granted to the existing bondholders. There is a risk that the issue of subsequent Bonds will have a material adverse effect on the value of the security granted to the bondholders.

The bondholders are represented by Nordic Trustee & Agency AB (publ) as security agent (the "**Security Agent**") in all matters relating to the transaction security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security.

If a subsidiary is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, there is a risk that the secured assets would then have limited value because all of the subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for bondholders to claim. As a result, there is a risk that bondholders will not recover the full value (or any value in the case of an enforcement sale) of the shares. In addition, there is a risk that the value of the secured assets will decline over time.

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

In addition, there is a risk that any enforcement could be delayed due to any inability to sell the security assets in a timely and efficient manner.

In relation to shares in the share capital of Dutch entities, it should be noted that enforcement and sale generally takes a significant amount of time, and there is a risk that proceeds remain limited due to an inability to create sufficient demand (market) for the shares within such a brief period of time.

*Low level risk*

### **Security over assets granted to third parties**

Subject to certain limitations from time to time, the Issuer may incur additional financial indebtedness and provide additional security for such indebtedness. If security is granted in favour of a third party debt provider, the bondholders will, in the event of bankruptcy, re-organisation or winding-up of the Issuer, be subordinated in right of payment out of the assets being subject to security provided to such third party debt provider. In addition, if any such third party debt provider holding security provided by the Group were to enforce such security due to a default by any member of the Group under the relevant finance documents, there is a risk that such enforcement would have a material adverse effect on the Group's assets, operations and, ultimately, the financial position of the bondholders.

### **Risks related to the bondholders' rights and representation**

*Low level risk*

### **No action against the Issuer and bondholders' representation**

In accordance with the Terms and Conditions, the Agent represents all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that an individual bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions), which would have a material adverse impact on an acceleration of the Bonds or other action against the Issuer.

To enable the Agent to represent bondholders in court, the bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could have a negative effect on the legal proceedings. Under the Terms and Conditions, the Agent have in some cases the right to make decisions and take measures that bind all bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a bondholder's rights under the Terms and Conditions in a manner that is undesirable for some of the bondholders.

*Low level risk*

### **The rights of bondholders depend on the Agent's actions and financial standing**

By subscribing for, or accepting the assignment of, any Bond, each holder of a Bond will accept the appointment of the Agent (being on the first issue date Nordic Trustee & Agency AB (publ)) to act on its behalf and to perform administrative functions relating to the Bonds. The Agent has, among other things, the right to represent the bondholders in all court and administrative proceedings in respect of the Bonds. However, the rights, duties and obligations of the Agent as the representative of the bondholders is subject to the provisions of the Terms and Conditions, and there is no specific legislation or market practice in Sweden (under which laws the Terms and Conditions are governed) which would govern the Agent's performance of its duties and obligations relating to the Bonds. There is a risk that a failure by the Agent to perform its duties and obligations properly or at all will have a material adverse effect on the enforcement of the rights of the bondholders.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent with commercially acceptable terms or at all. Further, there is a risk that that the successor Agent would breach its obligations under the above documents or that insolvency proceedings would be initiated against it.

There is a risk that materialisation of any of the above risks will have a material adverse effect on the enforcement of the rights of the bondholders, including the right to receive payments under the Bonds.

*Low level risk*

## **Bondholders' meetings**

The Terms and Conditions include certain provisions regarding bondholders' meetings. Such meetings may be held in order to resolve on matters relating to bondholders' interests. The Terms and Conditions allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting and those who have voted differently from the required majority at a duly convened and conducted bondholders' meeting. Consequently, there is a risk that the actions of the majority in such matters will impact certain bondholders' rights in a manner that is undesirable for some of the bondholders.

## **Risks related to the financial standing of the Group**

*Medium level risk*

### **The Issuer is dependent on its subsidiaries**

The Issuer's operations are focused on managing its subsidiaries and a significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. The subsidiaries ImproveDigital B.V., Sulake OY, Collective Europe Limited, Azerion Sweden SB AB (formerly Sellbranch AB), AdUX S.A., Hi Media Deutschland AG and Azerion Sweden AB (formerly Widespace AB) are the most crucial of the subsidiaries with regards to generated revenue. The Issuer is therefore dependent upon its subsidiaries and the aforementioned subsidiaries in particular in order for its business operations to function from a logistical point of view and, by extension, its whole business operations. As the Issuer's operations are focused on managing its subsidiaries, the Issuer is dependent upon receipt of sufficient income and cash flow related to the operation and ownership of the subsidiaries to enable it to make payments under the Bonds. Consequently, the Issuer is dependent upon the subsidiaries' availability of cash and their legal ability to make dividends, which may from time to time be limited by corporate restrictions and law. The subsidiaries are further legally distinct from the Issuer and have no obligation to make payments to the Issuer of any profits generated from their business. Should the Issuer not receive sufficient income from its subsidiaries, by way of dividends or value transfer from one or more subsidiary, there is a risk that the Issuer will be unable to service its payment obligations under the Bonds and subsequently adversely affect bondholders' ability to receive payment under the Bonds.

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group.

*Low level risk*

### **Refinancing risk**

There is a risk that the Issuer will be required to refinance some or all of its outstanding debt, including the Bonds, in order to be able to continue the operations of the Group. The Issuer's ability to successfully refinance its debt depends on, among other things, conditions of debt capital markets and its financial condition at such time. Even if debt capital markets are open, there is a

risk that the Issuer will not have access to financing on favourable terms, or at all. Should the Issuer be unable to refinance its debt obligations on favourable terms, or at all, it would have a material adverse effect on the Group's financial position and on the bondholders' recovery under the Bonds.

## The Bonds in Brief

The following summary contains basic information about the Bonds. It is not intended to be complete and it is subject to important limitations and exceptions. Potential investors should therefore carefully consider this Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Bonds. For a more complete understanding of the Bonds, including certain definitions of terms used in this summary, see the Terms and Conditions.

<b>Issuer</b>	Azerion Holding B.V.
<b>Bonds Offered</b>	<p>At the date of this Prospectus, an aggregate amount of Bonds of EUR 200,000,000 had been issued on the First Issue Date and this Prospectus relates to the admission of trading of the EUR 200,000,000 Bonds issued on the First Issue Date.</p> <p>The aggregate amount of the bond loan will be an amount of up to a maximum of EUR 300,000,000. The Issuer may choose not to issue the full amount of Bonds on the First Issue Date and may choose to issue the remaining amount of Bonds at one or more subsequent dates.</p>
<b>Number of Bonds</b>	At the date of this Prospectus 200,000 Bonds had been issued on the First Issue Date and this Prospectus relates to the admission to trading of the 200,000 Bonds issued on the First Issue Date.
<b>ISIN</b>	SE0015837794.
<b>First Issue Date</b>	28 April 2021.
<b>Issue Price</b>	All bonds issued on the First Issue Date have been issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
<b>Interest Rates</b>	Interest on the Bonds will be paid at a fixed rate of 7.25 per cent. per <i>annum</i> .
<b>Interest Payment Dates</b>	28 January, 28 April, 28 July and 28 October of each year commencing on 28 July 2021. Interest will accrue from (but excluding) the Issue Date.
<b>Nominal Amount</b>	The Bonds will have a nominal amount of EUR 1,000 and the minimum permissible investment in the Bonds is EUR 100,000.
<b>Status of the Bonds</b>	<p>The Bonds are denominated in EUR and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with the Terms and Conditions.</p> <p>The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer, and:</p> <ul style="list-style-type: none"><li>• will at all times rank <i>pari passu</i> with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer without any preference among them, except those obligations which are mandatorily preferred by law;</li><li>• are guaranteed by the Guarantors (as defined below);</li><li>• are effectively subordinated to any existing or future indebtedness or obligation of the Issuer and its subsidiaries that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness; and</li><li>• are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Issuer that are not Guarantors, including obligations to trade creditors.</li></ul>
<b>Guarantees</b>	The Issuer's obligations under the Bonds are jointly and severally guaranteed (the " <b>Guarantee</b> ") by each of:



- Azerion Games en Content Holding B.V a limited liability company incorporated in the Netherlands with reg. no. 76432874;
- Azerion Tech Holding B.V. a limited liability company incorporated in the Netherlands with reg. no. 76432572;
- Azerion International Holding B.V. a limited liability company incorporated in the Netherlands with reg. no. 76432998;
- Azerion Sweden SB AB a limited liability company incorporated in Sweden with reg. no. 556782-9261;
- Yoda Games Holding B.V. a limited liability company incorporated in the Netherlands with reg. no. 54136369;
- Voidu B.V. a limited liability company incorporated in the Netherlands with reg. no. 67876153;
- SPIL GAMES Group B.V. a limited liability company incorporated in the Netherlands, with reg. no. 32081488;
- Yoki Network Holding B.V., a limited liability company incorporated in the Netherlands, with reg. no. 17245693; and
- Keygames Network B.V., a limited liability company incorporated in the Netherlands, with reg. no. 14077784,
- Whow Games GmbH, a limited liability company incorporated in Germany, registered in the commercial register of the local court of Hamburg with reg. no HRB 126959 and has no LEI Code,

each a "**Guarantor**" and jointly the "**Guarantors**".

See "*Description of Material Agreements – Guarantee Agreement*" for further details.

<b>Ranking of Guarantees</b>	<b>of the</b>	<p>The Guarantee of each Guarantor is a general obligation of such Guarantor and ranks <i>pari passu</i> in right of payment with any existing and future indebtedness of such Guarantor that is not subordinated in right of payment to such Guarantee.</p>
<b>Security</b>		<p>The Guarantees are subject to certain limitations under local law.</p> <p>The Bonds, are secured by security interests granted on an equal and rateable first-priority basis over:</p> <ul style="list-style-type: none"> <li>• all shares in Azerion Games en Content Holding B.V.;</li> <li>• all shares in Azerion Tech Holding B.V.;</li> <li>• all shares in Azerion International Holding B.V.;</li> <li>• the Acquisition Account;</li> <li>• the Parent Loan; and</li> <li>• any Material Intra-Group Loans.</li> </ul> <p>See the definition of "<b>Transaction Security</b>" in Clause 1.1 (<i>Definitions</i>) of the Terms and Conditions.</p>
<b>Call Option</b>		<p>The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with Clause 9.3 (<i>Voluntary total redemption</i>) of the Terms and Conditions.</p>
<b>Call Option Amount</b>		<p>Call Option Amount means:</p> <ol style="list-style-type: none"> <li>any time from and including the First Issue Date to, but excluding, the First Call Date at an amount per Bond equal to 103.625 per cent. of the Nominal Amount plus the remaining interest payments, calculated in accordance with Clause 9.3(c), up to and including the First Call Date together with accrued but unpaid Interest;</li> <li>any time from and including the First Call Date to, but excluding, the first Business Day falling twenty-four (24) months after the First Issue Date at an amount per Bond equal to 103.625 per cent. of the Nominal Amount, together with accrued but unpaid Interest;</li> </ol>

- (c) any time from and including the first Business Day falling twenty-four (24) months after the First Issue Date to, but excluding, the first Business Day following thirty (30) months after the First Issue Date at an amount per Bond equal to 102.175 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
- (d) any time from and including the first Business Day falling thirty (30) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.725 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

<b>First Call Date</b>	Means the date falling 18 months after the First Issue Date.
<b>Final Maturity Date</b>	Means 28 April 2024.
<b>Change of Control Event</b>	Means the occurrence of an event or series of events whereby one or more Persons, not being a Main Shareholder (or an Affiliate of a Main Shareholder), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than fifty (50) per cent. of the shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.
<b>Certain Covenants</b>	<p>The Terms and Conditions contain a number of covenants which restrict the ability of the Issuer and other Group Companies, including, inter alia:</p> <ul style="list-style-type: none"><li>• restrictions on making any changes to the nature of their business;</li><li>• a negative pledge, restricting the granting of security on Financial Indebtedness (as defined in the Terms and Conditions);</li><li>• restrictions on the incurrence of Financial Indebtedness (as defined in the Terms and Conditions); and</li><li>• limitations on the making of distributions and disposal of assets.</li></ul> <p>Each of these covenants is subject to significant exceptions and qualifications, see Clause 12 (<i>Financial Undertaking</i>) and Clause 13 (<i>General Undertakings</i>) of the Terms and Conditions.</p>
<b>Reason for the admission to trading on a Regulated Market</b>	This Prospectus has been prepared to enable the Bonds to be admitted to trading on the corporate bond list of Nasdaq Stockholm (or another Regulated Market) which is a requirement from the Bondholders and as set out in the Terms and Conditions.
<b>Use of Proceeds</b>	<p>The proceeds from the Initial Bond Issue shall be used to (i) refinance the Existing Bonds, (ii) finance the Acquisitions and any Eligible Acquisition and (iii) finance general corporate purposes of the Group, including capital expenditure and acquisitions.</p> <p>The proceeds from any Subsequent Bond Issue shall be used to finance general corporate purposes of the Group, including capital expenditure and acquisitions.</p>
<b>Transfer Restrictions</b>	The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
<b>Listing</b>	<p>The Issuer has an obligation to list the Bonds pursuant to the Terms and Conditions.</p> <p>Application will be made to list the 200,000 Bonds on the regulated market Nasdaq Stockholm Corporate Bond List. The earliest date for admitting the 200,000 Bonds to trading on Nasdaq Stockholm Corporate Bond List is on or about 9 December 2021.</p>
<b>Agent</b>	Nordic Trustee & Agency AB (publ)

**Security Agent** Nordic Trustee & Agency AB (publ)

**Issuing Agent** Pareto Securities AB

**Governing Law of the Bonds** Swedish law.

**Governing Law of the Guarantee Agreement** Swedish law.

**Risk Factors** Investing in the Bonds involves substantial risks and prospective investors should refer to the section "*Risk Factors*" for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

## **Statement of Responsibility**

The issuance of the Bonds was authorised by resolutions taken by the board of directors of the Issuer on 7 April 2021 for the Bond Issue and the Bonds was subsequently issued by the Issuer on 28 April 2021. This Prospectus has been prepared in connection with the Issuer's application to list the Bonds on the corporate bond list of Nasdaq Stockholm, in accordance with the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council.

After the expiration date of this prospectus, being 9 December 2022, the obligation to provide additional information regarding new material circumstances, factual errors or material inaccuracies in this Prospectus ceases to apply once this Prospectus has expired.

The board of directors of the Company is, to the extent provided by law, responsible for the information in the Prospectus and declares that to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

9 December 2021

Azerion Holding B.V.

*The board of directors*

## Description of Material Agreements

The following is a summary of the material terms of material agreements to which the Issuer is a party and considered as outside of the ordinary course of business. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements.

### Guarantee Agreement

The Guarantors and the Issuer have entered into a guarantee agreement with the Security Agent dated 7 May 2021 (the "**Guarantee Agreement**"), pursuant to which each Guarantor have agreed to guarantee the obligations of the Group. Please see below short description of the character of the guarantee as well as the limitations of the guarantee.

- Subject to the limitations in paragraph 2 and 3 below, each Guarantor, jointly and severally, irrevocably and unconditionally, guarantee, as principal obligor and as for its own debt (*Sw. proprieborgen*), to each Secured Party and their successors and assignees the full and punctual payment and performance of all secured obligations, including the payment of principal and interest under the finance documents when due, whether at maturity, by acceleration, by redemption or otherwise, and interest on any such obligation which is overdue, and of all other monetary obligations of the Issuer to the secured parties under the finance documents.
- The obligations and liabilities of the Guarantor incorporated in Sweden under this Agreement and the scope of the Guarantee in respect of obligations owed by parties other than itself and its wholly owned Subsidiaries shall be limited, if (and only if) required by an application of Chapter 17, Sections 1-4 of the Swedish Companies Act (*Sw. Aktiebolagslagen (2005:551)*) in force from time to time regulating distribution of assets and it is understood that the obligations of each Guarantor incorporated in Sweden under this Agreement only applies to the extent permitted by the above mentioned provisions of the Swedish Companies Act.
- The obligations and liabilities of the Guarantors incorporated in the Netherlands under this agreement and the scope of the Guarantee in respect of obligations owed by parties other than itself and its wholly owned Subsidiaries may be affected or limited by Dutch law rules of general application now or hereafter in force including (but not necessarily limited to) applicable insolvency laws, ultra vires limitations (*doeloverschrijding*), fraudulent preference (*actio pauliana*), and/or claims based on tort (*onrechtmatige daad*).

The Guarantees may be subject to an intercreditor agreement in the future to which other limitations may also apply.

### Subordination Agreement

The Issuer and Principion Holding B.V. (the "**Parent**") have entered into a subordination agreement with the Security Agent dated 7 May 2021 (the "**Subordination Agreement**"). Pursuant to the subordination agreement the Parent has subordinated all claims under any Shareholder Debt in relation to the Issuer's Senior Debt.

In accordance with the Subordination Agreement, the Bondholders (represented by the Agent), the Agent and the Parent agree that their respective claims against the Issuer shall rank in the following order of priority:

- i. first, Senior Debt; and
- ii. second, shareholder debt.

For the purpose of the description of the Subordination Agreement, the following definitions shall apply.

<b>Senior Debt</b>	means all present and future obligations and liabilities of the Issuer to the Senior Creditors under the Finance Documents (including for the avoidance of doubt, all obligations and liabilities under the Bonds) and the Agency Agreement.
<b>Shareholder Debt</b>	means all present and future payment obligations of the Issuer to the Parent including without limitation any dividends to be paid by Issuer to the Parent.

## Description of The Group

### History and development

#### The Issuer

Azerion Holding B.V. was incorporated on 21 November 2013, is a limited liability company incorporated under the laws of the Netherlands with reg. no. 59272449 and its legal entity identifier (LEI) is 724500FAF2LMHPRX9R42. The Issuer's registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 4511 450. The website of the Issuer is azerion.com. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of the Issuer, adopted on 6 December 2018, the objectives of the Issuer are (i) to exploit and trade in software-related intellectual property rights, trade mark rights, and know-how in general and of game software in particular, (ii) to incorporate, take over, participate in, cooperate with, manage, and finance, or arrange the financing of, other enterprises, irrespective of their legal form, (iii) to grant and take out loans; to manage and dispose of property subject to registration; and to provide security, including for the debts of third parties, and (iv) to execute any and all acts that are related to the above-mentioned objects in the widest sense or that may be conducive thereto.

#### The Guarantors

##### *Azerion Games en Content Holding B.V.*

Azerion Games en Content Holding B.V. was incorporated on 18 November 2019, is a limited liability company operating under the laws of the Netherlands with reg. no. 76432874 and its legal entity identifier (LEI) is 9845004F6CF998711131. Azerion Games en Content Holding B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of Azerion Games en Content Holding B.V. is azerion.com. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Azerion Games en Content Holding B.V., adopted on 18 November 2019, the objectives of Azerion Games en Content Holding B.V. are (i) to incorporate, finance, participate in, manage and supervise companies and other enterprises, (ii) to raise funds, (iii) to acquire securities and other assets, (iv) to render services to companies and (v) to engage in all activities which relate to those objects.

##### *Azerion Tech Holding B.V.*

Azerion Tech Holding B.V. was incorporated on 18 November 2019, is a limited liability company operating under the laws of the Netherlands with reg. no. 76432572 and its legal entity identifier (LEI) is 9845006A06OB45691A19. Azerion Tech Holding B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of Azerion Tech Holding B.V. is azerion.com. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Azerion Tech Holding B.V., adopted on 18 November 2019, the objectives of Azerion Tech Holding B.V. are (i) to incorporate, finance, participate in, manage and supervise companies and other enterprises, (ii) to raise funds, (iii) to acquire securities and other assets (iv) to render services to companies and to engage in all activities which relate to those objects.

*Azerion International Holding B.V.*

Azerion International Holding B.V. was incorporated on 18 November 2019, is a limited liability company operating under the laws of the Netherlands with reg. no. 76432998 and has no legal entity identifier (LEI). Azerion International Holding B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of Azerion International Holding B.V. is [azerion.com](http://azerion.com). The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Azerion International Holding B.V., adopted on 18 November 2019, the objectives of Azerion International Holding B.V. are (i) to incorporate, finance, participate in, manage and supervise companies and other enterprises, (ii) to raise funds, (iii) to acquire securities and other assets (iv) to render services to companies; e. to engage in all activities which relate to those objects.

*Azerion Sweden SB AB*

Azerion Sweden SB AB was incorporated on 22 May 2009, is a limited liability company operating under the laws of Sweden with reg. no. 556782-9261 and has no legal entity identifier (LEI). Azerion Sweden SB AB's registered address is, and headquarters is located at, Norrlandsgatan 12, 111 44 Stockholm, Sweden, with telephone number + 46 0708 636 363. The website of Azerion Sweden SB AB is [azerion.com](http://azerion.com). The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of the Azerion Sweden SB AB, adopted on 15 July 2020, the objectives of Azerion Sweden SB AB are to establish websites on new markets, optimization of revenue from ads, advising and consulting in relation to advertising in digital media.

*Youda Games Holding B.V.*

Youda Games Holding B.V. was incorporated on 16 December 2011, is a limited liability company operating under the laws of the Netherlands with reg. no. 54136369 and has no legal entity identifier (LEI). Youda Games Holding B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of Youda Games Holding B.V. is [youdagames.com](http://youdagames.com). The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Youda Games Holding B.V., adopted on 16 December 2011, the objectives of Youda Games are (i) marketing of multimedia and entertainment concepts, (ii) to acquire IP rights, (iii) to establish other enterprises, (iv) to grant and conclude loans and (v) to perform other activities which relate to those objects.

*Voidu B.V.*



Voidu B.V. was incorporated on 23 January 2017, is a limited liability company operating under the laws of the Netherlands with reg. no. 67876153 and has no legal entity identifier (LEI). Voidu B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of Voidu B.V. is voidu.com. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Voidu B.V., adopted on 23 January 2017, the objectives of Voidu B.V. are (i) marketing of multimedia and entertainment concepts, (ii) to acquire IP rights (iii) to establish other enterprises (iv) to conduct the management and administration of other companies (v) to grant and conclude loans and (vi) to perform other activities which relate to those objects.

#### *SPIL GAMES Group B.V.*

SPIL GAMES Group B.V. was incorporated on 23 November 2000, is a limited liability company operating under the laws of the Netherlands with reg. no. 32081488 and has no legal entity identifier (LEI). SPIL GAMES Group B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of SPIL GAMES Group B.V. is spilgames.com. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of SPIL GAMES Group B.V., adopted on 14 June 2019, the objectives of SPIL GAMES Group B.V. are (i) to render advice and to perform services in the industry of publishing and distribution of (online) games, multi-media, television, computerization, administration and management, (ii) to deploy, to send on secondment, to recruit and to select personnel, (iii) to fabricate, to manage, to publish and to sell products on and via internet; (iv) to run a marketing and advertising agency; v) to incorporate, to participate in and to finance companies or businesses, (vi) to collaborate with, to operate and to manage the affairs of and to provide advice and other services to companies and other businesses, (vii) to lend and borrow funds, (viii) to provide collateral for the debts and other obligations of the company, of other companies and businesses that are affiliated with the company in a group of third parties, (ix) to acquire, to operate and to dispose of property, including registered property and (x) to acquire, to operate and to dispose of industrial and intellectual property rights.

#### *Yoki Network Holding B.V.*

Yoki Network Holding B.V. was incorporated on 11 March 2009 is a limited liability company operating under the laws of the Netherlands with reg. no. 17245693 and has no legal entity identifier (LEI). Yoki Network Holding B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of Yoki Network Holding B.V. is yokinetwork.com. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Yoki Network Holding B.V., adopted on 20 September 2019 the objectives of Yoki Network Holding B.V. are (i) to market multimedia and entertainment concepts, which includes but is not limited to games, (ii) to participate in other companies whichever their nature, to take an interest in those in any other way or to manage,

finance, finance third parties, provide pledges or collateral on behalf of third parties, as well as acquire, manage and dispose off/sell registered properties and (iii) anything, in the broadest meaning, that relates to or otherwise aids the above.

#### *Keygames Network B.V.*

Keygames Network B.V. was incorporated on 28 December 2004 is a limited liability company operating under the laws of the Netherlands with reg. no. 14077784 and has no legal entity identifier (LEI). Keygames Network B.V. registered address is, and headquarters is located at, Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. The website of Keygames Network B.V. is [keygames.com](http://keygames.com). The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Keygames Network B.V., adopted on 29 May 2013 the objectives of Keygames Network B.V. are (i) to develop, publish and operate (including, among others, online selling) of (online) games, (ii) to engage in internet services, (iii) to offer consultancy services, (iv) to own, operate and dispose off/sell IP's, as well as acquire, dispose off/sell and maintain licenses, (v) to establish, acquire and dispose off/sell companies and entities, to acquire and dispose off/sell interests in companies and entities and to manage those, and to manage or have others manage companies and entities and to finance these or have these financed, (vi) to acquire, manage and operate rights of intellectual and industrial properties, (vii) to acquire, manage and dispose off/sell registered properties and movable properties, securities and other assets of value, borrowing and lending money, to offer collateral for 3rd parties and (viii) to offer periodic benefits, to implement pension schemes, and to enter into annuity agreement; and to engage in all that relates to or otherwise aids the above.

#### *Whow Games GmbH*

Whow Games GmbH was incorporated on 12 February 2014 is a limited liability company operating under the laws of Germany with reg. no. HRB 126959 and has no legal entity identifier (LEI). Whow Games GmbH's registered address is, and headquarters is located at, Bleichenbrucke 10, 20354 Hamburg, Germany, with telephone number +49 40 609 4372 80. The website of Whow Games GmbH is [whow.net](http://whow.net). The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of Whow Games GmbH, adopted on 17 October 2017, the objectives of Whow Games GmbH are (i) the development, distribution and publication of mobile, computer, video, multimedia or browser-based games, and (ii) activities in related fields of business.

### **Business and operations**

Azerion is a digital entertainment and media platform. It is a content, technology and data company, serving consumers, digital publishers, advertisers and game creators. Founded in 2014, Azerion has experienced rapid growth since its inception owing to organic initiatives as well as a successful M&A track record with more than 40 acquisitions completed since 2015. Azerion currently employs +1000 employees across its 26 global offices.

In the early days of Azerion, the business focused solely on casual and social gaming but the Group in the recent years expanded further along the value chain to engaging in digital advertising. Azerion is engaged in a number of interrelated operating activities such as developing, publishing, distributing and operating online social and casual games and digital entertainment as well as providing technology solutions to automate the purchase and sale of digital advertising inventory for publishers and advertisers. Azerion generates revenue through advertising spend and advertising revenue across its platform and in-game purchases through its premium gaming titles. In addition, Azerion receives a share of advertising and subscription revenue generated through the placing of advertisements on the inventory of its publishers and a share of the advertisement revenue generated by the content of its developers.

As at 30 June 2021, the Group had a portfolio of 16,000 game titles, nine premium gaming titles and sales teams in 18 markets.

## Market overview

Azerion operates in what it deems to be rapidly growing markets, with the global gaming market and global programmatic advertising market constantly evolving. The global market for casual games is by Azerion's assessment fragmented. For monetization tech major European countries including Germany, France, Italy and the Netherlands belong to the largest individual markets for programmatic advertising according to Azerion. As per the date of this prospectus Azerion's user base within the gaming segment is diversified globally and, approximately, 47.0 per cent. can be found in Europe, 22.1 per cent. in Asia, 13.0 per cent. in South America, 13.6 per cent. in North America, 4.3 per cent in the rest of the world.

## Financing

The Group's activities are financed by the Bonds and the working capital facility described under the section "material agreements" above

## Share capital and ownership structure of the Issuer

The shares of the Company are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Company had an issued share capital of EUR 1,175.63 divided into 117,563 shares. All shares are fully paid.

The following table sets forth the ownership structure in the Issuer as per the date of this Prospectus.

<i>Shareholder</i>	<i>No. of shares</i>	<i>Share capital</i>	<i>Voting Rights</i>
Principion Holding B.V.	106,643	90.71 %	90.71 %
Stichting Administratiekantoor Azerion Holding	10,920	9.29 %	9.29 %
<b>Total</b>	<b>117,563</b>	<b>100.00 %</b>	<b>100.00 %</b>

## Majority shareholders and shareholder agreements

The Issuer is indirectly controlled by Umut Akpınar, Atilla Aytekin, Yerhan Erbas and Salih Hikmet Cosgun by way of their holdings in Principion Holding B.V., each controlling in the respective order 36.25 per cent., 36.25 per cent., 20.00 per cent., and 7.50 per cent., of the votes and shares in. Principion Holding B.V. has customary internal procedures in place to ensure that the control over the Issuer is not abused.

The Issuer is not aware of the details of any provision in the arrangement between its shareholders, the operation of which may at a subsequent date result in a change in control of the Issuer.

### **Share capital and ownership structure of the Guarantors**

#### *Azerion Games en Content Holding B.V.*

The shares of Azerion Games en Content Holding B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Azerion Games en Content Holding B.V. had an issued share capital of EUR 10 divided into 1,000 shares. Azerion Games en Content Holding B.V. is wholly owned by Azerion Holding B.V.

#### *Azerion Tech Holding B.V.*

The shares of Azerion Tech Holding B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Azerion Tech Holding B.V. had an issued share capital of EUR 10 divided into 1,000 shares. Azerion Tech Holding B.V. is wholly owned by Azerion Holding B.V.

#### *Azerion International Holding B.V.*

The shares of Azerion International Holding B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Azerion International Holding B.V. had an issued share capital of EUR 10 divided into 1,000 shares. Azerion International Holding B.V. is wholly owned by Azerion Holding B.V.

#### *Azerion Sweden SB AB*

The shares of Azerion Sweden SB AB are denominated in SEK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Azerion Sweden SB AB had an issued share capital of SEK 118,684 divided into 118,684 shares. Azerion Sweden SB AB is wholly owned by Azerion Tech Holding B.V. which in turn is wholly owned by Azerion Holding B.V.

#### *Youda Games Holding B.V.*

The shares of Youda Games Holding B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Youda Games Holding B.V. had an issued share capital of EUR 18,000 divided into 18,000 shares. Youda Games Holding B.V. is wholly owned by Azerion Games en Content Holding B.V. which in turn is wholly owned by Azerion Holding B.V.

#### *Voidu B.V.*

The shares of Voidu B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Voidu B.V. had an issued share capital of EUR 1,000 divided into 10,000 shares. Voidu B.V. is wholly owned by Azerion Games en Content Holding B.V. which in turn is wholly owned by Azerion Holding B.V.

#### *SPIL GAMES Group B.V.*

The shares of SPIL GAMES Group B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, SPIL GAMES Group B.V. had an issued share capital of EUR 20,294.65 divided into 2,029,466 shares. SPIL GAMES Group B.V. is wholly owned by Azerion Games en Content Holding B.V. which in turn is wholly owned by Azerion Holding B.V.

#### *Yoki Network Holding B.V.*

The shares of Yoki Network Holding B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Yoki Network Holding B.V. had an issued share capital of EUR 18,040 divided into 18,040 shares. Yoki Network Holding B.V. is wholly owned by Azerion Games en Content Holding B.V. which in turn is wholly owned by Azerion Holding B.V.

#### *Keygames Network B.V.*

The shares of Keygames Network B.V. are denominated in EUR. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Keygames Network B.V. had an issued share capital of EUR 18,000 divided into 18,000 shares. Keygames Network B.V. is wholly owned by Azerion Games en Content Holding B.V. which in turn is wholly owned by Azerion Holding B.V.

#### *Whow Games GmbH*

The shares of Whow Games GmbH are denominated in EUR. Each share carries equal vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, WhowGames GmbH had an issued share capital of EUR 274,034 divided into 274,034 shares. Whow Games GmbH is wholly owned by Azerion Games en Content Holding B.V. which in turn is wholly owned by Azerion Holding B.V.

### **Overview of Group structure**

On the date of this Prospectus, the Issuer has, directly and indirectly, 86 wholly-owned subsidiaries, with 77 being located in Europe, 2 in North America, 2 in South America, 0 in Africa, 4 in Asia and 1 in Oceania.

Operations are conducted by the subsidiaries and the Issuer is thus dependent on its subsidiaries to generate revenues and profit in order to be able to fulfil its payment obligations under the Bonds.

### **Recent events**

There has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Issuer's solvency

### **Significant change and trend information**

There has been no material adverse change in the prospects of the Group since the end of the last financial period for which audited financial information has been published and no significant change in the financial position or financial result of the Group since the end of the last financial period for which audited financial information has been published.

The Group is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on its prospects for the current financial year.

### **Legal, governmental and arbitration proceedings**

Neither the Issuer nor the Group is, or has been over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

### **Information regarding taxation**

Tax legislation in the investor's home member state and the member state of the Issuer may affect any income from the Bonds.

### **Credit rating**

No credit rating has been assigned to the Issuer, or its debt securities.

# Management

## Board of directors of the Issuer

On the date of this Prospectus the board of directors of the Issuer formally consisted of two members which have been elected by the general meeting. The Issuer has further appointed executive board members as part of its senior management. The board of directors and the senior management can be contacted through the Issuer at its headquarters at Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands, with telephone number +31 20 760 2040. Further information on the members of the board of directors and the senior management is set forth below.

## Board of directors

### ***Attila Aytekin, chairman of the board since 2014.***

**Education:** Master's degree, Management Information Systems, General  
**Current commitments:** Group CEO of Azerion Holding B.V.

### ***Umut Akpinar, chairman of the board since 2014.***

**Education:** Msc, Electrotechnic  
**Current commitments:** Group CEO of Azerion Holding B.V.

## Senior management

### ***Maria del Dado Alonso Sanchez, executive board member since 2019.***

**Education:** MA in Law, MA in Business Administration and MSc in IT Management.  
**Current commitments:** Group CFO and executive board member of Azerion Holding B.V.

### ***Joost Merks, executive board member since 2015.***

**Education:** HBO Bachelor Integral Safety, Propaedeutic year bachelor  
**Current commitments:** Group CIO and executive board member of Azerion Holding B.V.

### ***Sebastiaan Moesman, executive board member since 2018.***

**Education:** Econometrics and Informatics  
**Current commitments:** Group CRO and executive board member of Azerion Holding B.V.

## **Board of directors of the Guarantors**

The entities providing unconditional and irrevocable guarantees for the obligations under the Terms and Conditions are detailed below. Each Guarantor may be contacted through the address of the Issuer.

### **Azerion Games en Content Holding B.V.**

#### ***Atilla Aytekin, chairman of the board since 2019.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

#### ***Umut Akpinar, member of the board since 2019.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

### **Azerion Tech Holding B.V.**

#### ***Atilla Aytekin, chairman of the board since 2019.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

#### ***Umut Akpinar, member of the board since 2019.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

### **Azerion International Holding B.V.**

#### ***Atilla Aytekin, chairman of the board since 2019.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

#### ***Umut Akpinar, member of the board since 2019.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

### **Azerion Sweden SB AB**

#### ***Umut Akpinar, chairman of the board since 2018.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

#### ***Sebastiaan Moesman, member of the board since 2018.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

#### ***Patrik Fagerlund, member of the board since 2018.***

**Education:** Msc, Production Engineering and Industrial Management

**Current commitments:** Vice President Nordics of Azerion Holding B.V.



***Fredrik Sellgren, member of the board since 2018.***

**Education:** Bachelor's degree, International Business

**Current commitments:** Vice President of Business Development of Azerion Holding B.V.

**Youda Games Holding B.V.**

***Atilla Aytekin, chairman of the board since 2015.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

***Umut Akpinar, member of the board since 2015.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Voidu B.V.**

***Atilla Aytekin, chairman of the board since 2017.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

***Umut Akpinar, member of the board since 2017.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

***Erol Erturk, member of the board since 2017.***

**Education:** Secondary Education, Business Administration

**Current commitments:** Executive VP Games & Strategic Partnerships of Azerion Holding B.V.

**SPIL GAMES Group B.V.**

***Erol Erturk, member of the board since 2020.***

**Education:** Secondary Education, Business Administration

**Current commitments:** Executive VP Games & Strategic Partnerships of Azerion Holding B.V.

**Yoki Network Holding B.V.**

***Atilla Aytekin, chairman of the board since 2015.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

***Umut Akpinar, member of the board since 2015.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Keygames Network B.V.**

***Atilla Aytekin, chairman of the board since 2018.***

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Umut Akpinar, member of the board since 2018.**

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Whow Games GmbH**

**Umut Akpinar, chairman of the board since 2021.**

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Philip Reisberger, member of the board since 1 January 2020.**

**Education:** university degree in Business Administration (Diplom-Kaufmann).

**Current commitments:** Managing Director & CEO.

**Management of the Issuer and the Guarantors**

**Attila Aytekin, Group CEO**

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Umut Akpinar, Group CEO**

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Maria del Dado Alonso Sanchez, Group CFO**

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Joost Merks, Group CIO**

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Sebastiaan Moesman, Group CRO**

**Education:** See "Board of directors of the Issuer" for further details.

**Current commitments:** See "Board of directors of the Issuer" for further details.

**Patrik Fagerlund, Vice President Nordics**

**Education:** See "Board of directors of the Guarantors" for further details.

**Current commitments:** See "Board of directors of the Guarantors " for further details.

**Fredrik Sellgren, Vice President of Business Development**

**Education:** See "Board of directors of the Guarantors " for further details.

**Current commitments:** See "Board of directors of the Guarantors " for further details.

**Erol Erturk, Executive VP Games & Strategic Partnerships**

**Education:** See "Board of directors of the Guarantors " for further details.

**Current commitments:** See "Board of directors of the Guarantors " for further details.

**Philip Reisberger, Managing Director & CEO of Whow Games GmbH**

**Education:** See "Board of directors of the Guarantors " for further details.

**Current commitments:**      *See "Board of directors of the Guarantors " for further details.*

### **Conflicts of interest within administrative, management and control bodies**

Some members of the board of directors and management have private interests in the Issuer by their indirect holding of shares in the Issuer. The members of the board of directors and the management may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the members of the board of directors or the management may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a board meeting of the Issuer, a board member which has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. In accordance with the laws of the Netherlands, the members of the board of directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. Other than the aforementioned, none of the board members or the management has any private interests which may conflict with the interests of the Issuer.

### **Interest of natural and legal persons involved in the issue**

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

## Historical Financial Information

### Historical financial information

The Group's consolidated financial statements for the financial year ended 31 December 2020 and the figures for the financial year ended 31 December 2019 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. All such information is available on the Issuer's website, <https://azerion-investors.com/reports>. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

The Group's consolidated financial statements for the financial year ended 31 December 2019 has been prepared in accordance with the Dutch Generally Accepted Accounting Principles ("**Dutch GAAP**"). The Group's consolidated financial statements for the financial year ended 31 December 2020 has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU.

Other than the auditing of the Group's consolidated financial statements for the financial year ended 31 December 2020 and for the financial year ended 31 December 2019, the Group's auditor has not audited or reviewed any part of this Prospectus.

The Group's audited consolidated financial statements for the financial year ended 31 December 2020 is incorporated into this Prospectus by reference. For particular financial figures and information, please refer to the pages set out below:

- consolidated balance sheet, page 14;
- consolidated income statement, page 15;
- consolidated cash flow statement, page 17;
- consolidated statement of changes in equity, page 16;
- notes, pages 18 – 96; and
- the audit report, pages 122 - 132.

The Group's audited consolidated financial statements for the financial year ended 31 December 2019 is incorporated into this Prospectus by reference. For particular financial figures and information, please refer to the pages set out below:

- consolidated balance sheet, page 10
- consolidated income statement, page 12;
- consolidated cash flow statement, page 13;
- consolidated statement of changes in equity, page 15, 33, 42 and 49;

- notes, pages 16 – 52; and
- the audit report, pages 55 - 58.

### **Factors affecting comparability of the historical financial information**

The financial information for the financial year ended 31 December 2019 was prepared in accordance with Dutch GAAP. The Group has since then changed its accounting principles and the consolidated financial statements for the financial year ended 31 December 2020 was prepared in accordance with IFRS. The comparative historical financial information for the financial year ended 31 December 2019 has been retrospectively presented and prepared in accordance with IFRS and is presented together with the financial information for the financial year ended 31 December 2020 to ensure the historical comparability between the financial periods.

### **Auditing of the annual historical financial information**

The Company's consolidated financial statements as at present and for the years 2019 to 2020 have been audited, as applicable, by PricewaterhouseCoopers Accountants N.V. ("**PWC**"), Thomas R. Malthusstraat 5, 1066 JR Amsterdam, the Netherlands. PWC has been the Company's auditor since 2019, and was re-elected for an additional year on the latest annual general meeting. Wouter Poot is the auditor who is responsible for the Company. Wouter Poot is an authorised auditor and is a member of the professional body Royal Nederlandse Beroepsorganisatie van Accountants, the professional institute for the accountancy sector in the Netherlands.

The financial information for the financial year ended 31 December 2019 was prepared in accordance with Netherlandish GAAP. The Group has since then changed its accounting principles and the consolidated financial statements for the financial year ended 31 December 2020 was prepared in accordance with IFRS. The comparative historical financial information for the financial year ended 31 December 2019 has been retrospectively presented and prepared in accordance with IFRS and is presented together with the financial information for the financial year ended 31 December 2020 to ensure the historical comparability between the financial periods.

The auditing of the consolidated financial statements was conducted in accordance with international standards on auditing and the audit reports were submitted without comment.

### **Age of the most recent financial information**

The most recent financial information has been taken from the consolidated financial statements for the financial year ended 31 December 2020, which was published on 7 December 2021 on the Issuer's website <https://azerion-investors.com/reports/>.

## Other Information

### Approval of the Prospectus

This Prospectus has been approved by Finansinspektionen, the Swedish Financial Supervisory Authority, as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council. Finansinspektionen, the Swedish Financial Supervisory Authority, only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 of the European Parliament and of the Council. Such approval should not be considered as an endorsement the quality of the securities that are the subject of this prospectus nor of the Issuer that is the subject of this prospectus and investors should make their own assessment as to the suitability of investing in the securities.

### Assurance regarding the Prospectus

Azerion Holding B.V. is responsible for the content of the Prospectus and has taken all reasonable precautions to ensure that, as far as the Company is aware, the information in the Prospectus accords with the facts and contains no omission likely to affect its import. To the extent prescribed by law, the board of directors of the Company is also responsible for the content of the Prospectus. The board of directors has taken all reasonable care to ensure that the information in the Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

### Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of EUR 200,000,000 and this Prospectus has been solely prepared for the admission of trading of the EUR 200,000,000 Bonds. The Issuer may, subject to certain conditions set out in the Terms and Conditions, issue additional Bonds in a maximum aggregate amount of EUR 100,000,000. Each Bond has a nominal amount of EUR 1,000. The ISIN for the Bonds is SE0015837794.

The Bonds have been issued in accordance with Swedish law. The Bonds are connected to the account-based system of Euroclear Sweden AB. No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.

### Representation of the Bondholders

The Terms and Conditions stipulates the provisions for the Agent's representation of the Bondholders and can be accessed on the Issuer's website: <https://azerion-investors.com/reports>.

### The Guarantors

Information with respect to each Guarantor is set out below. Each Guarantor may be contacted through the address of the Company.

- Azerion Games en Content Holding B.V. is a limited liability company incorporated in the Netherlands since 18 November 2019. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. 76432874. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.

- Azerion Tech Holding B.V. is a limited liability company incorporated in the Netherlands since 18 November 2019. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. 76432572. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.
- Azerion International Holding B.V. is a limited liability company incorporated in the Netherlands since 18 November 2019. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. 76432998. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.
- Azerion Sweden SB AB is a limited liability company incorporated in Sweden since 22 May 2009. It is registered with the Swedish Companies Registration Office, reg. no. 556782-9261. Its registered address is Norrlandsgatan 12, 111 44, Stockholm.
- Youda Games Holding B.V. is a limited liability company incorporated in the Netherlands since 16 December 2011. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.
- Voidu B.V. is a limited liability company incorporated in the Netherlands since 23 January 2017. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. 67876153. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.
- SPIL GAMES Group B.V. is a limited liability company incorporated in the Netherlands since 23 November 2000. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. 32081488. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.
- Yoki Network Holding B.V. is a limited liability company incorporated in the Netherlands since 11 March 2009. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. 17245693. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.
- Keygames Network B.V. is a limited liability company incorporated in the Netherlands since 28 December 2004. It is registered with the trade register of the Dutch Chamber of Commerce with reg. no. 14077784. Its registered address is Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands.
- Whow Games GmbH is a limited liability company incorporated in Germany since 12 February 2014. It is registered in the commercial register of the local court of Hamburg with reg. no HRB 126959. Its registered address is Bleichenbrücke 10, 20354 Hamburg, Germany.

## **Material contracts**

Other than as described under the section entitled "*Description of Material Agreements*" herein, the Group has not entered into any material contracts not in the ordinary course of its business and which may affect the Group's ability to fulfil its obligations under the Bonds.



## Documents incorporated by reference

This Prospectus is, in addition to this document, comprised of information from the following documents which are incorporated by reference and available in electronic format on the Issuer's website at <https://azerion-investors.com/reports>:

- pages 14 – 132 (excluding pages 97 – 121) of the Group's consolidated financial statements and audit report for the financial year ended 31 December 2020; and
- pages 10 – 58 (excluding pages 11, 14, 53 and 54) of the Group's consolidated financial statements and audit report for the financial year ended 31 December 2019.

## Documents available for inspection

The following documents are available at the Company's headquarters at Beechavenue 182, 1119PX Schiphol-Rijk, the Netherlands., on weekdays during the Company's regular office hours throughout the period of validity of this Prospectus. They are also available in electronic form on the Company's website <https://azerion-investors.com/>.

- the Issuer's articles of association;
- the Issuer's deed of incorporation;
- Azerion Games en Content Holding B.V.'s articles of association;
- Azerion Games en Content Holding B.V.'s deed of incorporation;
- Azerion Tech Holding B.V.'s articles of association;
- Azerion Tech Holding B.V.'s deed of incorporation;
- Azerion International Holding B.V.'s articles of association;
- Azerion International Holding B.V.'s deed of incorporation;
- Azerion Sweden SB AB's articles of association;
- Azerion Sweden SB AB's certificate of registration;
- Youda Games Holding B.V.'s articles of association;
- Youda Games Holding B.V.'s deed of incorporation;
- Voidu B.V.'s articles of association;
- Voidu B.V.'s deed of incorporation;
- SPIL GAMES Group B.V.'s articles of association;
- SPIL GAMES Group B.V.'s deed of incorporation;
- Yoki Network Holding B.V.'s articles of association;

- Yoki Network Holding B.V.'s deed of incorporation;
- Keygames Network B.V.'s articles of association;
- Keygames Network B.V.'s deed of incorporation;
- Whow Games GmbH's articles of association;
- Whow Games GmbH's deed of incorporation; and
- the Guarantee Agreement.

### **Listing costs**

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 450,000.

# TERMS AND CONDITIONS OF THE BONDS

## 1. Definitions and Construction

### 1.1 Definitions

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

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

"**Accounting Principles**" means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

"**Acquisitions**" means the acquisitions of the Target Companies or, provided in each case that all assets in the relevant Target Company are acquired, a holding company of the Target Company or a direct subsidiary of the relevant Target Company provided that the relevant Target Company is a holding company with no assets other than the shares in the relevant subsidiary being acquired.

"**Acquisition Account**" means a bank account of the Issuer or an escrow account arrangement satisfactory to the Agent, in line with the terms of these Terms and Conditions, into which the Acquisition Amount and the Eligible Acquisition Amount will be transferred, and which has been pledged in favour of the Agent and the bondholders (represented by the Agent) under the Acquisition Account Pledge Agreement.

"**Acquisition Account Pledge Agreement**" means the pledge agreement entered into between the Issuer and the Agent in respect of a first priority pledge over the Acquisition Account and all funds held on the Acquisition Account from time to time, granted in favour of the Agent and the bondholders (represented by the Agent).

"**Acquisition Amount**" means EUR 31,700,000 less the aggregate amount applied towards the Acquisitions or otherwise released in accordance with Clause 4.2 (*Release of Net Proceeds for Acquisitions*).

"**Adjusted Nominal Amount**" means the Total Nominal Amount less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate, irrespective of whether such Person is directly registered as owner of such Bonds.

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are normal for the relevant type of project contracts, or (b) any other trade credit incurred in the ordinary course of business.

"**Affiliate**" means any Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, "**control**" when used with respect to any Person means the power to direct

the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing.

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

"**Agent**" means Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as Agent, in accordance with these Terms and Conditions.

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

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

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 17 (*Bondholders' Meeting*).

"**Bond Issue**" means the Initial Bond Issue and any Subsequent Bond Issue.

"**Business Day**" means any day, other than a Saturday or a Sunday, on which banks in Sweden and the Netherlands are open for general business.

"**Call Option Amount**" mean the amount set out in Clause 9.3 (*Voluntary total redemption (call option)*), as applicable.

"**Change of Control Event**" means the occurrence of an event or series of events whereby one or more Persons, not being a Main Shareholder (or an Affiliate of a Main Shareholder), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than fifty (50) per cent. of the shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

"**Compliance Certificate**" means a certificate to the Agent, in the agreed form between the Agent and the Issuer, signed by an authorised signatory of the Issuer, certifying (as applicable):

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that an Event of Default is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if the Compliance Certificate is provided in connection with an Incurrence Test or Distribution Test, that the Incurrence Test or Distribution Test is met (including figures in respect of the relevant financial tests and the basis on which they have been calculated);

- (c) if the Compliance Certificate is provided in connection with that a Financial Report is made available, that the Maintenance Test is met (including figures in respect of the relevant financial tests and the basis on which they have been calculated); and
- (d) if the Compliance Certificate is provided in connection with that audited annual financial statements are made available, the Material Group Companies and confirmation of compliance with Clause 13.7 (*Guarantor Coverage*) of the Guarantor Coverage.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden.

"**CSD Business Day**" means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

"**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 an MTF.

"**Delisting Event**" means, following an Equity Listing Event, (i) the delisting of the shares in the Issuer from a Regulated Market or (ii) trading in the ordinary shares of the Issuer on the relevant Regulated Market is suspended for a period of fifteen (15) consecutive Business Days (when that Regulated Market is at the same time open for trading).

"**Distribution Test**" means the distribution test set out in Clause 12.5 (*Distribution Test*).

"**EBITDA**" means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) before deducting any Net Finance Charges;
- (c) before taking into account any extraordinary items and any non-recurring items which are not in line with the ordinary course of business provided that such items are not in excess of an amount equal to ten (10) per cent. of EBITDA in the Reference Period;
- (d) before taking into account any Transaction Costs;
- (e) not including any accrued interest owing to any Group Company;
- (f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);

- (g) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (h) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (i) plus or minus the Group's share of the profits or losses of entities which are not part of the Group; and
- (j) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

**"Eligible Acquisition"** means an acquisition of a company within the same line of business as the Group which has a positive EBITDA pursuant to the most recent financial report available at the time of such acquisition.

**"Eligible Acquisition Amount"** means EUR 65,000,000 less the aggregate amount applied towards Eligible Acquisitions in accordance with Clause 4.2 (*Release of Net Proceeds for Acquisitions*).

**"Equity Listing Event"** means an initial public offering of shares in the Issuer, after which such shares shall be quoted, listed, traded or otherwise admitted to trading on a regulated market or unregulated market.

**"Euro"** and **"EUR"** means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

**"Event of Default"** means an event or circumstance specified in any of the Clauses 14.1 (*Non-Payment*) to and including Clause 14.10 (*Continuation of the Business*).

**"Existing Bonds"** means the Issuer's outstanding bonds with ISIN: SE0013774957 in aggregate amounting to approximately EUR 100,000,000.

**"Existing Subordinated Loans"** means the loans from the Parent to the Issuer in an aggregate amount of EUR 15,073,300.

**"Factoring Arrangements"** means any factoring arrangement entered into by the Issuer or any Group Company.

**"Final Maturity Date"** means 28 April 2024

**"Finance Charges"** means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis).

**"Finance Documents"** means:

- (a) these Terms and Conditions;
- (b) the Agency Agreement;
- (c) the Acquisition Account Pledge Agreement
- (d) the Proceeds Account Pledge Agreement;
- (e) the Security Documents;
- (f) the Guarantee and Adherence Agreement;
- (g) the Subordination Agreement;
- (h) the Intercreditor Agreement (if any); and
- (i) any other document designated by the Issuer and the Agent or the Security Agent as a Finance Document.

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

**"Financial Indebtedness"** means any indebtedness in respect of:

- (j) monies borrowed or raised, including Market Loans;
- (k) the amount of any liability in respect of any Finance Leases;
- (l) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (m) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (n) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (o) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (p) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (j)-(o).

**"Financial Instruments Accounts Act"** means the Swedish Financial Instruments Accounts Act (*Iag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

**"Financial Report"** means the Group's consolidated annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according to Clauses 11.1(a)(i) and 11.1(a)(ii).

**"First Call Date"** means the date falling eighteen (18) months after the First Issue Date.

**"First Issue Date"** means 28 April 2021.

**"Force Majeure Event"** has the meaning set forth in Clause 26(a).

**"Government Support Loans"** means (i) any government support loans to the extent such loans do not bear any interest and are unsecured or (ii) any Covid-19 related government support loans to the extent such loans does not have an interest rate exceeding two (2) per cent. *per annum* and are unsecured.

**"Group"** means the Issuer and each of its Subsidiaries from time to time and **"Group Company"** means any of them.

**"Guarantee and Adherence Agreement"** means the guarantee and adherence agreement pursuant to which the Guarantors shall, amongst other, (i) guarantee all amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, (ii) agree to subordinate all subrogation claims, and (iii) undertake to adhere to the terms of the Finance Documents.

**"Guarantees"** means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

**"Guarantor Coverage Ratios"** means the ratios of (a) the aggregate EBITDA of the Guarantors and the Issuer to the aggregate EBITDA of the Group and (b) the aggregate total assets of the Guarantors and the Issuer to the aggregate total assets of the Group, in each case calculated on an unconsolidated basis and excluding all goodwill, intra-group items and investments in Subsidiaries of any member of the Group.

**"Guarantors"** means Azerion Games en Content Holding B.V a limited liability company incorporated in the Netherlands with reg. no. 76432874, Azerion Tech Holding B.V. a limited liability company incorporated in the Netherlands with reg. no. 76432572, Azerion International Holding B.V. a limited liability company incorporated in the Netherlands with reg. no. 76432998, Azerion Sweden SB AB a limited liability company incorporated in Sweden with reg. no. 556782-9261, Youda Games Holding B.V. a limited liability company incorporated in the Netherlands with reg. no. 54136369, Voidu B.V. a limited liability company incorporated in the Netherlands with reg. no. 67876153, SPIL Games Group B.V. a limited liability company incorporated in the Netherlands with reg. no. 32081488, Yoki Network Holding B.V. a limited liability company incorporated in the Netherlands with reg. no. 17245693 and Keygames Network B.V. a limited liability company incorporated in the Netherlands with reg. no. 14077784.

**"Incurrence Test"** means the incurrence test set out in Clause 12.4 (*Incurrence Test*)



**"Initial Bond Issue"** means the issuance of the Initial Bonds.

**"Initial Bonds"** means the Bonds issued on the First Issue Date.

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

**"Intercreditor Agreement"** means an intercreditor agreement governing the relationship between the Bondholders (represented by the Agent), the creditors in respect of the Super Senior Working Capital Facility and the Hedging Agreements and any provider of New Debt (as defined in the Intercreditor Agreement Term Sheet), which the Issuer may request that the Agent enters into.

**"Intercreditor Agreement Term Sheet"** means a term sheet setting out the principle terms of the Intercreditor Agreement, as appended hereto as Schedule 1 (*Intercreditor Principles*)

**"Interest"** means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

**"Interest Payment Date"** means 28 January, 28 April, 28 July and 28 October each year. The first Interest Payment Date shall be 28 July. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full).

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

**"Interest Rate"** means 7.25 per cent. *per annum*, subject to Clause 8(e) (*Interest*).

**"Issuer"** means Azerion Holding B.V., a limited liability company incorporated in the Netherlands with reg. no. 59272449.

**"Issuing Agent"** means Pareto Securities AB, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

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

**"Main Shareholders"** means each of Mr U. Akpınar and Mr. A. Aytekin.

**"Maintenance Test"** means the maintenance test set out in Clause 12.1 (*Maintenance Test*).

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

**"Material Adverse Effect"** means a material adverse effect on:

- (q) the business, financial condition or operations of the Group taken as a whole;
- (r) the Group's ability to perform and comply with the Finance Documents; or
- (s) the validity or enforceability of the Finance Documents.

**"Material Group Company"** means, at any time:

- (t) the Issuer; and
- (u) any other Group Company with earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 10.00 per cent. or more of EBITDA, or which has assets representing 10.00 per cent. or more of the total assets of the Group, calculated on a consolidated basis according to the latest annual audited consolidated financial statements of the Group.

**"Material Intra-Group Loan"** means any intra-group loan provided by the Issuer to any of its Subsidiaries where:

- (v) the term is at least twelve (12) months and;
- (w) the principal amount exceeds EUR 1,000,000.

**"MTF"** means any multilateral trading facility as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended from time to time.

**"Net Finance Charges"** means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any member of the Group and any interest income relating to cash or cash equivalent investment.

**"Net Interest Bearing Debt"** means the aggregate interest bearing Financial Indebtedness less cash and cash equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding any Bonds owned by the Issuer, guarantees, bank guarantees, Subordinated Loans, any claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing Financial Indebtedness borrowed from any Group Company).

**"Net Proceeds"** means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner (if the Sole Bookrunner has requested that their fees and costs shall be deducted) and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

**"Nominal Amount"** has the meaning set forth in Clause 2(c).

**"Obligors"** means the Issuer and each Guarantor.

**"Parent"** means Principion Holding B.V.

**"Parent Loan"** means the loan in an amount of EUR 19,418,445 from the Issuer to the Parent and any further loans granted from the Issuer to the Parent in accordance with Clause 13.2(b)(iii).

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

- (x) incurred under the Bonds (other than Subsequent Bonds);
- (y) incurred pursuant to any operating leases entered into in (i) the ordinary course of the Group's business and/or (ii) relating to real estate;
- (z) arising under any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (aa) arising under a foreign exchange transaction or a commodity transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions and/or the Super Senior Working Capital Facility, but not any transaction for investment or speculative purposes;
- (bb) arising under any interest rate hedging transactions in respect of payments to be made under the Terms and Conditions and/or the Super Senior Working Capital Facility, but not any transaction for investment or speculative purposes;
- (cc) incurred under Advance Purchase Agreements;
- (dd) incurred under any Subordinated Loan;
- (ee) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence, and (i) is incurred as a result of a Subsequent Bond Issue, or (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, and (A) has a final maturity date or a final redemption date, and (B) when applicable, early redemption dates or instalment dates, in each case which occur on or after the Final Maturity Date
- (ff) taken up from a Group Company (including any cash pool arrangements);
- (gg) under any deferred tax liability;
- (hh) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds;

- (ii) incurred under the Existing Bonds provided that the Existing Bonds shall be repaid in connection with the Disbursement Date taking into account the payment mechanisms of the CSD (including any requirements of the paying agent) and the currency exchange process to convert relevant amounts of the Net Proceeds to the currencies of the Existing Bonds;
- (jj) any pension liabilities;
- (kk) incurred under a Super Senior Working Capital Facility, Factoring Arrangements or Government Support Loans in an aggregate amount not exceeding fifteen (15) per cent. of the outstanding Nominal Amount (provided that the amount incurred under any Factoring Arrangements or Government Support Loans may not exceed the higher of (i) five (5) per cent. of the outstanding Nominal Amount and (ii) EUR 10,000,000);
- (ll) incurred as a result of any Group Company acquiring another entity and which is due to such acquired entity holding indebtedness, provided that the Incurrence Test is met, tested *pro forma* on the acquired entity in question on a stand-alone basis (without the Group) and provided that the acquired debt is converted into equity or refinanced by the Issuer, by way of issuance of Subsequent Bonds or otherwise, within six (6) months following the date of the acquisition;
- (mm) incurred pursuant to any earn-out obligations having become payable provided that such obligations are paid six (6) months from when such earn-out has been finally determined;
- (nn) arising under any contractual non-interest bearing vendor financing or deferred purchase price relating to any acquisitions made by the Group provided that the aggregate amount of any such vendor financing or deferred purchase price (not including any such deferred purchase price to the extent a corresponding amount has been deposited into an escrow arrangement with the relevant seller) does not exceed thirty (30) per cent. of the acquisition price for any acquisition;
- (oo) incurred under any management incentive schemes on market terms in the ordinary course of business; and
- (pp) any other Financial Indebtedness incurred by Group Companies in aggregate not exceeding EUR 2,000,000.

**"Permitted Merger"** means a merger between Group Companies provided that:

- (qq) the transferee Group Company shall be or become a Guarantor if the transferor Group Company is a Guarantor;
- (rr) any transferor Group Company which shares are subject to the Transaction Security may only be merged with a transferee Group Company which shares are, or will be, subject to Security in favour of the Secured Parties; and
- (ss) following the merger the Transaction Security granted to the Secured Parties is the same or equivalent following the merger except if such Transaction Security constitutes Security over intra-group loans granted between the Group Companies

that are to be merged in which case the merger shall be permitted notwithstanding that such Transaction Security will not remain following the merger provided that the Agent (acting in its sole discretion) have given its consent thereto.

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

- (tt) provided under the Senior Finance Documents and otherwise permitted pursuant to the Intercreditor Agreement (if any);
- (uu) over the Proceeds Account;
- (vv) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (ww) provided in relation to any lease agreement entered into by a Group Company;
- (xx) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;
- (yy) provided over bank accounts and/or proceeds pertaining to sold receivables with respect to factoring on a non-recourse basis;
- (zz) until the Disbursement Date, any security provided under the Existing Bonds;
- (aaa) provided for debt permitted under paragraph (n) of Permitted Debt but only over assets held, directly or indirectly, by such acquired entity;
- (bbb) provided over receivables in relation to the Factoring Arrangements; and
- (ccc) provided pursuant to items (c), (d), (e), (k), (m) and (s) of the definition of Permitted Debt.

**"Person"** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

**"Proceeds Account"** means a bank account of the Issuer or an escrow account arrangement satisfactory to the Agent, in line with the terms of these Terms and Conditions, into which the Net Proceeds from the Initial Bond Issue will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Proceeds Account Pledge Agreement.

**"Proceeds Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Agent on or prior to the First Issue Date in respect of a first priority pledge over the Proceeds Account and all funds held on the Proceeds Account from time to time, granted in favour of the Agent and the Bondholders (represented by the Agent).

**"Qualified Equity Listing Event"** means an Equity Listing Event where the Issuer raises at least EUR 300,000,000 in cash.

**"Record Date"** means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 15 (*Distribution of Proceeds*), (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).

**"Reference Date"** means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding.

**"Reference Period"** means each period of twelve (12) consecutive calendar months.

**"Refinancing Amount"** means EUR 100,000,000 plus accrued but unpaid interest and the call premium payable under the Existing Bonds.

**"Regulated Market"** means any regulated market as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

**"Restricted Payment"** has the meaning set forth in Clause 13.2(a).

**"Secured Obligations"** means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards the Secured Parties outstanding from time to time under the Finance Documents and (ii) if the Intercreditor Agreement has been entered into, the meaning given to such term in the Intercreditor Agreement.

**"Secured Parties"** means (i) unless the Intercreditor Agreement has been entered into, the Security Agent, the Bondholders and the Agent (including in its capacity as Agent under the Agency Agreement) and (ii) if the Intercreditor Agreement has been entered into, the meaning given to such term in the Intercreditor Agreement.

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

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

**"Security Agent"** means (i) unless the Intercreditor Agreement has been entered into, the Agent as security agent or another party replacing it as Security Agent, in accordance with these Terms and Conditions, and (ii) if the Intercreditor Agreement has been entered into, the security agent appointed by the Secured Parties pursuant to the Intercreditor Agreement, holding the Transaction Security on behalf of the Secured Parties.

**"Security Documents"** means the security documents pursuant to which the Transaction Security is created and any other document designated as a Security Document by the Issuer and the Security Agent.

**"Subordinated Loans"** means the Existing Subordinated Loans and any future subordinated loan to the Issuer as debtor, if such subordinated loan:

- (a) is subordinated to the obligations of the Issuer under the Finance Documents pursuant to any subordination agreement or subordination undertaking (in form and substance satisfactory to the Agent);
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Maturity Date (unless a Restricted Payment is permitted under the Finance Documents).

**"Sole Bookrunner"** means Pareto Securities AB.

**"Subordination Agreement"** means the subordination agreement to be entered into between the Issuer, the Parent and the Agent relating to the subordination of the Existing Subordinated Loans in form and substance satisfactory to the Agent.

**"Subsequent Bond Issue"** has the meaning set forth in Clause 2(d).

**"Subsequent Bonds"** means any Bonds issued after the First Issue Date on one or more occasions.

**"Subsidiary"** means, in respect of which such Person, directly or indirectly:

- (ddd) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (eee) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners; or
- (fff) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

**"Super Senior Debt"** has the meaning given thereto in the Intercreditor Agreement, provided that the Intercreditor Agreement has been entered into.

**"Super Senior Working Capital Facility"** has the meaning given thereto in the Intercreditor Agreement, provided that the Intercreditor Agreement has been entered into.

**"Target Companies"** means Genba Digital Limited (corporate identity number: 09491005), Strossle International AB (corporate identity number: 556930-0543), Delta Projects AB (corporate identity number: 556622-4936) and Game Insight Holdings Limited (corporate identity number: HE 379447).

**"Total Nominal Amount"** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

**"Transaction Costs"** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other Group Company in connection with (i) the Bond Issue, (ii), any Subsequent Bond Issue, (iii) the listing of the Bonds or any Subsequent Bonds, (iv) acquisitions, mergers and divestments of companies and (v) an Equity Listing Event.

**"Transaction Security"** means the Security provided for the Secured Obligations pursuant to the Security Documents, initially being:

- (ggg) a share pledge in respect of all shares in Azerion Games en Content Holding B.V governed by the laws of the Netherlands;
- (hhh) a share pledge in respect of all shares in Azerion Tech Holding B.V governed by the laws of the Netherlands;
- (iii) a share pledge in respect of all shares in Azerion International Holding B.V. governed by the laws of the Netherlands;
- (jjj) the Acquisition Account Pledge Agreement;
- (kkk) a pledge in respect of the Parent Loan governed by the laws of the Netherlands; and
- (III) pledge over any Material Intra-Group Loans.

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18 (*Written Procedure*).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "assets" includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) 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;
  - (iv) an Event of Default is continuing if it has not been remedied or waived;



- (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the European Central Bank on its website [www.ecb.europa.eu](http://www.ecb.europa.eu). If no such rate is available, the most recently published rate shall be used instead.
  - (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
  - (d) No delay or omission of the Agent, the Security Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The Bonds are denominated in Euro and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The nominal amount of each Initial Bond is EUR 1,000 (the "**Nominal Amount**"). The maximum total nominal amount of the Initial Bonds is EUR 200,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- (d) The minimum permissible investment in a Bond Issue is EUR 100,000.
- (e) Provided that the Incurrence Test is met, the Issuer may, at one or several occasions, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed EUR 300,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.

- (f) The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except (A) those obligations which are mandatorily preferred by law and (B) the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement, if any.
- (g) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (h) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### **3. Use of Proceeds**

The proceeds from the Initial Bond Issue shall be used to (i) refinance the Existing Bonds, (ii) finance the Acquisitions and any Eligible Acquisition and (iii) finance general corporate purposes of the Group, including capital expenditure and acquisitions.

The proceeds from any Subsequent Bond Issue shall be used to finance general corporate purposes of the Group, including capital expenditure and acquisitions.

### **4. Conditions Precedent and Release of Net Proceeds**

#### **4.1 Conditions Precedent Initial Bond Issue**

- (a) The payment of the Net Proceeds from the Initial Bond Issue to the Proceeds Account is subject to the Agent having received documents and evidence of the Proceeds Account Pledge Agreement being duly executed and perfected.
- (b) The Issuer shall provide, or procure the provision of, to the satisfaction of the Agent:
  - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer and the Parent together constituting evidence that the Finance Documents have been duly executed;
  - (ii) copies of the Finance Documents, duly executed;
  - (iii) a copy of a duly signed unconditional and irrevocable call notice for the repayment of the Existing Bonds, such repayment to take place upon the disbursement of the Net Proceeds from the Proceeds Account with due regard to the payment mechanisms of the CSD;

- (iv) evidence by way of a duly executed release letter from the agent under the Existing Bonds that the security existing in favour of the Existing Bonds will be released and discharged upon repayment of the Existing Bonds;
  - (v) if applicable, copies of the duly executed escrow account arrangements relating to the Proceeds Account and the Acquisition Account;
  - (vi) evidence that the Transaction Security either has been or will be perfected in accordance with the terms of the Finance Documents (other than any filings or registrations or similar steps which are to be completed as soon as practicable following disbursement) following disbursement or, in relation to security granted for the Existing Bonds, following repayment of the Existing Bonds in accordance with (iii) above;
  - (vii) a copy of a funds flow statement signed by the Issuer, evidencing that payments in accordance with Purpose of the Bond Issue will be made immediately following disbursement of the Net Proceeds from the Proceeds Account;
  - (viii) an agreed form Compliance Certificate; and
  - (ix) legal opinion(s) on the capacity and due execution, in respect of any non-Swedish entity being party to a Finance Document and the validity and enforceability of the Finance Documents not governed by Swedish law, in each case issued by a reputable law firm (if applicable)
- (c) On the Disbursement Date, (i) an amount equal to the Refinancing Amount shall be disbursed to the Issuer to be applied towards repayment of the Existing Bonds (in accordance with the rules and procedures of the CSD and, if required by the rules and procedures of the CSD, such amount shall be disbursed prior to the Disbursement Date), (ii) an amount equal to the aggregate of the Acquisition Amount and the Eligible Acquisition Amount shall be transferred to the Acquisition Account, and (iii) the remaining amount standing to the credit of the Proceeds Account shall be disbursed to the Issuer.
- (d) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.1(b) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4.1(b) above from a legal or commercial perspective of the Bondholders.
- (e) When the conditions precedent for disbursement set out in Clause 4.1(b) have been received to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Proceeds Account) to transfer the funds from the Proceeds Account for the purpose set out in Clause 3 (*Use of Proceeds*).
- (f) If the conditions precedent for disbursement set out in Clause 4.1(b) have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within sixty (60) Business Days from the First Issue Date, the Issuer shall repurchase

all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with the Proceeds Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4.1(f). Any shortfall shall be covered by the Issuer. The repurchase date shall fall no later than thirty (30) Business Days after the ending of the sixty (60) Business Days period referred to above.

## 4.2 Release of Net Proceeds for Acquisitions

- (a) In connection with an Acquisition, the Agent shall release a portion of the Acquisition Amount equal to the purchase price for the relevant acquisition from the Acquisition Account to the Issuer to be applied towards the relevant acquisition provided that the Issuer has issued to the Agent a confirmation that (i) all closing conditions for the relevant acquisition (except for the payment of the purchase price) have been satisfied or waived, (ii) the relevant acquisition will be consummated as soon as practicable upon disbursement of funds from the Acquisition Account, and (iii) any existing Financial Indebtedness and/or existing Security not constituting Permitted Debt or Permitted Security, as applicable, incurred or granted by the acquired company will be repaid or released, as applicable, promptly in connection with the completion of the acquisition.
- (b) Notwithstanding (a) above and provided that at least eighty (80) per cent. of the Acquisition Amount has been released from the Proceeds Account and applied towards the Acquisitions, the Agent shall, upon the Issuer's request, release the remaining Acquisition Amount to the Issuer to the extent that the Issuer meets the Incurrence Test (calculated *pro forma* not including the cash being released from the Proceeds Account).
- (c) In connection with an Eligible Acquisition or the payment of a deferred purchase price relating to an Eligible Acquisition, the Agent shall release a portion of the Eligible Acquisition Amount equal to the purchase price or deferred purchase price (as applicable) for the relevant acquisition from the Acquisition Account to the Issuer to be applied towards the relevant acquisition provided that the Issuer has issued to the Agent a confirmation:
  - (i) in relation to a payment of the initial purchase price, that:
    - (A) all closing conditions for the relevant acquisition (except for the payment of the purchase price) have been satisfied or waived;
    - (B) the relevant acquisition constitutes an Eligible Acquisition and that the acquisition will be consummated as soon as practicable upon disbursement of funds from the Acquisition Account; and
    - (C) any existing Financial Indebtedness and/or existing Security not constituting Permitted Debt or Permitted Security, as applicable, incurred or granted by the acquired company will be repaid or released, as applicable, promptly in connection with the completion of the acquisition, and

- (ii) in relation to the payment of a deferred purchase price, that:
  - (A) the relevant Eligible Acquisition has been completed; and
  - (B) the relevant deferred purchase price will be paid to the seller as soon as practicable upon disbursement of funds from the Acquisition Account.

## 5. Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such Persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

## 6. Right to Act on Behalf of a Bondholder

- (a) If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.
- (b) A Bondholder may issue one or several powers of attorney or other authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.

- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **7. Payments in Respect of the Bonds**

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Bondholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. 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 Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) 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 without any default interest in accordance with Clause 8(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## **8. Interest**

- (a) Each Initial Bond carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period and, if such day is not a CSD Business Day, the first following day that is a CSD Business Day.

- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve (12) months of thirty (30) days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.
- (e) From (but excluding) the Interest Payment Date occurring after a Qualified Equity Listing Event, the Interest Rate shall be lowered by 0.50 percentage points *per annum*.

## **9. Redemption and Repurchase of the Bonds**

### **9.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a CSD Business Day, then the redemption shall occur on the first following CSD Business Day.

### **9.2 Issuer's purchase of Bonds**

The Issuer and any Group Company may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer or any Group Company may at the Issuer's or such Group Company's discretion be retained or sold but not cancelled.

### **9.3 Voluntary total redemption (call option)**

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full:
  - (i) any time from and including the First Issue Date to, but excluding, the First Call Date at an amount per Bond equal to 103.625 per cent. of the Nominal Amount plus the remaining interest payments, calculated in accordance with Clause 9.3(c), up to and including the First Call Date together with accrued but unpaid Interest;
  - (ii) any time from and including the First Call Date to, but excluding, the first Business Day falling twenty-four (24) months after the First Issue Date at an amount per Bond equal to 103.625 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iii) any time from and including the first Business Day falling twenty-four (24) months after the First Issue Date to, but excluding, the first Business Day following thirty (30) months after the First Issue Date at an amount per

Bond equal to 102.175 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and

- (iv) any time from and including the first Business Day falling thirty (30) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.725 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.
- (c) For the purpose of calculating the remaining interest payments pursuant to Clause 9.3(a)(i) it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

#### **9.4 Mandatory repurchase due to a Change of Control Event or a Delisting Event (put option)**

- (a) Upon the occurrence of a Change of Control Event or Delisting Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event or Delisting Event pursuant to Clause 11.1(e) (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event or Delisting Event.
- (b) The notice from the Issuer pursuant to Clause 11.1(e) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1(e). The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.4(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.4 by virtue of the conflict.



- (d) Any Bonds repurchased by the Issuer pursuant to this Clause 9.4 may at the Issuer's discretion be retained or sold, but not cancelled.

## 10. Transaction Security and Guarantees

- (a) Subject to the Intercreditor Agreement (if any), as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer, the Guarantors and each Group Company party to any Security Document and/or the Guarantee and Adherence Agreement grants the Transaction Security and the Guarantees (as applicable) to the Secured Parties as represented by the Security Agent on the terms set out in the Security Documents and the Guarantee and Adherence Agreement (as applicable).
- (b) The Security Agent shall hold the Transaction Security and the Guarantees on behalf of the Secured Parties in accordance with the Security Documents, the Guarantee and Adherence Agreement, and the Intercreditor Agreement (if any) (as applicable). The Issuer shall, and shall procure that the Guarantors and each Group Company party to any Security Document and/or the Guarantee and Adherence Agreement (as applicable) will, enter into the Security Documents and/or the Guarantee and Adherence Agreement (as applicable) and perfect the Transaction Security in accordance with the Security Documents.
- (c) Unless and until the Security Agent has received instructions to the contrary in accordance with the Intercreditor Agreement (or if no Intercreditor Agreement is entered into, in accordance with Clause 16 (*Decisions by Bondholders*)), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's 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 Bondholders', the Super Senior Working Capital Facility creditor's under the Super Senior Working Capital Facility, the creditors' under any New Debt, the hedge counterparties' under the Hedging Agreement or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interest of the Bondholders.
- (d) The Agent shall be entitled to give instructions relating to the Transaction Security and the Guarantees to the Security Agent in accordance with the Intercreditor Agreement (if any).
- (e) Guarantees from Material Group Companies and Security (including Security provided pursuant to the Security Documents) shall be subject to customary financial assistance and corporate benefit limitations.

## 11. Information to Bondholders

### 11.1 Information from the Issuer

- (a) The Issuer shall make the following information available in the English language by publication on the website of the Group:
  - (i) the annual audited consolidated financial statements of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, on its website as soon as it becomes available but not later than four (4) months after the expiry of each financial year;
  - (ii) the quarterly interim unaudited consolidated reports or the year-end report (as applicable) of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, on its website as soon as it becomes available but not later than two (2) months after the expiry of each relevant interim period, where the first Financial Report shall be delivered for the period ending on 31 March 2021;
  - (iii) as soon as practicable following an acquisition or disposal of Bonds by a Group Company, the aggregate Nominal Amount held by Group Companies; and
  - (iv) the Issuer shall publish its annual audited consolidated financial statements of the Group in respect of the financial year 2020 no later than 31 October 2021.
- (b) Any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- (c) When the Bonds have been listed on a Regulated Market:
  - (i) the information set out in Clause 11.1(a) shall also be made available by way of press release; and
  - (ii) the reports referred to in Clause 11.1(a)(i) and Clause 11.1(a)(ii) shall be prepared in accordance with IFRS.
- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- (e) The Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event or Delisting Event, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event,

conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.

- (f) 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.
- (g) The Issuer shall submit a duly executed Compliance Certificate to the Agent:
  - (i) in connection with the delivery of a Financial Report;
  - (ii) in connection with the incurrence of Financial Indebtedness as set out in item (a) or (h) of the definition of Permitted Debt; and
  - (iii) in connection with the distribution of a Restricted Payment.
- (h) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph (f) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
- (i) The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.

## **11.2 Information from the Agent**

- (a) Subject to applicable laws, regulations and the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 11.2(b), the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the

reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

### **11.3 Publication of Finance Documents**

- (a) The latest version of these Terms and Conditions (including any documents amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.
- (b) The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

## **12. Financial Undertakings**

### **12.1 Maintenance Test**

The Maintenance Test is met if the ratio of Net Interest Bearing Debt to EBITDA is equal to or less than 4.50x.

### **12.2 Testing of the Maintenance Test**

The Maintenance Test shall be tested by reference to each of the Financial Reports on each Reference Date with respect to the Reference Period ending on such Reference Date.

### **12.3 Equity Cure**

If there is a breach of any of the Maintenance Test, no Event of Default will occur if, within thirty (30) Business Days of the earlier of (i) a delivery of the relevant Compliance Certificate evidencing that breach and (ii) the date when such Compliance Certificate should have been delivered, the Issuer has received equity injection in cash in the form of a share issue, an unconditional shareholder contribution or Subordinated Loans in an amount sufficient to ensure compliance with the relevant Maintenance Test, as at the relevant Reference Date (the "**Cure Amount**").

The calculation of the Leverage Ratio shall be adjusted so that the Net Interest Bearing Debt for the Reference Period is reduced with an amount equal to the Cure Amount.

Any Equity Cure must be made in cash and no more than three (3) Equity Cures are to be made over the life of the Bonds. Equity Cures may not be injected in respect of any consecutive calendar quarters.

### **12.4 Incurrence Test**

The Incurrence Test is met if:

- (a) the Leverage Ratio is not greater than;
  - (i) 3.00:1 for the period up to, and including, the date falling eighteen (18) months after the First Issue Date; and

- (ii) 2.50:1 for the period up to, but excluding, the date falling eighteen (18) months after the First Issue Date to, and including, the Final Maturity Date;
- (b) no Event of Default is continuing or would occur upon the incurrence of Financial Indebtedness, or distribution (as applicable).

## 12.5 Distribution Test

The Distribution Test is met if the ratio of Net Interest Bearing Debt to EBITDA is equal to or less than 2.50x and no Event of Default is continuing or would occur upon the making of the Restricted Payment.

## 12.6 Testing of the Incurrence Test and the Distribution Test

- (a) The Leverage Ratio for purpose of the Incurrence Test and the Distribution Test shall be made as per a testing date, not earlier than the First Issue Date, determined by the Issuer, falling no more than three (3) months prior to the incurrence of the new Financial Indebtedness or the making of a Restricted Payment (as applicable).
- (b) The Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include any new Financial Indebtedness provided it is an interest bearing obligation and exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce Net Interest Bearing Debt).

## 12.7 Calculation Adjustments

EBITDA for the Incurrence Test, the Distribution Test and the Maintenance Test shall be calculated as set out below.

The figures for EBITDA for the Reference Period ending on the relevant test date shall be used but adjusted so that:

- (a) entities acquired by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included, *pro forma*, for the entire Reference Period; and
- (b) entities disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be excluded, *pro forma*, for the entire Reference Period.

## 13. General Undertakings

### 13.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will and shall procure that each Obligor (pursuant to the Guarantee and Adherence Agreement) undertakes to) comply with the undertakings set out in this Clause 13 for as long as any Bonds remain outstanding.

## 13.2 Restricted Payments

- (a) The Issuer shall not and shall procure that none of its Subsidiaries will:
- (i) pay any dividend on its shares (other than to the Issuer or a wholly-owned, direct or indirect, Subsidiary of the Issuer and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis);
  - (ii) repurchase or redeem any of its own shares;
  - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
  - (iv) repay any Subordinated Loans or pay any interest thereon;
  - (v) make any prepayments or repayments under any long term debt ranking junior or *pari passu* with the Bonds;
  - (vi) grant any loans (other than to the Issuer or a wholly-owned Subsidiary of the Issuer); or
  - (vii) make any other similar distribution or transfers of value to the direct or indirect shareholders of the Issuer, or any Affiliates of the Issuer (other than to the Issuer or a wholly-owned, direct or indirect, Subsidiary of the Issuer and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata basis*).
- (paragraphs (i)-(vii) above are together and individually referred to as a "**Restricted Payment**").
- (b) Notwithstanding the above, Restricted Payments may be made by the Issuer prior to an Equity Listing Event in an aggregate amount not exceeding EUR 15,000,000, provided that:
- (i) no Event of Default is outstanding or would occur as a result of such Restricted Payment;
  - (ii) the Distribution Test is met (calculated on a *pro forma* basis including the relevant Restricted Payment); and
  - (iii) such Restricted Payment is made in the form of a loan from the Issuer to the Parent or Bajor Participations B.V. and such loan is pledged as security for the obligations under the Senior Finance Documents.
- (c) if an Equity Listing Event has occurred, a Restricted Payment may be made by the Issuer in an amount which does not exceed fifty (50) per cent. of the Group's consolidated net profit for the previous financial year, provided that at the time of the payment:

- (i) no Event of Default is outstanding or would occur as a result of such Restricted Payment;
- (ii) the Distribution Test is met (calculated on a *pro forma* basis including the relevant Restricted Payment); and
- (iii) the aggregate amount of all Restricted Payments of the Group in any financial year (including the relevant Restricted Payment in question) does not exceed fifty (50) per cent. of the Group's consolidated net profit for the previous financial year.

### **13.3 Listing**

The Issuer shall use its best efforts to ensure that:

- (a) the initial Bonds are listed on (i) a Regulated Market no later than 31 December 2021 and (ii) Frankfurt Stock Exchange Open Market as soon as practically possible after the First Issue Date;
- (b) any Subsequent Bonds are listed on (i) the relevant Regulated Market no later than sixty (60) days after the issuance of such Subsequent Bonds and with an intention to list within thirty (30) days (unless such Subsequent Bonds are issued prior to 31 December 2021 and prior to the listing of the initial Bonds in which case they shall be listed no later than 31 December 2021) and (ii) Frankfurt Stock Exchange Open Market as soon as practically possible after the issuance of such Subsequent Bonds; and
- (c) the Bonds, if admitted to trading on a Regulated Market and/or Frankfurt Stock Exchange Open Market, continue being listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and/or Frankfurt Stock Exchange Open Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

### **13.4 Nature of Business**

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group as of the First Issue Date if such substantial change would have a Material Adverse Effect.

### **13.5 Financial Indebtedness**

No Obligor shall, and shall procure that none of its Subsidiaries will, incur any Financial Indebtedness, other than Permitted Debt.

### **13.6 Disposal of Assets**

Subject to the terms of the Intercreditor Agreement (if any), the Issuer shall not, and shall procure that no Subsidiary, sell or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or that Subsidiary's assets, or operations to any Person not being the

Issuer or any of its wholly-owned Subsidiaries, unless the transaction (i) is carried out at fair market value and on arm's length terms and (ii) does not have a Material Adverse Effect.

### **13.7 Guarantor Coverage**

The Issuer shall, within sixty (60) days from the delivery of the Compliance Certificate delivered in connection with the Group's annual audited consolidated financial statements, ensure that that the Guarantor Coverage Ratios are at least eighty (80) per cent.

### **13.8 Negative Pledge**

The Issuer shall not, and shall procure that none of its Subsidiaries will, provide, prolong or renew any security over any of its/their assets (present or future), other than any Permitted Security.

### **13.9 Additional Security Material Intra-Group Loans**

The Issuer shall no later than sixty (60) calendar days, upon the provision of a Material Intra-Group Loan, grant a pledge over that Material Intra-Group Loan as Security (subject to customary financial assistance and corporate benefit limitations) for all amounts outstanding under the Finance Documents and simultaneously therewith deliver to the Agent (unless previously provided):

- (a) constitutional documents and corporate resolutions (approving the relevant Security Documents and authorising a signatory/-ies to execute the relevant Security Document) for the relevant security provider, and each other party to that Security Document (other than the Agent);
- (b) a legal opinion on the capacity and due execution, in respect of any entity being party to the relevant Security Document unless it is incorporated in Sweden, issued by a reputable law firm; and
- (c) any legal opinion on the validity and enforceability in respect of the relevant Security Document unless it is governed by Swedish law which, if requested by the Agent, shall also include customary opinions regarding the role of the Security Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds), issued by a reputable law firm.

### **13.10 Dealings at arm's length terms**

The Issuer shall, and shall procure that its Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

### **13.11 Loans Out**

The Issuer shall not, and shall procure that no other Group Company will, extend any loans in any form to any other party than (i) to other Group Companies, (ii) the Parent Loan, or (iii) in the ordinary course of business.



### **13.12 Compliance with laws and authorisations**

The Issuer shall, and shall make sure that its Subsidiaries will, (i) comply with all laws and regulations applicable from time to time and (ii), obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence, registration or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

### **13.13 Additional Guarantors**

If an acquired entity (the "**Relevant Target Company**") constitutes a Material Group Company (calculated proforma using the most recent Financial Report and the most recent financial report for the Relevant Target Company at the time of the relevant Acquisition), the Issuer shall procure that, within ninety (90) days from the relevant Acquisition, the Relevant Target Company accedes as a Guarantor to the Guarantee and Adherence Agreement (subject to any corporate law limitations) and shall in connection therewith provide to the Agent duly executed corporate authorisation documents for the Relevant Target Company and a legal opinion (issued by a reputable law firm) regarding the capacity of the Relevant Target Company to enter into the Guarantee and Adherence Agreement.

## **14. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.11 (*Acceleration of the Bonds*)) is an Event of Default.

### **14.1 Non-Payment**

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

- (a) its failure to pay is caused by administrative or technical error and
- (b) payment is made within five (5) Business Days of the due date.

### **14.2 Maintenance Test**

The Issuer has failed to comply with any of the Maintenance Test and such failure has not been cured in accordance with provisions for an Equity Cure.

### **14.3 Other Obligations**

A party (other than the Agent) fails to comply with the Finance Documents, in any other way than as set out in Clause 14.1 (*Non-Payment*), provided that no Event of Default will occur if the failure to comply is capable of being remedied and the Issuer or that party has remedied the failure within twenty (20) Business Days of the earlier (i) the Issuer or that party becoming aware of the failure to comply and (ii) the Agent requesting the Issuer in writing to remedy such failure.

#### **14.4 Cross payment default and Cross-acceleration**

Any Financial Indebtedness of a Group Company is:

- (a) not paid when due as extended by any originally applicable grace period (if there is one); or
- (b) declared to be 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 Clause 14.4 if (i) the aggregate amount of Financial Indebtedness that has fallen due is less than EUR 1,000,000 or (ii) it is owed to a Group Company.

#### **14.5 Insolvency**

- (a) Any Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (except for Bondholders) with a view to rescheduling its Financial Indebtedness.
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Group Company.

#### **14.6 Insolvency Proceedings**

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) Business Days of commencement or, if earlier, the date on which it is advertised (ii) proceedings or petitions concerning a claim which is less than EUR 1,000,000 (or the equivalent thereof in any other currency) and (iii) in relation to Subsidiaries of the Issuer not being an Obligor or subject to Transaction Security, solvent liquidations) in relation to:

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

#### **14.7 Creditors' Process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding EUR 1,000,000 and is not discharged within sixty (60) Business Days.

## **14.8 Mergers and demergers**

A decision is made that any Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger subject to existing security between Subsidiaries only or between the Issuer and a Subsidiary, where the Issuer is the surviving entity, shall not be an Event of Default and a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

## **14.9 Impossibility or Illegality**

It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

## **14.10 Continuation of the Business**

The Issuer or any other Group Company ceases to carry on its business (other than (i) following a Permitted Merger, (ii) a solvent liquidation permitted pursuant to Clause 14.6 (*Insolvency Proceedings*) above or (iii) a disposal permitted under the Finance Documents), if such discontinuation is likely to have a Material Adverse Effect.

## **14.11 Acceleration of the Bonds**

- (a) Upon the occurrence of an Event of Default which is continuing but subject to the terms of the Intercreditor Agreement (if any), the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 14.11(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 14.11(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16

(*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- (d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) Subject to the Intercreditor Agreement (if any), in the event of an acceleration of the Bonds in accordance with this Clause 14.11, the Issuer shall up to, but excluding, the First Call Date redeem all Bonds at an amount per Bond equal to the Call Option Amount set out in Clause 9.3(a)(ii) and thereafter, as applicable considering when the acceleration occurs, redeem all Bonds at an amount per Bond equal to the Call Option Amount for the relevant period.

## 15. Distribution of Proceeds

- (a) Unless an Intercreditor Agreement has been entered into, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the below) shall be distributed in the following order of priority:
  - (i) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the Guarantees or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2(g), and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16(m);
  - (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
  - (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and

- (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (i) to (iv) above shall be paid to the Issuer (or the Guarantors, as applicable).

- (b) If the Intercreditor Agreement has been entered into, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the Secured Obligations) shall be distributed in accordance with the Intercreditor Agreement
- (c) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15(a)(i), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15(a)(i).
- (d) Unless the Intercreditor Agreement has been entered into, funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantees constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable. If the Intercreditor Agreement has been entered into, funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantees constitute escrow funds (*Sw. redovisningsmedel*) and must be promptly turned over to the Security Agent to be applied in accordance with the Intercreditor Agreement.
- (e) If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply.

## **16. Decisions by Bondholders**

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) 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 Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made

by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' 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 more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

(c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders 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.

(d) Only a Person who is, or who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

(i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or

(ii) on the Business Day specified in the communication pursuant to Clause 18(c), in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.

(e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c):

(i) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, EUR 100,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);

(ii) a change to the terms of any of Clause 2(a), and Clauses 2(f) to 2(h);

(iii) reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);

(iv) a change to the Interest Rate or the Nominal Amount;

(v) waive a breach of or amend an undertaking set out in Clause 13 (*General Undertakings*);

- (vi) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of Proceeds*);
  - (vii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16;
  - (viii) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
  - (ix) a release of the Transaction Security or the Guarantees, except in accordance with the terms of the Security Documents and/or the Guarantee and Adherence Agreement (as applicable);
  - (x) a mandatory exchange of the Bonds for other securities; and
  - (xi) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- (f) Any matter not covered by Clause 16(e) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19(a)(i) or 19(a)(ii)), an acceleration of the Bonds, or the enforcement of any Transaction Security or Guarantees.
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) 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 Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16(g) shall not apply to such second Bondholders' Meeting or Written Procedure.

- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' 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.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Group 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 Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **17. Bondholders' Meeting**

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17(a) with a copy to the Agent. After a request



from the Bondholders pursuant to Clause 20.4(c), 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 Bondholders' Meeting in accordance with Clause 17(a).

- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **18. Written Procedure**

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically) no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 18(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be registered as a Bondholder 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 Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 18(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16(e) and 16(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(e) or 16(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 19. Amendments and Waivers

- (a) The Issuer and the Agent and/or the Security Agent (as applicable) (in each case acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible with the rules of the relevant CSD.
- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## 20. Appointment and Replacement of the Agent and the Security Agent

### 20.1 Appointment of Agent and the Security Agent

- (a) By subscribing for Bonds, each initial Bondholder:
  - (i) appoints the Agent and the Security Agent to act as its agent and security agent (as applicable) in all matters relating to the Bonds and the Finance Documents, and authorises each of the Agent and the Security Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees; and

- (ii) confirms, after the entering into of the Intercreditor Agreement (if any), the appointment under the Intercreditor Agreement of the Security Agent to act as its agent in all matters relating to the Transaction Security, the Security Documents, the Guarantees and the Guarantee and Adherence Agreement, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees and acknowledges and agrees that the rights, obligations, role of and limitations of liability for the Security Agent is further regulated in the Intercreditor Agreement.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 20.1(a).
- (c) Each Bondholder shall immediately upon request provide the Agent and the Security Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. Neither the Agent nor the Security Agent is under any obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Agent and the Security Agent with any documents and other assistance (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) Each of the Agent and the Security Agent is entitled to fees for its respective work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's and the Security Agent's respective obligations as Agent and Security Agent (as applicable) under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) Each of the Agent and the Security 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.

## **20.2 Duties of the Agent and the Security Agent**

- (a) Each of the Agent and the Security Agent shall represent the Bondholders subject to and in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents and the Guarantees pursuant to the Guarantee and Adherence Agreement on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. Neither the Agent nor the Security Agent is responsible for the content, valid execution, legal validity or enforceability of the Finance Documents or the perfection of the Transaction Security.

- (b) When acting in accordance with the Finance Documents, each of the Agent and the Security Agent is always acting with binding effect on behalf of the Bondholders. Each of the Agent and the Security Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) Each of the Agent's and the Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent and the Security Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, neither the Agent nor the Security Agent is acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.
- (d) Neither the Agent nor the Security Agent is obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, each of the Agent and the Security Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) Each of the Agent and the Security Agent is entitled to delegate its duties to other professional parties, but each of them shall remain liable for the actions of such parties under the Finance Documents.
- (f) Each of the Agent and the Security Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- (g) Each of the Agent and the Security Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent and/or the Security 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 which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer or the Transaction Security which the Agent and/or the Security Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Agent and/or the Security Agent and the Issuer. Any compensation for damages or other recoveries received by the Agent and/or the Security Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, neither the Agent nor the Security Agent is 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.

- (i) If in the Agent's or Security Agent's (as applicable) reasonable opinion the cost, loss or liability which it may incur (including its respective reasonable fees) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent or the Security Agent (as applicable) 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.
- (j) Unless it has actual knowledge to the contrary, each of the Agent and the Security Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) Each of the Agent and the Security Agent shall give a notice to the Bondholders (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 or the Security Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 20.2(i).

### **20.3 Limited liability for the Agent and the Security Agent**

- (a) Neither the Agent nor the Security Agent will be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. Neither the Agent nor the Security Agent shall be responsible for indirect loss.
- (b) Neither the Agent nor the Security Agent shall be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if it has acted with reasonable care in a situation when it considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) Neither the Agent nor the Security Agent shall 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 it to the Bondholders, provided that it 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 it for that purpose.
- (d) Neither the Agent nor the Security Agent shall have any liability to the Bondholders for damage caused by it acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the Agent or the Security 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 Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or any other Person.

## 20.4 Replacement of the Agent and the Security Agent

- (a) Subject to Clause 20.4(f), each of the Agent and the Security Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent and/or the Security Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 20.4(f), if the Agent and/or the Security Agent is Insolvent, the Agent and/or the Security Agent (as applicable) shall be deemed to resign as Agent and/or the Security Agent (as applicable) and the Issuer shall within ten (10) Business Days appoint a successor Agent and/or a successor Security Agent (as applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) 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 Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and/or the Security Agent and appointing a new Agent and/or the new Security Agent (as applicable). The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent and/or the Security Agent be dismissed and a new Agent and/or a new Security Agent (as applicable) be appointed.
- (d) If the Bondholders have not appointed a successor Agent and/or successor Security 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 and/or the Security Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent and/or successor Security Agent (as applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent and/or the retiring Security Agent (as applicable) shall, at its own cost, make available to the successor Agent and/or the successor Security Agent (as applicable) such documents and records and provide such assistance as the successor Agent and/or successor Security Agent may reasonably request for the purposes of performing its functions as Agent and/or the Security Agent (as applicable) under the Finance Documents.
- (f) The Agent's and the Security Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and/or the successor Security Agent (as applicable) and acceptance by such successor Agent and/or the successor Security Agent (as applicable) of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent and/or the retiring Security Agent (as applicable).

- (g) Upon the appointment of a successor, the retiring Agent and/or the retiring Security 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 and/or the Security Agent (as applicable). Its successor, the Issuer and each of the Bondholders 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 and/or the Security Agent.
- (h) In the event that there is a change of the Agent and/or the Security Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent and/or the new Security Agent may reasonably require for the purpose of vesting in such new Agent and/or the new Security Agent (as applicable) the rights, powers and obligation of the Agent and/or the Security Agent and releasing the retiring Agent and/or the retiring Security Agent (as applicable) from its respective further obligations under the Finance Documents. Unless the Issuer and the new Agent and/or the new Security Agent agrees otherwise, the new Agent and/or the new Security Agent shall be entitled to the same fees and the same indemnities as the retiring Agent and/or the retiring Security Agent (as applicable).

## **21. Appointment and Replacement of the CSD**

- (a) 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 Bonds.
- (b) 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 Bondholder. The replacing CSD must be authorized to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*) and be authorized as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **22. Appointment and Replacement of the Issuing Agent**

- (a) The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## 23. No Direct Actions by Bondholders

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security or the Guarantees to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 23(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 20.2(i), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2(k) before a Bondholder may take any action referred to in Clause 23(a).
- (c) The provisions of Clause 23(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.4 (*Mandatory repurchase due to a Change of Control Event or a Delisting Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## 24. Prescription

- (a) The right to receive repayment of the principal of the Bonds 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 Bondholders' right to receive payment has been prescribed and has become void.
- (b) If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to 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.

## 25. Notices and Press Releases

### 25.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:



- (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
  - (ii) if to the Issuer, shall be given at the address registered with the Netherlands Companies Registration Office on the Business Day prior to dispatch or if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
  - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practically possible) or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Group and the Agent.
- (b) Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or if between the Issuer and the Agent, by email, and will only be effective:
  - (i) in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1(a);
  - (ii) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1(a); or
  - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.
- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

## 25.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 11.1(e), 14.11(c), 16(o), 17(a), 18(a) and 19(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause 25.2(a), if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders 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 Bondholders 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 Bondholders, the Agent shall be entitled to issue such press release.

## **26. Force Majeure and Limitation of Liability**

- (a) None of the Agent, the Security Agent or the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent, the Security Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent, the Security Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **27. Governing Law and Jurisdiction**

- (a) 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.
- (b) The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

Intercreditor Principles**INTERCREDITOR TERM SHEET**

Initially EUR 200,000,000 Senior Secured Callable Fixed Rate Bonds 2021/2024 (the "**Bonds**") and the up to fifteen (15) per cent. of the outstanding Nominal Amount, Super Senior Working Capital Facility Agreement

This intercreditor term sheet (this "**ICA Term Sheet**") should be read together with the term sheet for the Bonds (the "**Bond Term Sheet**").

Unless otherwise defined in this ICA Term Sheet, terms defined in the Bond Term Sheet shall have the same meanings when used in this ICA Term Sheet.

- Original Parties:** To establish the relative rights of creditors under various financing arrangements, the Intercreditor Agreement will be entered into by:
1. the Issuer and the Guarantors (the "**Original ICA Group Companies**");
  2. [Azerion Group B.V.] as Shareholder Creditor under certain Shareholder Debt (each as defined below);
  3. Nordic Trustee & Agency AB (publ), acting as Bonds agent (on behalf of the Bondholders) (the "**Original Bonds Agent**"); and
  4. Nordic Trustee & Agency AB (publ) acting as security agent (on behalf of the Secured Parties) (the "**Original Security Agent**").

- Acceding Parties:** Each of the following Person(s) shall accede to the Intercreditor Agreement (without being required to obtain any prior consent from any other party to the Intercreditor Agreement):
- any party becoming a Guarantor;
  - any party acceding as a Hedge Counterparty;
  - any party providing and any Group Company incurring Shareholder Debt;
  - a Person providing Super Senior Debt or refinancing of the Bonds or the Super Senior Debt or assuming rights or obligations with respect to, any of the Secured Obligations provided that such Person will not be obliged to accede if its agent or representative have acceded to the Intercreditor Agreement; or
  - a Person providing New Debt which in accordance with the Senior Finance Documents and subject to the terms of the Intercreditor Agreement shall rank *pari passu* with the Bonds.

**Background:**

The Security provided for the benefit of the Secured Parties will (to the extent permitted by applicable law and practically possible) be a single Security package which will be held pursuant to Swedish and other relevant law and the Intercreditor Agreement. The Security Agent will be appointed as initial Security Agent to hold the Security on behalf of each of the Secured Parties.

The waterfall arrangements in the Intercreditor Agreement will reflect the ranking of the liabilities owed by the ICA Group Companies to the Secured Parties, as set out in this ICA Term Sheet.

The Intercreditor Agreement will incorporate, amongst others, the principles set out in the following paragraphs.

**Definitions:**

**"Bonds Agent"** means (i) the Original Bonds Agent or (ii) a new agent replacing the Original Bonds Agent in accordance with the Terms and Conditions.

**"Conflicting Enforcement Instructions"** means instructions (or proposed instructions) as to enforcement of the Transaction Security or the taking of any Enforcement Action delivered to the Security Agent by a Representative that are inconsistent as to the manner of enforcement (including any inconsistency as to the timeframe for realising value from an Enforcement Action in respect of the Transaction Security or the Guarantees or a distressed disposal), it being understood that, for the purpose of triggering the consultation requirements under paragraph 0(ii) under Section "Enforcement" only and not for any other purpose (including, without limitation, determining the Instructing Party), the failure to give instructions by either the Super Senior Representative or Senior Representative will be deemed to be an instruction inconsistent with any other instructions given.

**"Collective Majority Senior Creditors"** means the Senior Creditors representing a majority of the Senior Debt under any Bonds and New Debt, based on the Senior Creditors under any Bonds and any New Debt voting as one creditor class.

**"Debt"** means any indebtedness under or in connection with the Bonds, the Super Senior Debt (including in each case any replacement debt referred to in "Replacement of debt" below), any New Debt, the Shareholder Debt and the Intercompany Debt.

**"Enforcement Action"** means any action of any kind to:

- (a) declare prematurely due and payable or otherwise seek to accelerate payment of or place a demand on all or any part of any Debt (notwithstanding whether such Debt has fallen due or not) or Guarantee (other than as a result of it becoming unlawful for a Secured Party to perform its obligations under, or of any voluntary or mandatory prepayment under, the Senior Finance Documents);

- (b) recover all or any part of any Debt (including by exercising any set-off, save as required by law and normal netting and set-off transactions in the ordinary course of business);
- (c) exercise or enforce any enforcement right under the Transaction Security, in each case granted in relation to (or given in support of) all or any part of any Debt;
- (d) petition for (or take or support any other step which may lead to) an Insolvency Event;
- (e) sue, claim or bring proceedings against the Issuer, any Guarantor or any ICA Group Company in respect of recovering any Debt; or
- (f) in relation to any Hedging Obligation only, designate an Early Termination Date (as defined in the relevant Hedging Agreement) under any Hedging Agreement, or terminate, or close out any transaction under, any Hedging Agreements, prior to its stated maturity, or demand payment of any amount which would become payable on or following an Early Termination Date (as defined in the relevant Hedging Agreement) or any such termination or close-out, unless voluntary or in accordance with a partial termination in accordance with the terms of the Senior Finance Documents and not related to any default.

**"Enforcement Instructions"** means instructions as to take Enforcement Actions (including the manner and timing of enforcement) given by a Representative to the Security Agent provided that instructions not to undertake enforcement or an absence of instructions as to enforcement shall not constitute "Enforcement Instructions".

**"Facility Agent"** means any agent or representative in relation to any Super Senior WCF.

**"Finance Documents"** has the meaning given to such term in the Terms and Conditions.

**"Final Discharge Date"** means the date when all principal, interest and any other costs or outstanding amounts under the Senior Finance Documents have been irrevocably discharged in full and all commitments of the Secured Parties under the Senior Finance Documents have expired, been cancelled or terminated.

**"Guarantee"** means the guarantees provided under the Guarantee and Adherence Agreement to the Secured Parties.

**"Guarantee and Adherence Agreement"** has the meaning given to such term in the Terms and Conditions.

**"Hedge Counterparty"** means any person who is or becomes a hedge counterparty pursuant to any Hedging Agreement.

**"Hedging Agreement"** means any hedging agreements regarding hedging transactions in respect of payments to be made under the Bonds or for hedging exposures (including hedging exposures in relation to fluctuation in currency rates) arising in the ordinary course of business, but not for speculative or investment purposes, entered into or to be entered into by the Issuer or any other Group Company with any Hedge Counterparty.

**"Hedging Obligations"** means all present and future moneys, debts and liabilities due, owing or incurred from time to time by any Group Company to any Hedge Counterparty under or in connection with any Hedging Agreement.

**"ICA Group Companies"** means the Original ICA Group Companies and any other entity which has acceded to the Intercreditor Agreement as an ICA Group Company in accordance with the terms of the Intercreditor Agreement.

**"Insolvency Event"** means:

- (a) any Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors with a view to rescheduling its Financial Indebtedness; or
- (b) a moratorium is declared in respect of the Financial Indebtedness of any Group Company; or
- (c) any corporate action, legal proceedings or other procedure or step is taken in relation to:
  - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, bankruptcy, dissolution, administration or reorganisation of any Group Company;
  - (ii) a composition, compromise, assignment or arrangement with any creditor of any Group Company; or
  - (iii) the appointment of a liquidator, trustee in bankruptcy, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Group Company or any of its assets; or
- (d) any analogous procedure or step is taken in any jurisdiction other than:
  - (i) proceedings which are vexatious or frivolous or are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) days of commencement; or

- (ii) in relation to Group Companies (other than the Issuer), solvent liquidations that are permitted under the Senior Finance Documents.

**"Intercompany Debt"** means any intercompany loan provided by a Guarantor to a Group Company that shall be subordinated in accordance with the Intercreditor Agreement, excluding any intercompany loans that are pledged to the Secured Parties.

**"Instructing Party"** means the Senior Representative or, following replacement in accordance with paragraph 0(v) under Section "Enforcement", the Super Senior Representative.

**"Major Obligations"** means an obligation with respect to any Group Company pursuant to any negative pledge undertaking or restriction on financial indebtedness, disposals, loans out or holding company activities under any Super Senior WCF.

**"New Debt"** means Financial Indebtedness incurred pursuant to paragraph (h)(ii) in the definition of "Permitted Debt" in the Terms and Conditions provided that the creditors under such debt has acceded to the Intercreditor Agreement.

**"New Debt Documents"** means each document or instrument entered into after the date hereof between the Issuer and a New Debt Creditor setting out the terms of any credit which creates or evidences New Debt.

**"New Debt Creditors"** means each creditor under and as defined in the relevant New Debt Documents.

**"Payment Block Event"** means when the Super Senior Representative serves a written notice to the Issuer, the Security Agent, the Bonds Agent and any New Debt Creditor(s) (or its agent(s)) that an event of default (for the avoidance of doubt, after the expiration of any applicable grace period in respect of the default giving rise to the event of default) relating to:

- (a) a non-payment;
- (b) a breach of financial covenants;
- (c) non-compliance with any of the Major Obligations;
- (d) a cross default;
- (e) insolvency;
- (f) insolvency proceedings;
- (g) creditors' process;
- (h) impossibility or illegality; or
- (i) cession of business,

under the Super Senior WCF has occurred or the Super Senior Representative serves a written notice of acceleration to the

Issuer, the Security Agent, the Bonds Agent and any New Debt Creditor(s) (or its/their agent).

**"Representatives"** means the Super Senior Representative and the Senior Representative.

**"Secured Obligations"** means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Group Company towards the Secured Parties outstanding from time to time under any Senior Finance Documents.

**"Secured Parties"** means the creditors under the Senior Finance Documents but only if it (or, in the case of a Bondholder, its Representative) is a Party or has acceded to the Intercreditor Agreement in the appropriate capacity pursuant to the terms of the Intercreditor Agreement, the Bonds Agent, the Facility Agent and the Security Agent.

**"Security Agent"** means (i) the Original Security Agent or (ii) any new agent replacing the Original Security Agent as security agent in accordance with the relevant clause in the Intercreditor Agreement.

**"Security Enforcement Objective"** means maximising, insofar as is consistent with prompt and expeditious realisation of value from enforcement of the Transaction Security and the Guarantees, the recovery by the Secured Parties, always provided that such enforcement is made in compliance with the fiduciary duties of the Security Agent and the Secured Parties.

**"Senior Creditor"** means the Bondholders, the Bonds Agent and any New Debt Creditor acceding to the Intercreditor Agreement as a Senior Creditor.

**"Senior Debt"** means (i) all indebtedness outstanding under the Finance Documents and (ii) any New Debt.

**"Senior Finance Documents"** means the Finance Documents, the Super Senior WCF Documents, the Hedging Agreements and any New Debt Documents.

**"Senior Representative"** means, at any time, the representative of:

- (a) those Senior Creditors whose Senior Debt at that time aggregate more than 50.00 per cent. of the total Senior Debt at that time; or
- (b) for as long as any New Debt is larger than the debt outstanding under the Bonds, those Senior Creditors, voting for the relevant decision, whose Senior Debt at that time aggregate more than 50.00 per cent. of the total Senior Debt at that time, calculated based on the Senior Creditors under any Bonds and any New Debt voting as one creditor class with



a representative of the majority of such creditor class being the senior representative.

The Bonds Agent shall represent all Bondholders and act on the instructions of and on behalf of the Bondholders unless the New Debt is larger than the debt outstanding under the Bonds in which case the Bonds Agent or another representative selected by the Collective Majority Senior Creditors shall represent all the Senior Creditors and act on the instructions of the Collective Majority Senior Creditors and on behalf of all the Senior Creditors.

**"Shareholder Creditor"** means any direct or indirect shareholder of the Issuer in its capacity as creditor in respect of Shareholder Debt.

**"Shareholder Debt"** means all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Issuer to any Shareholder Creditor, including any dividends and any advisory, monitoring or management fee.

**"Super Senior Creditors"** means the Super Senior WCF Creditors and the Hedge Counterparty.

**"Super Senior Credit Participation"** means, in relation to a Super Senior WCF Creditor or a Hedge Counterparty, the aggregate of:

- (a) its aggregate commitment under the Super Senior WCF, if any;
- (b) in respect of any hedging transaction of that Hedge Counterparty under any Hedging Agreement that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of the Intercreditor Agreement, the amount, if any, payable to it under any Hedging Agreement in respect of that termination or close-out as of the date of termination or close-out (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid (that amount to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement) and to the extent it is a Hedging Obligation; and
- (c) only if no principal, interest and any other costs or other amounts is outstanding under any Super Senior WCF and no commitments is outstanding under any Super Senior WCF, in respect of any hedging transaction of that Hedge Counterparty under any Hedging Agreement to the extent it constitutes a Hedging Obligation that has, as of the date the calculation is made, not been terminated or closed out:
  - (i) if the relevant Hedging Agreement is based on an ISDA Master Agreement the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the

calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

- (ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

that amount, in each case, to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

**"Super Senior Debt"** means all indebtedness to the Super Senior Creditors outstanding under the Super Senior WCF Documents and the Hedging Agreements.

**"Super Senior Representative"** means the Facility Agent or another representative acting on the instructions of and on behalf of the Super Senior Creditors whose Super Senior Credit Participations at that time aggregate more than 50.00 per cent. of the total Super Senior Credit Participations at that time.

**"Super Senior WCF"** means any working capital facility or similar agreement incurred pursuant to the Section titled "Super Senior WCF" or any other working capital facility agreement or similar agreement providing financing for general corporate purposes (including investments) and/or working capital purposes between any Group Company and a Super Senior WCF Creditor replacing a super senior revolving capital facility in accordance with the Section titled "Replacement of Debt".

**"Super Senior WCF Creditor"** means any person who is or becomes a lender under a Super Senior WCF.

**"Super Senior WCF Discharge Date"** means the date when all principal, interest and any other costs or outstanding amounts under the Super Senior WCF have been irrevocably discharged in full and all commitments of the Super Senior WCF Creditor under the Super Senior WCF Documents have expired, been cancelled or terminated.

**"Super Senior WCF Documents"** means (i) the Super Senior WCF, (ii) the Intercreditor Agreement, (iii) the Guarantee and Adherence Agreement and (iv) the Security Documents.

**"Terms and Conditions"** means the terms and conditions of the Bonds entered into between the Issuer and the Original Bonds Agent.

**"Transaction Security"** means the Security provided to the Secured Parties under the Security Documents.

**"Triggering Event"** means the occurrence of an event of default (however described) under any Senior Finance Document.

**Ranking and priority:**

Each of the parties to the Intercreditor Agreement will agree that the Secured Obligations owed by the ICA Group Companies to the Secured Parties and the other relevant parties shall rank in respect of proceeds in right and priority following an application of an Enforcement Action in the following order:

- (a) first, the Super Senior Debt (*pari passu* between all indebtedness under the Super Senior WCF and the Hedging Obligations);
- (b) secondly, the Senior Debt (*pari passu* between all indebtedness under the Bonds and any New Debt);
- (c) thirdly, any liabilities raised in the form of Intercompany Debt; and
- (d) fourthly, any liabilities raised in the form of Shareholder Debt.

**Sharing of Transaction Security and Guarantees with New Debt:**

A Group Company may grant Security and Guarantees for New Debt to a New Debt Creditor provided that:

- (a) (i) the New Debt shares in the Transaction Security and the Guarantees, and/or (ii) such Security and guarantees which are not Transaction Security or Guarantees are granted also to the Secured Parties (including the New Debt Creditor), in each case to be shared between the Senior Creditors and the Super Senior Creditors as set forth in the Intercreditor Agreement; and
- (b) the New Debt Creditor shall accede to the Intercreditor Agreement as a Senior Creditor and the New Debt shall rank as Senior Debt pursuant to the terms of the Intercreditor Agreement.

Any Security and guarantee granted shall constitute Transaction Security and any documents regarding such Security or guarantee shall constitute a Security Document or a Guarantee and Adherence Agreement, as the case may be.

**Hedging arrangements:**

The Intercreditor Agreement will contain customary provisions regarding the hedging arrangements and the rights and obligations of the Hedge Counterparties, including without

limitation (i) certain qualification requirements for Hedge Counterparties, (ii) any hedging agreement to be based on the 1992 or 2002 ISDA Master Agreement, (iii) no voting rights and no enforcement rights for Hedge Counterparties and (iv) restrictions on over-hedging relating to interest.

**Subordination of Intercompany Debt and restrictions on intercompany debt subject to Transaction Security:**

Any Intercompany Debt shall be subordinated to the Secured Obligations.

The Intercreditor Agreement shall include provisions for turnover of payments received under any Intercompany Debt in conflict with this ICA Term Sheet which will be set out in the full Intercreditor Agreement.

Repayment of principal and payment of interest on Intercompany Debt shall be allowed for as long as no Triggering Event is continuing.

Payment of interest, but not repayment of principal, on intercompany loans subject to Transaction Security shall be allowed provided that no Triggering Event is continuing.

Notwithstanding the above, payment of principal and interest on Intercompany Debt and intercompany loans subject to Transaction Security shall always be permitted if made for the purpose of servicing Debt to the Secured Parties and such payment is made directly to the Secured Parties (represented by the Security Agent) for repayment of principal or payment of interest on such Debt owed to the Secured Parties.

**Subordination of Shareholder Debt:**

Any Shareholder Debt shall be subordinated to the Secured Obligations and any repayment of, or payment of interest under, any Shareholder Debt shall be subject to all Secured Obligations having been discharged in full (other than as permitted by the Senior Finance Documents).

The Intercreditor Agreement shall include provisions for turnover of payments received under any Shareholder Debt in conflict with the terms of the Intercreditor Agreement.

The Shareholder Creditors shall (i) not consent to or receive any repayment of, or payment of interest under, any Shareholder Debt (unless the payment is permitted under the Senior Finance Documents), (ii) not propose or consent to amendment of terms of any Shareholder Debt (unless such amendment are not prejudicial to the Secured Parties and (iii) ensure that any Shareholder Debt remains fully subordinated to the Secured Obligations.

**Payment Block:**

Following a Payment Block Event and for as long as such is continuing and until the earlier of (i) the taking of Enforcement Actions in accordance with the Intercreditor Agreement and (ii) a written notice from Super Senior Representative to the Security Agent to the contrary, no payments of principal or interest in

respect of the Senior Debt shall be made to the Senior Creditors (notwithstanding any other provisions to the contrary herein). However, interest shall continue to accrue during such period and any overdue amounts shall carry default interest pursuant to the terms of the Terms and Conditions and the New Debt Documents. For the avoidance of doubt, the failure to repay principal or pay interest on a due date shall constitute an event of default (however described) under the Terms and Conditions and the New Debt Documents.

Upon the occurrence of a Payment Block Event, any amounts paid under the Senior Debt (despite the Payment Block) shall be applied in accordance with the Section "Application of Enforcement Proceeds".

**Release of Transaction Security and Guarantees - General:**

The Security Agent may at any time, acting in its sole discretion, or if in respect of release and granting of Security upon disposals, acting on instructions of the Super Senior Representative, release the Transaction Security and the Guarantees in accordance with the terms of the Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement. For the avoidance of doubt any Transaction Security or Guarantee will always be released in such way which does not affect the sharing between the Senior Creditors and the Super Senior Creditors of the remaining Transaction Security and Guarantees and/or the ranking and priority of the Senior Creditors and the Super Senior Creditors as specified by the Intercreditor Agreement.

**Super Senior WCF:**

The Issuer shall be entitled to enter into a Super Senior WCF for general corporate purposes (including investments) and/or working capital purposes up to the amount of the Super Senior Headroom and provided that the creditor(s) of such Super Senior Debt directly or through an agent or another representative accedes to the Intercreditor Agreement as a Super Senior WCF Creditor such creditor(s) of such Super Senior Debt shall have a right to the Transaction Security as a Super Senior WCF Creditor pursuant to the Intercreditor Agreement and the Security Agent shall hold the Transaction Security on behalf of the new creditors on the same terms, mutatis mutandis, as the Transaction Security is held by the Security Agent on behalf of the Secured Parties.

The Security Agent may from time to time, at the request of the Issuer, amend vary and/or restate the Security Documents to give effect to the above.

**Replacement of debt:**

The Issuer shall from time to time be entitled to (i) replace the Super Senior WCF in full with one or several new revolving debt facilities for general corporate purposes and/or working capital purposes up to the amount of the Super Senior Headroom (the "**Replacement Super Senior Debt**") and/or (ii) replace the Bonds

with new bonds or debt facilities (the "**Replacement Senior Debt**"); provided that:

- (a) the Transaction Security shall secure the Replacement Super Senior Debt on the same terms, *mutatis mutandis*, as it secures the previous Super Senior WCF, including the terms of the Intercreditor Agreement;
- (b) the Transaction Security shall secure the Replacement Senior Debt on the same terms, *mutatis mutandis*, as it secures the Bonds including the terms of the Intercreditor Agreement;
- (c) the new creditor(s) shall directly or through an agent or a trustee be a party to the Security Documents;
- (d) the Security Agent shall hold the Transaction Security on behalf of the new creditors on the same terms, *mutatis mutandis*, as the Transaction Security is held by the Security Agent on behalf of the Secured Parties;
- (e) the new creditor(s) of the Replacement Super Senior Debt shall:
  - (i) directly or through an agent or a trustee accede to the Intercreditor Agreement as a Super Senior WCF Creditor; and
  - (ii) have the same right to the Transaction Security and any Guarantees and the proceeds pertaining thereto as the previous Super Senior WCF Creditor; and

the new creditor(s) of the Replacement Senior Debt shall:

- (i) directly or through an agent or a trustee accede to the Intercreditor Agreement as a Senior Creditor; and
- (ii) have the same right to the Transaction Security and any Guarantees and the proceeds pertaining thereto as the previous Senior Creditors.

Provided that the terms set out above are complied with, the Security Agent may from time to time, at the request of the Issuer, amend vary and/or restate the Security Documents and the Guarantee and Adherence Agreement on behalf of itself and the Secured Parties in order to release Transaction Security and/or any Guarantee provided to an existing Secured Party (with the prior consent of such existing Secured Party) and/or to create Transaction Security and/or Guarantees in favour of a new creditor(s).

Following any replacement of debt in accordance with this paragraph any reference to Bonds and any reference to related finance documents (including the Finance Documents) shall

instead refer to the debt incurred under the Replacement Senior Debt and related finance documents.

**Super Senior Headroom:**

The principal amount under the Super Senior WCF (excluding, for the avoidance of doubt, any hedging liabilities related thereto) shall not exceed an amount equal to fifteen (15) per cent. of the outstanding Nominal Amount, plus premium, accrued and unpaid interest, fees and costs.

**Limitation on Secured Obligations:**

All Transaction Security, Guarantees and subordination shall be subject to applicable customary limitation language.

**Appointment of Security Agent and power of attorney:**

The Secured Parties will appoint and authorise the Security Agent to hold and to act as its agent with respect to the Security Documents, to the extent permitted by applicable law.

Any change of Security Agent shall require the consent of the Bonds Agent, the Super Senior Creditors and any New Debt Creditor. The Bonds Agent shall be authorised (in its sole discretion) to grant such consent without any approval or consent from the Bondholders.

**New Security:**

Any new Security created (and guarantees and indemnities granted) in respect of any Secured Obligation shall be extended to and shared between the Secured Parties on a *pro rata* basis and in accordance with the ranking and priority set forth above.

**Enforcement:**

The Intercreditor Agreement will contain provisions regulating the Secured Parties' respective rights to take Enforcement Actions and to vote and instruct the Security Agent to enforce the Transaction Security, according to the following principles:

**(a) Enforcement Actions and Enforcement Instructions**

- (i) Other than as expressly permitted by the terms of the Intercreditor Agreement, no Secured Party may independently accelerate, seek payment and exercise other rights and powers to take Enforcement Actions under the Senior Finance Documents.
- (ii) The Security Agent may refrain from enforcing the Transaction Security and/or Guarantees or take other Enforcement Actions unless instructed otherwise by the Instructing Party in accordance with paragraph 0 below but always subject to paragraph (a)(iv) below.
- (iii) Subject to the Transaction Security or the Guarantees having become enforceable in accordance with its terms and subject to paragraph 0 below, the Representatives may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as they see fit, provided that the

instructions are consistent with the Security Enforcement Objective.

- (iv) Notwithstanding anything to the contrary in paragraphs (a) and 0, the Senior Representative may only give an Enforcement Instruction if the proceeds to be received from the proposed Enforcement Actions is expected to amount to or exceed the amount of the Super Senior Debt.
- (v) The Security Agent is entitled to rely on and comply with instructions given in accordance with this paragraph (a).
- (vi) In relation to any Hedging Obligation only, the Security Agent may not designate an Early Termination Date (as defined in the relevant Hedging Agreement) under any Hedging Agreement, or terminate, or close out any transaction under, any Hedging Agreements, prior to its stated maturity, or demand payment of any amount which would become payable on or following an Early Termination Date (as defined in the relevant Hedging Agreement) or any such termination or close-out, unless voluntary or in accordance with a partial termination not prohibited by the Senior Finance Documents and not related to any default.

### **Consultation**

- (i) If either the Super Senior Representative or the Senior Representative wishes to issue Enforcement Instructions in accordance with paragraph (a)(iii) above, such Representative shall deliver a copy of those proposed Enforcement Instructions (an "**Enforcement Proposal**") to the Security Agent and the Security Agent shall promptly forward such Enforcement Proposal to the other Representative.
- (ii) Subject to paragraph 0(iii) below, if the Security Agent has received Conflicting Enforcement Instructions, the Security Agent shall promptly notify the Representatives and the Representatives will consult with each other and the Security Agent (as the case may be) in good faith for a period of not more than thirty (30) days (or such shorter period as the Representatives may agree) (the "**Consultation Period**") from the earlier of (A) the date of the latest of such Conflicting Enforcement Instructions and (B) the date falling ten (10) Business Days after the date on which the first Enforcement Instruction was delivered in accordance with paragraph 0(i) above, with a view to agreeing instructions as to enforcement.



- (iii) The Representatives shall not be obliged to consult (or, in the case of (B) below, shall be obliged to consult for such shorter period as the Instructing Party may determine) in accordance with paragraph 0(ii) above if:
  - (A) the Transaction Security and/or the Guarantees have become enforceable as a result of an Insolvency Event; or
  - (B) each of the Super Senior Representative and the Senior Representative agree that no Consultation Period is required.
- (iv) Following the Consultation Period there shall be no further obligation to consult and the Security Agent shall, provided that no joint Enforcement Instructions has been agreed during the Consultation Period, act in accordance with the Enforcement Instructions then received from the Instructing Party and the Instructing Party may issue instructions as to enforcement to the Security Agent at any time thereafter.
- (v) If (A) no Enforcement Action has been taken by the Security Agent within three (3) months from the end of the Consultation Period, or (B) the Super Senior WCF Discharge Date has not occurred within six (6) months from the end of the Consultation Period, then the Super Senior Representative shall become the Instructing Party and be entitled to give Enforcement Instructions.
- (vi) If a Secured Party (acting reasonably) considers that the Security Agent is enforcing the Security in a manner which is not consistent with the Security Enforcement Objective, such Secured Party shall give notice to the other Secured Parties after which the Representatives and the Security Agent shall consult, prior to taking any further enforcement action, for a period of twenty (20) days (or such lesser period that the Secured Parties may agree) with a view to agreeing on the manner of enforcement.
- (vii) Notwithstanding the foregoing, following an Insolvency Event in respect of a Group Company, the Facility Agent may take the same Enforcement Action as the Bondholder Agent and/or the Bondholders in respect of that Group Company in order to prove its debt in such insolvency.

## **Miscellaneous**

- (i) Upon Enforcement Actions in respect of the Transaction Security, the proceeds shall be distributed in accordance with the section "Application of Enforcement Proceeds" set out below.
- (ii) Any Enforcement Action required to be taken by the Representative in accordance with agreed Enforcement Instructions pursuant to (b) above, shall be taken by such Representative at the request of the Security Agent.
- (iii) All Security and/or Guarantees or arrangement having similar effects may be released by the Security Agent, without the need for any further referral to or authority from anyone, upon any Enforcement Action provided that the proceeds are distributed in accordance with the provisions set out in the Intercreditor Agreement.
- (iv) Funds that the Security Agent receives (directly or indirectly) in connection with an Enforcement Action in respect of the Transaction Security shall constitute escrow funds (Sw. redovisningsmedel) and must be held on a separate account on behalf of the Secured Parties or the Issuer as the case may be. The Security Agent shall promptly arrange for payments to be made in accordance with the application of proceeds set forth in the Intercreditor Agreement.
- (v) Nothing herein shall preclude the rights of the Super Senior WCF Creditors or the Bonds Agent to join or intervene in or otherwise support any proceedings arising from insolvency proceedings or do such other things as may be necessary to maintain a claim or Security, always as long as such action does not adversely affect the rights of the other Secured Creditors or the Security Agent and is not inconsistent with its obligations contained in the Intercreditor Agreement and each of the Facility Agent and the Bonds Agent shall give prompt notice to the other of any action taken by it to join, intervene or otherwise support any such proceedings.
- (vi) For avoidance of doubt, customary provisions regarding permitted (or required) actions once an Insolvency Event has occurred to be included in the Intercreditor Agreement.

**Voting provisions for Senior Creditors:**

The Intercreditor Agreement will contain voting provisions for the Senior Creditors and appointment of representative for the Senior Creditors to be applied when the New Debt is larger than the debt outstanding under the Bonds, according to the following:

- (a) If, and for as long as, the New Debt is larger than the debt outstanding under the Bonds, the Bonds Agent and any representative of any New Debt Creditors shall conduct the respective voting procedures under the respective debt instruments and any representative of any New Debt Creditors shall share its result from such procedure with the Bonds Agent. The Bonds Agent shall, based on such results, determine the decision of the Collective Majority Senior Creditors and act as the Senior Representative if not replaced with another representative appointed by the Collective Majority Senior Creditors.
- (b) If, and for as long as, the New Debt is larger than the Bonds, each of the Senior Creditors hereby irrevocably appoints the Bonds Agent to act as Senior Representative. The Collective Majority Senior Creditors may, if requested by more than 10.00 per cent. of the Collective Majority Senior Creditors, replace the Bonds Agent as Senior Representative with a new representative. Such resolution shall be taken with a more than 50.00 per cent. majority requirement of all Senior Debt and a quorum of at least 20.00 per cent. of all Senior Debt. The Bonds Agent and the representatives of any New Debt shall conduct the respective voting procedures under the respective debt instruments and any representative of any New Debt Creditors shall share its result from such procedure with the Bonds Agent.

**Application of Enforcement Proceeds:**

The proceeds of any Enforcement Action shall be paid to the Security Agent for application in the following order:

- (a) firstly, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by the Group Companies to the Security Agent (or its delegate);
- (b) secondly, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by the Issuer to the Issuing Agent, the Facility Agent, the Bonds Agent and any agent representing creditors of any New Debt;
- (c) thirdly, towards payment *pro rata* of accrued interest unpaid under the Super Senior WCF Documents;
- (d) fourthly, towards payment *pro rata* of principal under the Super Senior WCF and any other costs or outstanding amounts under the Super Senior WCF Documents, and any close out amount and any other outstanding amounts under the Hedging Obligations;
- (e) fifthly, towards payment *pro rata* of accrued interest unpaid under the Senior Debt (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);

- (f) sixthly, towards payment *pro rata* of principal under the Senior Debt;
- (g) seventhly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents and any New Debt Documents;
- (h) eighthly, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under the Intercompany Debt;
- (i) ninthly, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under the Shareholder Debt; and
- (j) tenthly, after the Final Discharge Date, in payment of the surplus (if any) to the relevant ICA Group Company or other person entitled to it.

**Turnover:**

The Intercreditor Agreement shall include provisions for turnover of funds in the event of any creditor receiving payment in conflict with this ICA Term Sheet which will be set out in the full Intercreditor Agreement, after action has been initiated to enforce the Transaction Security, any Guarantees or other Enforcement Action. The payment waterfall provisions shall apply regardless of any Transaction Security or Guarantees not being (for whatever reason) valid or enforceable in respect of the relevant Secured Party. Any funds payable to the Security Agent under the turnover provisions that have not been paid to the Security Agent shall be considered in the waterfall provisions.

**Exercise of voting rights:**

- (a) Each Secured Party agrees with the Security Agent that it will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any Group Company as instructed by the Security Agent.
- (b) The Security Agent shall give instructions for the purposes of paragraph (a) above as directed by the Instructing Party.

**Modifications:**

Each Secured Party may amend or waive the terms of the finance documents for the Secured Obligations owed to such Secured Party (other than the Intercreditor Agreement or any Security Document) in accordance with their terms at any time.

No amendment or waiver may be made or given that has the effect of changing or which relates to an amendment to any material term of the Intercreditor Agreement (including to the order of priority or subordination under the Intercreditor Agreement) without the prior written consent of the Bonds Agent, the Senior Representative, the Super Senior Representative and the Security Agent.

The prior consent of the Secured Parties is required to authorise any amendment or waiver of, or consent under, any Transaction Security which would affect the nature or scope of the Security assets or the manner in which the proceeds of an Enforcement Action in respect of the Transaction Security are distributed.

**Miscellaneous:**

The Bonds Agent and the Facility Agent shall have a duty to inform the other creditor classes of any default which is continuing, event of default or acceleration. The ICA Group Companies shall use all reasonable endeavours to facilitate any necessary establishment of new Security or change of the Transaction Security pursuant to the Intercreditor Agreement.

**Governing law:**

The Intercreditor Agreement shall be governed by Swedish law.

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## **Addresses**

### **ISSUER**

**Azerion Holding B.V.**  
Beechavenue 182  
1119PX Schiphol-Rijk  
the Netherlands  
Tel.: +31 20 760 2040

### **ISSUING AGENT**

**Pareto Securities AB**  
Berzelii Park 9  
Postbox 7415  
103 91 Stockholm  
Sweden  
Tel.: +46 8 402 52 20

### **LEGAL COUNSEL**

**Roschier Advokatbyrå AB**  
Brunkebergstorg 2  
P.O. Box 7358  
SE-103 90 Stockholm  
Sweden  
Tel.: +46 8 553 190 00  
Fax: +46 8 553 190 01

### **AGENT**

**Nordic Trustee & Agency AB (publ)**  
Box 7329, SE-103 90 Stockholm  
Sweden  
Tel.: + 46 8-783 79 00

### **AUDITOR**

**PricewaterhouseCoopers Accountants N.V.**  
Thomas R. Malthusstraat 5  
1066 JR Amsterdam  
the Netherlands  
Tel.: +31 8879 20020

### **CENTRAL SECURITIES DEPOSITORY**

**Euroclear Sweden**  
Klarabergsviadukten 63  
Box 191  
SE-101 23 Stockholm  
Sweden  
Tel.: +46 8 402 91 70