

W O N E V E  
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# Vostok New Ventures Ltd

PROSPECTUS REGARDING THE LISTING OF  
SEK 650,000,000  
SENIOR SECURED CALLABLE FIXED RATE BONDS  
2019/2022  
ISIN: SE0013233541

29 November 2019

*The validity of this Prospectus will expire twelve (12) months from the date hereof. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.*

## IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Vostok New Ventures Ltd (the “**Company**” or the “**Issuer**”), registration number 39861, in relation to the application for admission to trading of the Company’s SEK 650,000,000 senior secured callable fixed rate bonds 2019/2022 with ISIN SE0013233541 (the “**Bonds**”), of which SEK 550,000,000 was issued on 4 October 2019 (the “**First Issue Date**”) and SEK 100,000,000 was issued on 28 November 2019, in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Initial Bond Issues**”, respectively), on the Corporate Bond List at Nasdaq Stockholm AB (“**Nasdaq Stockholm**”). Concepts and terms defined in the Terms and Conditions are used with the same meaning in this Prospectus unless otherwise is explicitly understood from the context. The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issues equals SEK 800,000,000. References to “**Vostok**” or the “**Group**” refer in this Prospectus to the Company and its subsidiaries from time to time, unless otherwise indicated by the context. See section “*Definitions*” below for definitions of certain other terms in this Prospectus.

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) pursuant to Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Prospectus is correct and complete.

This Prospectus is 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 admission to trading of the Bonds on Nasdaq Stockholm. This Prospectus may not be distributed in any country where distribution requires additional prospectus, registration or additional measures or is contrary to local rules and regulations. 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 U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any U.S. state securities laws and may be subject to U.S. tax law requirements. Subject to certain exemptions, the Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Company has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Company has not registered the Bonds under any other country’s securities laws. It is the investor’s obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

The Prospectus is available at the Swedish Financial Supervisory Authority’s web page ([www.fi.se](http://www.fi.se)) and the Company’s web page ([www.vostoknewventures.com](http://www.vostoknewventures.com)).

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company’s auditors. Certain financial information in this Prospectus may have been rounded off 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 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 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 section “*Risk factors*”.

This Prospectus shall be read together with all documents that are incorporated by reference (see section “*Documents incorporated by reference*” and any supplements to this Prospectus).

The Bonds may not be a suitable investment for all investors and each potential investor in the Bonds must determine the suitability of that investment in light of his or her own circumstances. In particular, each potential investor should (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact other Bonds will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds; (iv) understand thoroughly the Terms and Conditions; and (v) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

This Prospectus has been prepared in English only and is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

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# Summary

## Introduction and warnings

This prospectus (the “**Prospectus**”) has been prepared by Vostok New Ventures Ltd (the “**Company**” or the “**Issuer**” and together with its subsidiaries from time to time, the “**Group**”), registration number 39861, LEI 549300AO9GBHGX75HB20, in relation to the application for admission to trading of the Company’s SEK 650,000,000 senior secured callable fixed rate bonds 2019/2022 with ISIN SE0013233541 (the “**Bonds**”), of which SEK 550,000,000 was issued on 4 October 2019 and SEK 100,000,000 was issued on 28 November 2019, in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”), on the Corporate Bond List at Nasdaq Stockholm AB (“**Nasdaq Stockholm**”).

This Prospectus was approved by the Swedish Financial Supervisory Authority on 29 November 2019. The address of the Swedish Financial Supervisory Authority is Brunnsgratan 3, Box 7821, 103 97 Stockholm, Sweden and the telephone number is +46 8 408 980 00.

This summary should be read as an introduction to the Prospectus. Every decision to invest in the Bonds should be based on the investors’ consideration of the Prospectus as a whole. Investors in the Bonds may lose all or part of the invested capital. Where a claim relating to the Prospectus is brought before a court, the plaintiff may have to bear the costs of translating the Prospectus before legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent with the other parts of the Prospectus, or where 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 the Bonds.

## Key information on the Issuer

### Who is the issuer of the securities?

Legal form etc.	The legal and commercial name of the Issuer is Vostok New Ventures Ltd, Bermudian corporate registration number 39861. The Issuer is domiciled and incorporated in Bermuda as an exempted company limited by shares and operating under the laws of Bermuda. The Issuer’s LEI is 549300AO9GBHGX75HB20.
Principal activities	The Issuer is an investment company with the business concept of using experience, expertise and a widespread network to identify and invest in assets with considerable potential for value appreciation, with a focus on companies with network effects.
Major shareholders	The largest shareholder is Ruane, Cunniff & Goldfarb (Ruane Cunniff), whose shareholding as at 30 September 2019 amounted to 19,580,000 depository receipts, representing a total of 25.1 percent of the outstanding shares of the Company. The shares are held through various legal entities controlled by Ruane Cunniff. The next largest shareholder was Armor Advisors LLC, with a total shareholding as at 30 September 2019 of 11,734,789 shares representing 15.0 percent of the shares and votes in the Company.
Key management	Per Brilioth, CEO Nadja Borisova, CFO Anders F. Börjesson, General Counsel
Auditor	PricewaterhouseCoopers AB has been the Company’s auditor since 2007. From 2012 until the Company’s 2019 AGM, Ulrika Ramsvik was the auditor-in-charge and, from 2014, Bo Hjalmarsson the co-signing auditor. As from the Company’s 2019 AGM, Bo Hjalmarsson is the auditor-in-charge and Martin Oscarsson the co-signing auditor. Ulrika Ramsvik, Bo Hjalmarsson and Martin Oscarsson are members of FAR. The business address to PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

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

Historical key financial information	<b>Income statement – Group</b>				
	(Expressed in USD thousands)	2018	2017	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018
	Operating result	- 6,238	162,743	84,707	28,944
	<b>Cash flow statements – Group</b>				
	(Expressed in USD thousands)	2018	2017	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018
	Net cash flow from operating activities	-31,031	-10,892	341,189	-29,199
	Net cash flow from financing activities	23,321	19,059	-362,755	24,685
	Net cash flow from investment activities	-135	–	–	-107

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

Risks	<p><b>Emerging markets and country-specific risks.</b> Several portfolio companies are incorporated in and/or operates in emerging countries. In such countries, investments may be affected by unusually large fluctuations in profit and loss and other factors outside the Company's control that may have an adverse impact on the value of the Company's adjusted equity. Unstable state administration could have an adverse impact on investments. The Issuer deems the probability of any or several of the abovementioned risks occurring to be high and the potential negative impact to be high.</p> <p><b>General market risks.</b> Changes in market value due to any global or regional economic downturn, particularly in Europe, impact the result of the Issuer's operations through the depreciations of the value of its investment assets. Weakened market conditions may also limit the exit opportunities and deliver realised values from investments at a lower price than the value in the balance sheet at the point of disposal. As at 30 September 2019, 95.2 per cent. of the Issuer's investment portfolio consisted of shares in unlisted companies and such privately held holdings are less liquid and may be more difficult to dispose. Unfavourable market conditions may limit the availability of appropriate targets for acquisitions as well as create financial issues to the existing portfolio companies due to decreased revenues and growth and expanding of their businesses. Portfolio companies at growth stage may breach the covenants in their financial arrangements or be unable to meet their debt repayment obligations. Issuer deems the probability of such risks occurring to be medium and the potential negative impact to be high.</p> <p><b>Exposure to the transport business.</b> On 30 September 2019, 48.1 per cent. of the Group's investment portfolio consisted of investments in companies operating in the transport business. If the transport portfolio companies are unable to compete effectively, or become subject to increased regulation, the Group's business and financial prospects would be adversely impacted. The Issuer deems the probability of the risk occurring to be medium and the potential negative impact to be high.</p> <p><b>Exposure to the digital health business.</b> On 30 September 2019, 30.3 per cent. of the Group's investment portfolio consisted of investments in companies operating in the digital health business. The market for digital health solutions is new, rapidly evolving, and increasingly competitive. If the market for digital health develops slower than expected, if it encounters negative publicity, is subject to increased regulation, or if the portfolio companies offering digital health products and services fail in demonstrating and promoting the benefits of such solutions or to compete with their peers, the Group's business, financial condition, and results of operations could be adversely affected. The Issuer deems the probability of the risk occurring to be medium and the potential negative impact to be high.</p>
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### Key information on the securities

#### What are the main features of the securities

Securities	<p>The Bonds are unilateral debt instruments issued under Swedish law and intended for public trading as set out in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (<i>Sw. ensidig skuldförbindelse avsedd för allmän omsättning enligt 1 kap. 3 § lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i>). Subject to an intercreditor agreement entered into by <i>inter alia</i> the Issuer and the Trustee, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.</p> <p>The Bonds bear interest from, but excluding, the relevant issue date up to and including the relevant redemption date. Any subsequent bonds will carry interest from, but excluding, the interest payment date falling immediately prior to their issuance up to and including the relevant redemption date. The Interest Rate is a fixed rate of 5.75 per cent. per annum, payable quarterly in arrears on 4 January, 4 April, 4 July and 4 October each year or, to the extent such day is not a Business Day, the first following day that is a Business Day.</p> <p>65,000 Bonds were issued in the initial bond issues. The Bonds have ISIN SE0013233541. The Bonds are denominated in SEK and each Bond has a nominal amount of SEK 10,000.</p>
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#### Where will the securities be traded?

Admission to trading	The Bonds will be admitted to trading on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to attain or obtain, at another regulated market. The Bonds have also been admitted to trading at the Open Market of Frankfurt Stock Exchange, which is a multilateral trading platform (MTF).
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#### What are the key risks that are specific to the securities?

Risks	<b>Repayment and refinancing risk.</b> The ability of the Issuer to repay the Bonds in full at the maturity date or obtain refinancing is dependent on its financial position and the conditions in the debt and equity capital markets. In the event the Issuer is unable to refinance the Bonds or other outstanding debt, or if such financing can only be obtained
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on unfavourable terms, this could have a significant adverse effect on the Issuer's ability to repay the principal of the Bonds at maturity or upon an early redemption or repurchase of Bonds. The Issuer deems the probability of such risk materialising to be medium and the potential negative impact to be medium.

**Risks related to listing of the Bonds.** There is an obligation to list the initial Bonds on the corporate bond list of Nasdaq Stockholm or any other regulated market no later than 60 calendar days from the first issue date and on the Open Market of the Frankfurt Stock Exchange as soon as reasonably possible. There is a risk, which the Issuer deems to be of low probability, that the Bonds will not be admitted to trading in time, or at all. If the Issuer fails to procure listing in time, and such listing failure is not waived by the bondholders in accordance with the terms and conditions of the Bonds, each bondholder have the right to request that all, or some only, of its Bonds shall be repurchased. In addition, bondholders holding Bonds on an investment savings account (Sw. *Investeringssparkonto*) will no longer be able to hold the Bonds on such account, thus affecting such bondholder's tax situation. If the Issuer fails to procure listing in time, or at all, there is a low risk that a liquid market for trading in the Bonds will not exist. If the risk were to materialise, the Issuer deems the potential negative impact to be high.

## Key information on the admission to trading on a regulated market

### Why is this prospectus being produced?

Reasons and use of issue proceeds	<p>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.</p> <p>The Net Proceeds will be used towards financing general corporate purposes of the Group, including investment activities.</p>
Material conflicts	<p>Pareto Securities AB ("<b>Pareto</b>") is sole bookrunner in conjunction with the issuance of the Bonds. Pareto (and closely related companies) has provided, and may in the future provide, certain investment banking and/or commercial banking and other services to the Issuer and the Group for which they have received, or will receive, remuneration. Accordingly, conflicts of interest may exist or may arise as a result of Pareto having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties.</p>

# Risk factors

*In this section, a number of risk factors are described concerning the Issuer's and the Group's investment and other business risks, market risks, financial risks, legal and regulatory risks, and risks related to the nature of the Bonds and the admission of the Bonds to trading on a regulated market.*

*The most material risk factor in each category is presented first. The materiality has been determined based on the probability of occurrence and expected magnitude of negative impact of each risk. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence.*

## **RISK FACTORS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP**

### **Investment risks and other business risks**

#### Price risk of non-quoted shares

On 30 September 2019, 98.5 percent of the Issuer's investment portfolio consisted of equity investments, including convertible debt, recorded as financial assets at fair value through profit and loss on the consolidated balance sheet. A decrease in value of the non-quoted shares may affect the Company's net income and capital, and thereby have a material negative impact on the Group's operations, earnings and financial position. The Issuer deems the probability of such risk materialising to be medium and if factors contributing to a decline in the share price of one or several portfolio companies, the Issuer deems the potential negative impact to be medium.

#### Risks related to the portfolio companies' operations

All business operations in the portfolio companies are associated with the risk of incurring losses due to, for instance, deficient procedures, failure to increase and improve the functionality and quality of existing products and services, failure to extend existing licensing agreements on favourable conditions, failure to remain competitive or launch new products and services and to successfully optimise production and introduce cost reduction measures. There is also a risk that some portfolio companies will be unable to adapt to changing business landscape, including but not limited to digitalisation and implementation of new technologies supply and the maintaining of key suppliers and customer relationships. Quality problems, production interruptions and delays in the introduction of new products and services could, in addition, lead to a loss of orders and customers for each portfolio company and irregularities and/or other internal or external events could also cause disruptions or damage the business.

The occurrence of any adverse effects on operations in several portfolio companies would likely have a material adverse effect on the Group's results and return on investment upon exit. The Issuer deems the probability of such risk materialising wholly or partially to be medium and the potential negative impact to be medium.

#### Disposal risks

The Issuer has an explicit exit strategy to sell its holdings in portfolio companies to strategic investors or via the market. There is a risk that the Issuer will not succeed in selling its holdings at the price recorded in the balance sheet at the time of the disposal. If the Issuer disposes of the whole or part of an investment in a portfolio company, the Issuer may receive less than the expected value of the participations, and the Issuer may receive less than the sum invested, which could have a material negative impact on the Group's operations, earnings

and financial position. The Issuer deems the probability of the risk materialising to be medium and the potential negative impact to be medium.

### Exposure to early-stage companies

The majority of the investment portfolio consists of investments in start-ups and other companies in an early stage of growth. Such companies typically generate negative cash flows and will rarely pay dividends to their investors, mainly because the profits are typically re-invested into the business to fuel growth and build shareholder value. The Issuer deems that there is a high risk that the Group will not receive regular dividends from the majority of the portfolio companies, which would have a low potential negative impact.

### Dependence on key individuals

The Issuer is dependent on its senior executives. Its managing director, Per Brilioth, is of particular significance to the development of the Issuer. There is a risk that the Group might lose significant competence, know-how and/or personal network if any or several of the senior executives were to leave the Issuer. The Issuer deems the probability of the risk occurring to be low and the potential negative impact to be high.

### Acquisition risks

The Issuer frequently acquires shares in unlisted companies. During the period from 1 October 2018 to 30 September 2019 a total of 33 acquisitions were made in a total amount of USD 169 million. Such acquisitions may entail operative risks, such as the need to identify investment and acquisition opportunities on favorable terms and conditions, and failure to do so may have a detrimental effect on the company's operational or competitive environment, reducing the value of the company as a whole and consequentially, the Company. Inability to identify appropriate targets and execute acquisition due to the high competition at the capital markets or failure to successfully manage portfolio companies could affect negatively the future business opportunities and the ability of identifying and executing future investments. In addition, the carrying out of investments and acquisitions generates costs of financing as well as costs for legal, financial and other advisors. A significant part of such costs is incurred even though the acquisition is not completed. This may have a negative impact on the Company's operations, earnings and financial position. The Issuer deems the probability of the risk materialising to be low and the potential negative impact to be low.

## Market risks

### Emerging markets and country-specific risks

Several portfolio companies are incorporated in and/or operates in emerging countries, notably the United Arab Emirates, Turkey, Egypt, Pakistan, Myanmar. As such countries are still, from an economic point of view, in a phase of development, investments may be affected by unusually large fluctuations in profit and loss and other factors outside the Company's control that may have an adverse impact on the value of the Company's adjusted equity. Investors should therefore be aware that investment activity in emerging markets entails a high level of risk and requires special consideration of factors, including those mentioned here, which are usually not associated with investment in shares in better regulated countries.

Unstable state administration could have an adverse impact on investments. None of the emerging markets has a fully developed legal system comparable to that in more developed countries. In these judicial systems existing laws and regulations are sometimes applied inconsistently and both the independence and efficiency of the court system constitute a significant risk. Statutory changes have taken place and will probably continue to take place at a rapid pace, and it remains difficult to predict the effect of legislative changes and legislative decisions for

companies. It could be more difficult to obtain redress or exercise one's rights in emerging markets than in more mature legal systems. If any of the above described risks were to materialise, or if any of the above described factors would have a negative development, it could have a material negative impact on the Group's operations, earnings and financial position. The Issuer deems the probability of any or several of the abovementioned risks occurring to be high and the potential negative impact to be high.

Economic unrest in one growth markets tends to have adverse effects on the equity markets in other growth countries, or the share price of companies operating in such countries, as investors opt to re-allocate their investment flows to more stable and developed markets. The Company's share price may be adversely affected during such periods. Financial problems or an increase in perceived risk related to a growth market may inhibit foreign investment in such market and have a negative impact on the country's economy. Such an economic downturn could have a material negative impact on the Group's operations, earnings and financial position. The Issuer deems the probability of the risk occurring to be medium and the potential negative impact to be low.

### General market risks

Investment operations carried out by the Issuer are subject to general market risks, which refers to the risk of loss resulting from changes in the market value of the portfolio companies due to any global or regional economic downturn, particularly in Europe. Changes in market value impact the result of the Issuer's operations through the depreciations of the value of its investment assets.

Concerns over inflation, energy costs, geopolitical issues and the availability and cost of credit have, in recent years, contributed to increased volatility and negative future expectations for the economy and global markets. These factors, along with volatile oil prices, declining business and consumer confidence and increased unemployment, have precipitated an economic slowdown and recession, from which many countries have not yet recovered. In addition, the fixed-income markets have experienced periods of extreme volatility which has negatively affected market liquidity conditions. Weakened market conditions may also limit the exit opportunities and deliver realised values from investments at a lower price than the value in the balance sheet at the point of disposal. As at 30 September 2019, 95.2 per cent. of the Issuer's investment portfolio consisted of shares in unlisted companies and such privately held holdings are less liquid and may be more difficult to dispose.

Unfavourable market conditions may limit the availability of appropriate targets for acquisitions as well as create financial issues to the existing portfolio companies due to decreased revenues and lack of growth and expanding of their businesses. Portfolio companies at growth stage may breach the covenants in their financial arrangements or be unable to meet their debt repayment obligations.

The greater the negative downturn in markets and the longer such a downturn continues, the greater the likelihood of the Issuer failing to make the expected returns on its investments which would have a significant effect on the financial condition of the Issuer. The Issuer deems the probability of such risks occurring to be medium and the potential negative impact to be high.

### Exposure to the transport business

On 30 September 2019, 48.1 per cent. of the Group's investment portfolio consisted of investments in companies operating in the transport business. The transport sector is highly competitive, with well-established and low-cost alternatives in all markets where the portfolio companies offering transport services operates and there are low barriers to entry, low switching costs, and well-capitalised competitors and an increasing level of regulation. If the relevant portfolio companies are unable to compete effectively, or become subject to increased regulation, the Group's business and financial prospects would be adversely impacted. The Issuer deems the probability of the risk occurring to be medium and the potential negative impact to be high.

### Exposure to the digital health business

On 30 September 2019, 30.3 per cent. of the Group's investment portfolio consisted of investments in companies operating in the digital health business. The market for digital health solutions is new, rapidly evolving, and increasingly competitive. The global healthcare industry is undergoing significant structural change, which makes it difficult to forecast demand for digital health solutions. If the market for digital health develops slower than expected, if it encounters negative publicity, is subject to increased regulation, or if the portfolio companies offering digital health products and services fail in demonstrating and promoting the benefits of such solutions or to compete with their peers, the Group's business, financial condition, and results of operations could be adversely affected. The Issuer deems the probability of the risk occurring to be medium and the potential negative impact to be high.

### Exposure to the classified advertising business

On 30 September 2019, 16.5 per cent. of the Group's investment portfolio consisted of investments in companies operating in the classified advertising business. The classified advertising publishing industry is highly competitive. In the local markets of portfolio companies operating in the classified advertising business, there is increasing competition for advertising revenues. Such portfolio companies may not be able to compete successfully because its competitors may not need to achieve positive operating results from their businesses over the short term, may have significantly greater operating experience and brand recognition in a particular market or may have greater financial, marketing and technical expertise, enabling them to develop and enhance competing businesses and to adapt more quickly to rapid technological change and changes in the industry. There is a risk that the portfolio companies operating in this business may not be able to compete effectively with other classified advertising businesses, which could have an adverse effect on the Group's results and financial position. The Issuer deems the probability of such risk occurring to be medium and the potential negative impact to be medium.

## Financial risks

### Valuation risks

On 30 September 2019, 95.2 per cent. of the Issuer's investment portfolio consisted of shares in unlisted companies. Estimating the fair value of unlisted portfolio companies and their movements is difficult and is based on observable market data or, where such data is missing, other valuation techniques at the time of valuation and assumptions regarding the future development of portfolio companies, which may be inaccurate and which may not materialise as expected or at all. There is a risk that fair value estimations are inaccurate and may change significantly, which, in turn, has a significant impact on the Group's result of operations and financial condition. In addition, the realised profit of an investment may deviate significantly from the most recent fair value valuation.

Changes in fair values may cause significant changes in the Group's result over different reporting periods, which in turn could have an adverse effect on the Issuer's and/or the Group's business, financial condition, results of operations and future prospects. The Issuer deems the probability of the risk materialising to be medium and the potential negative impact to be medium.

### Dependence on subsidiaries and portfolio companies

The Issuer holds few significant assets other than direct and indirect investments in the Group's portfolio companies. Accordingly, the Issuer is dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to meet its own obligations. The Group's stakes in its portfolio companies

often constitute minority shares, and the Group's ability to fully pursue its ownership policy may therefore be limited. Further, Vostok's interests may conflict with other shareholders' and lead to difficulties in the management, which may have a negative impact on the Company's investment. A decrease in revenue and income from portfolio companies may have a negative impact on the Group's earnings and financial position. The Issuer deems the probability of such risk occurring to be medium and the potential negative impact to be medium.

### Liquidity risk

Disruptions, uncertainty or volatility in the capital and credit markets may limit the Group's access to capital required to operate its business and its ability to repay, in a timely manner, maturing liabilities, to generate dividend income and market-related revenue to meet liquidity needs and to access the capital necessary to grow its business or to finance the Company's portfolio companies' business, for example by participating in their raising of capital. Further, the Group may be forced to postpone raising capital or bear a high cost of capital. As at 30 September 2019, the Group's cash and cash equivalents amounted to approximately USD 10.6 million and liquidity management investments which could be converted into cash within a short period of time amounted to approximately USD 30.0 million. However, there may be investment needs that exceeds the amount of funds which the Group currently possesses or is able to raise on short notice. Inability by the Company to participate in its portfolio companies' capital raisings may result in financial dilution of its holdings.

If any of the above described risks were to materialise it could have a material negative impact on the Group's operations, earnings and financial position. The Issuer deems the probability of the risks occurring to be medium and the potential negative impact to be medium.

### Foreign exchange risk

The Issuer's accounts are prepared in USD. The Group owns portfolio companies in several countries and is subject of foreign exchange risk arising from currency exposures, mainly to EUR, GBP, RUB and SEK. The official exchange rates for these and other operational currencies directly or indirectly affect the value of investments, but it is not possible to quantify such effect since the portfolio companies' foreign exchange exposure varies. This means that fluctuations in exchange rates may affect the net asset value of the portfolio in various ways that do not necessarily reflect real economic changes in the underlying assets. Such fluctuations could have a negative impact on the Group's earnings and financial position. The Issuer deems the probability of the risk occurring to be medium and the potential negative impact to be low.

### Legal and regulatory risks

#### Accounting practice and access to other information

Several portfolio companies are incorporated in and/or operates in emerging countries (see risk factor "*Emerging markets and country-specific risks*" above). Practice in accounting, financial reporting and auditing in emerging markets cannot be compared with the corresponding practices that exist in developed countries. This is principally due to the fact that accounting and reporting have only been a function of adaption to tax legislation. The tradition of not publishing information unnecessarily is still evident in the emerging markets where the Issuer invests. The formal requirements are less broad in terms of publishing information than in more developed markets. In addition, there is a risk that access to external analysis, reliable statistics and historical data is inadequate. The effects of inflation may, moreover, be difficult for external observers to analyse. There is a risk with regard to the completeness or dependability of prepared accounts and auditing. Inadequate information and weak accounting standards could have a material negative impact on the Group's operations, earnings and

financial position. The Issuer deems the probability of one or several of such risks occurring to be high. If such risks were to materialise, the Issuer deems the potential negative impact to be medium.

### Tax risks

The Issuer conducts its business, including intra-Group transactions, in accordance with the Issuer's interpretation of current tax legislation in relevant jurisdictions, tax treaties and tax authorities' guidelines and other requirements. Notable examples include determining the proper jurisdiction for taxation of gains related to cross-border transactions, proper pricing of cross-border transactions as well as determining the taxation regime applicable to parties to transactions generally. Tax legislation and double tax treaty agreements have a trend of frequent changes including introduction of new taxes and fees (*e.g.* digital tax) and such changes could have a significant impact on the tax position of portfolio companies and the Issuer. There is a risk that the Issuer's interpretation of applicable rules and administrative practice is incorrect, or that rules or practice will be changed, potentially with retroactive effect, in a way that has a material adverse impact on the Group's earnings and financial position. For example, as a result of an audit carried out by the Swedish Tax Agency (*Sw. Skatteverket*) in 2015 the Company's subsidiary Vostok New Ventures AB was obliged to pay additional VAT of SEK 40.3 million and tax penalties of SEK 2.3 million for services rendered to the Company. The Issuer deems the probability of one or more tax risks materialising to be medium. If such risks were to materialise, the Issuer deems the potential negative impact to be medium.

### Corporate governance risks

Misuse of corporate governance remains a problem in emerging markets. Minority shareholders may be mistreated in various ways, for instance in the sale of assets, transfer pricing, dilution, limited access to annual General Meetings and restrictions on seats on boards of directors for external investors. In addition, sales of assets to and transactions with related parties are common. Transfer pricing is generally applied by companies for the transfer of value from subsidiaries and external investors to various types of holding companies. Companies may neglect to comply with the rules that govern share issues, such as prior notification in sufficient time for the exercise of rights of pre-emption. Prevention of registration of shares is also widespread. Despite the fact that independent authorised registrars have to keep most share registers, some are still in the hands of the company management, which may lead to register manipulation. In such cases, a company's management would be able to take extensive strategic measures without proper consent from shareholders and shareholders' ability to exercise their right to express views and take decisions is made considerably more difficult.

Inadequate accounting rules and standards have hindered the development of an effective system for uncovering fraud and increasing insight. Shareholders can conceal their ownership by acquiring shares through shell company structures based abroad which are not demonstrably connected to the beneficiary, leading to self-serving transactions, insider deals and conflicts of interest. The supervisory authorities' work to secure effective oversight and ensure that fraud is uncovered, is complicated by the lack of judicial and administrative enforcement instruments.

Further, deficiencies in legislation on corporate governance, judicial enforcement and corporate legislation may lead to hostile takeovers, where the rights of minority shareholders are disregarded or abused, which could have a negative impact on the Group's operations, earnings and financial position.

The Issuer deems the probability of risks relating to corporate governance materialising to be medium and the potential negative impact to be low.

## Legal disputes

Since the Issuer invests in companies operating in countries in which the legal framework is less certain and the business environment less reliable, there is an increased risk that the Issuer may become involved in legal disputes of various kinds, including labor, intellectual property, contractual or regulatory in nature. Such disputes could result in negative publicity and lost revenues, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects. The Issuer deems the probability of the risk occurring to be low and the potential negative impact to be medium.

## RISKS FACTORS SPECIFIC AND MATERIAL TO THE BONDS

### Risks related to the nature of the Bonds

#### Repayment and refinancing risk

The ability of the Issuer to repay the Bonds in full at the maturity date or obtain refinancing is dependent on its financial position and the conditions in the debt and equity capital markets at the time such refinancing is required or desirable, including the exercise of a voluntary redemption or mandatory repurchase of Bonds. In the event the Issuer is unable to refinance the Bonds or other outstanding debt, or if such financing can only be obtained on unfavourable terms, this could have a significant adverse effect on the Issuer's ability to repay the principal of the Bonds at maturity or upon an early redemption or repurchase of Bonds. The Issuer deems the probability of such risk materialising to be medium and the potential negative impact to be medium.

#### Security risks

Under the final terms and conditions of the Bonds will be allowed to draw a credit facility not exceeding USD 10 million which will be ranked in priority over the bondholders' security in accordance with an intercreditor agreement. Although the obligations under the Bonds and certain other obligations of the Group towards the bondholders will be secured by first priority security, there is a risk that the proceeds of any enforcement sale of the security assets will not be sufficient to satisfy all amounts then due in respect of the Bonds.

The bondholders will be represented by the Agent in all matters related to the transaction security. There is a risk that the 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.

The Issuer deems the probability of any of the above risks occurring to be low. If any or several of the above risk were to occur, the Issuer deems the potential negative impact to be medium.

### Risks related to the admission of the Bonds to trading on a regulated market

#### Risks related to listing of the Bonds

There is an obligation to list the initial Bonds on the corporate bond list of Nasdaq Stockholm or any other regulated market no later than 60 calendar days from the first issue date and on the Open Market of the Frankfurt Stock Exchange as soon as reasonably possible. There is a risk, which the Issuer deems to be of low probability, that the Bonds will not be admitted to trading in time, or at all. If the Issuer fails to procure listing in time, and such listing failure is not waived by the bondholders in accordance with the terms and conditions of the Bonds, each bondholder have the right to request that all, or some only, of its Bonds shall be repurchased. In addition, bondholders holding Bonds on an investment savings account (Sw. *Investeringsparkonto*) will no longer be able to hold the Bonds on such account, thus affecting such bondholder's tax situation. If the Issuer fails to procure listing in time, or at all, there is a low risk that a liquid market for trading in the Bonds will not exist. If the risk were to materialise, the Issuer deems the potential negative impact to be high.

## Authorisations and statement of responsibility

The Company has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Bonds and the performance of its obligations relating thereto. The issuance of the Initial Bonds on 4 October 2019 was authorised by the board of directors of the Company on 23 September 2019.

The board of directors of the Company is responsible for the information contained in this Prospectus. The board of directors confirms that, to the best of its knowledge and having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The board of directors of the Company is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law.

The information in the Prospectus and in the documents incorporated by reference which derive from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Prospectus has been approved by the SFSA as competent authority under the Regulation (EU) 2017/1129. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation (EU) 2017/1129. The SFSA's approval should not be considered as an endorsement of the Company that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the Bonds. Investors should make their own assessment as to the suitability of investing in the Bonds.

Bermuda, 29 November 2019

**Vostok New Ventures Ltd**  
*The board of directors*

## The Bonds in brief

*This section contains a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. 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. The complete terms and conditions for the Bonds can be found in the section “Terms and Conditions”.*

The Issuer:	Vostok New Ventures Ltd, reg. no. 39861, an exempted company limited by shares registered in Bermuda.
The Bonds:	The Bonds are unilateral debt instruments issued under Swedish law and intended for public trading as set out in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>ensidig skuldförbindelse avsedd för allmän omsättning enligt 1 kap. 3 § lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i> ). Subject to the Intercreditor Agreement (if any), the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them. The board of directors of the Company resolved to issue the Bonds on 23 September 2019.
First Issue Date:	4 October 2019.
ISIN-code:	SE0013233541.
Short name:	VNV 004.
Purpose of the Bonds and transactions costs:	The Net Proceeds from the Initial Bond Issues or any Subsequent Bond Issue shall be used for general corporate purposes of the Group, including investment activities. The total expenses of the Bond Issue are estimated to amount to no higher than SEK 11,000,000.
Subsequent Bond Issue:	The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issues equals SEK 800,000,000, always provided, <i>inter alia</i> , that the Incurrence Test (calculated <i>pro forma</i> including such issue) is met.
Nominal Amounts and denomination:	The total Nominal Amount of the Initial Bond Issues is SEK 650,000,000. Each Bond has a nominal amount of SEK 10,000 and is denominated in SEK.
Interest:	The Bonds bear Interest from, but excluding, the relevant Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will carry Interest from, but excluding, the Interest Payment Date falling immediately prior to their issuance up to and including the relevant Redemption Date. The Interest Rate is a fixed rate of 5.75 per cent. <i>per annum</i> , payable quarterly in arrears on 4 January, 4 April, 4 July and 4 October each year or, to the extent such day is not a Business Day, the first following day that is a Business Day. The last interest payment is due on the Final Redemption Date. 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 incomplete months, the actual number of days elapsed (30/360-days basis).

Transaction security	As continuing security for the Secured Obligations, including due and punctual fulfilment of the Issuer's obligations under the Terms and Conditions, the Issuer has pledged to the Secured Parties, including the bondholders, as a first priority pledge (i) all shares in Vostok New Ventures (Cyprus) Limited, (ii) the Deposit Account and all funds held on the Deposit Account from time to time and (iii) any current Material Intra-Group Loans and any Material Intra-Group Loan made after the First Issue Date within sixty (60) Business Days from the incurrence of such Material Intra-Group Loan.
Final Redemption Date:	4 October 2022, at which date the Issuer shall redeem all outstanding Bonds at the Nominal Amount together with accrued but unpaid Interest.
The right to receive payments under the Bonds:	Payment of the Nominal Amount and Interest shall be made to the person who is registered in the securities register (Sw. <i>skuldbok</i> ) as bondholder on the Record Date prior to each Interest Payment Date.
Decisions by bondholders	The Bonds entitle bondholders representing at least ten (10) per cent. of the Adjusted Nominal Amount to request a decision of the bondholders. Such decisions are rendered by way of a Holders' Meeting or a Written Procedure, as decided by the Trustee. Valid decisions require the consent of bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which bondholders are voting, and in respect of certain matters a qualified majority of at least two thirds (2/3) of the Adjusted Nominal Amount for which bondholders are voting is required. Quorum exists if the bondholders present represent at least twenty (20) per cent. of the Adjusted Nominal Amount.
Final Redemption:	The Issuer shall redeem all outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest, unless previously redeemed in accordance with Clause 11.3 " <i>Early voluntary redemption by the Issuer (call option)</i> " of the Terms and Conditions or terminated in accordance with Clause 14 " <i>Termination of the Bonds</i> " of the Terms and Conditions.
Early voluntary redemption by the Issuer (call option):	The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day before the Final Redemption Date, at the applicable Call Option Amount together with accrued but unpaid Interest (see further Clause 11.3 " <i>Early voluntary redemption by the Issuer (call option)</i> " in the Terms and Conditions).
Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option):	Upon a Change of Control Event or a De-Listing Event occurring, each bondholder has, during a period of thirty (30) days, the right to request that all, or only some, of its Bonds are repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest (see further Clause 11.4 " <i>Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option)</i> " in the Terms and Conditions).
Time-bar:	The right to receive repayment of the Nominal Amount shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest shall be time-barred and become void three (3) years from the relevant due date for payment.
Restrictions on trade:	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. All Bond transfers are subject to the Terms and Conditions and the Finance Documents are automatically applicable in relation to all Bond transferees upon the completion of a transfer.

Trustee:	<p>Nordic Trustee &amp; Agency AB (publ), reg.no. 556882-1879, P.O. Box 7329 SE-103 90 Stockholm, Sweden. The Trustee is acting as agent for the bondholders in relation to the Bonds, and, if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions. Even without a separate authorisation from the bondholders and without having to obtain any bondholder's consent (if not required to do so under the Terms and Conditions), the Trustee, or a person appointed by the Trustee, is entitled to represent the bondholders in every matter concerning the Bonds and the Terms and Conditions subject to the Terms and Conditions. The Trustee is authorised to act on behalf of the bondholders whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Bonds). Each bondholder shall immediately upon request by the Trustee provide the Trustee with any such documents, including a written power of attorney (in form and substance to the Trustee's satisfaction), as the Trustee deems necessary for the purpose of carrying out its duties under the Terms and Conditions. The Trustee is under no obligation to represent a bondholder which does not comply with such request of the Trustee. An agreement has been entered into between the Trustee and the Issuer regarding, <i>inter alia</i>, the remuneration payable to the Trustee. The trustee agreement is available at the Trustee's office. The rights and obligations of the Trustee are set forth in the Terms and Conditions.</p>
Rating:	<p>The Bonds have not been assigned an official credit rating by any credit rating agency.</p>
Admission to trading of the Bonds:	<p>The Initial Bonds were admitted to trading at the Open Market of Frankfurt Stock Exchange on 8 October 2019 and the Company shall procure that any Subsequent Bonds are admitted to trading at the Open Market of Frankfurt Stock Exchange as soon as reasonably possibly after each Issue Date.</p> <p>This Prospectus has been prepared for the admission to trading of the Bonds. If Subsequent Bonds are issued, a new prospectus will be prepared for the admission to trading of such Subsequent Bonds, unless there is an applicable exemption pursuant to the Prospectus Regulation whereby such Subsequent Bonds may be admitted to trading without a new prospectus been prepared.</p> <p>The Company intends to apply for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market) in connection with the Swedish Financial Supervisory Authority's approval of this Prospectus and the Company shall ensure that such admission to trading is made not later than sixty (60) calendar days after the First Issue Date. The Company shall ensure that any Subsequent Bonds are admitted to trading on the corporate bond list on the relevant Regulated Market not later than sixty (60) calendar days after the relevant Issue Date.</p> <p>The number of Bonds being admitted to trading is 65,000. Admission of such Bonds to trading on Nasdaq Stockholm is expected to occur shortly after Nasdaq Stockholm's approval of the abovementioned application for admission to trading. The fact that an application regarding admission to trading of the Bonds on Nasdaq Stockholm has been submitted does not guarantee that the application will be approved.</p> <p>The total expenses of the admission to trading of the Bonds are estimated to amount to SEK 250,000.</p>

Securities register (Sw. *skuldbok*) and financial institution (Sw. *finansiellt institut*) through which the bondholders can exercise their financial rights:

The Bonds are connected to the account-based system of Euroclear Sweden. Holdings of the Bonds are registered on behalf of the bondholders on a securities account and no physical Bonds have, or will be, issued. The bondholders' financial rights such as payments of the Nominal Amount and Interest, as well as, if applicable, withholding of preliminary tax will be made by Euroclear Sweden.

# The Group and its operations

## Introduction

The Company is an exempted company limited by shares registered in Bermuda with registration number 39861 and LEI 549300AO9GBHGX75HB20, having its registered address at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Company was formed on 4 April 2007 and registered with the Bermudan Registrar of Companies on 5 April 2007. The Company is governed by Bermudan law and uses the trading name Vostok New Ventures. The Company's telephone number is +46 (0)8 545 015 50 and its website is [www.vostoknewventures.com](http://www.vostoknewventures.com). The information on the Company's website does not form part of this Prospectus unless such information is incorporated by reference into this Prospectus.

## Governance

To ensure that the control over the Company is not abused, the Company complies with the Bermuda Companies Act 1981 (the "**Bermuda Companies Act**"). The conduct of the Company is governed not only by the Bermuda Companies Act, but also by the Company's memorandum of association and bye-laws and by Bermuda common law. Since depository receipts representing the Company's shares are listed on a Swedish regulated market, however, the Company endeavors to apply Swedish Corporate Governance Code (Sw. *Svensk kod för bolagsstyrning*) (the "**Code**"). The Company will apply the Code in full to the extent it is compliant with the Bermudian Companies Act, or, where applicable, explain deviations from it. At present, the Company deviates from the Code in that it does not have an Internal Audit function and that its remuneration principles, as last adopted at the 2019 AGM, do not require that variable remuneration be linked to predetermined and measurable performance criteria does not provide for predetermined limits regarding the total outcome of variable remuneration paid in cash.

## Business and operations

Vostok is an investment company with the business concept of using experience, expertise and a widespread network to identify and invest in assets with considerable potential for value appreciation, with a focus on companies with network effects. Vostok intends to create value through professional investing activities, building on a structured process for continuous analysis of both current and prospective acquisitions.

The Company's aim is to undertake investments that the Company's shareholders have limited ability or are unable to pursue themselves. This implies managing risks associated with low transparency and weak corporate governance as well as illiquidity. An active investment philosophy is deemed necessary to achieve the appropriate level of risk in relation to the return potential.

The foundation for the investment activities is fundamental analysis of primarily unlisted companies. In markets and sectors where Vostok has particular knowledge and expertise, such as in Russia and emerging markets and online classifieds, the return requirement may sometimes be lower while in sectors where the Company does not have the same experience of investing, the requirement may be higher. The latter is intended to compensate for an increased amount of risk.

The Company's sector mandate is broad and the proposition is to create shareholder value by investing in assets that are associated with risks which Vostok is well-equipped to manage. Such typical risks include corporate governance risks, liquidity risks and operational risks. Vostok has gained experience and built an extensive network enabling it to handle the risks associated with investments in emerging markets.

One way of managing corporate governance risks in the portfolio companies is to pursue an active ownership policy. Active ownership is important in all markets, but especially in emerging markets where corporate governance risks can take on additional dimensions to that of more developed markets. Vostok has built up a considerable ability for implementing an active ownership in emerging markets. This can take many different forms, of which board representation is one.

The Company's investment strategy is to run investments into primarily equity holdings in private companies with a high return potential. The key short-term objective of Vostok is to deploy investor funds into an attractive portfolio of fast growth online marketplace companies. The key long-term objective of Vostok is to create value through its portfolio of companies. Vostok seeks to generate above average returns for its shareholders by investing in modern online marketplaces companies that exhibit network effects and potential for value appreciation. To achieve these goals the Company often takes an active role at the board level and eventually exits from the position with profit.

## History

Vostok New Ventures was founded in 2007 in connection with the restructuring of the "Old Vostok Nafta" (renamed Vostok Gas in connection with the restructuring). Despite being formed as recently as 2007, the Company has a history dating back to 1996 when Adolf H. Lundin founded "Old Vostok Nafta" with the business idea of implementing portfolio investments and direct investments in the former Soviet Union. The investments were initially conducted in the oil, gas and mining industries, but are today focused on internet and consumer focused sectors.

### 2007

- The Company changes name from Vostok Nafta Holding Investment Ltd to Vostok Nafta Investment Ltd and is distributed to shareholders in connection with a restructuring of its parent company, the "Old Vostok Nafta", renamed Vostok Gas.
- The Company is listed on Nasdaq Stockholm.

### 2008

- The Company acquires shares in Kontakt East Holding AB (a Swedish holding company then including the assets subsequently spun off as Avito.ru), equivalent to 98.7 per cent. of the total number of shares in the company.
- The Company acquires shares, corresponding to 10.8 per cent. of the total number of shares and votes, in Varyag Resources (subsequently renamed RusForest).
- The Company faces a challenging year and on the back of the financial crisis, a general concern about the health of the Russian economy as well as a sharp decline in the oil price several portfolio companies have been revalued, and the Company incurs a loss of USD 556 million during the year.

### 2009

- The Company raises SEK 538 million through a rights issue.
- The Company acquires a portfolio of listed Russian stocks, to a value of approximately USD 34.4 million through a directed new share issue.

### 2010

- The Company acquires shares in Clean Tech East Holding AB. After the acquisition, Vostok's total ownership amounts to 42.8 per cent. of the total shares and votes.
- The Company sells 6.9 per cent. of its holding in RusForest in conjunction with a rights issue in RusForest.
- Nadja Borisova takes over the role as CFO for the Company.

## 2011

- The Company liquidates parts of its holdings in Alrosa (USD 21.5 million) and Transneft (USD 18.5 million) and liquidates the Group's entire holdings in RusHydro (USD 7.4 million), Ufaneftekhim (USD 5.2 million), Ufa Oil Refinery (USD 14.1 million) and Inter RAO (USD 13.7 million).

## 2012

- The Company liquidates parts of its holdings in Tinkoff Credit System (USD 15.3 million), and liquidates its entire holdings in Acron (USD 11.4 million), Alrosa (USD 14.4 million), Gornozavodssk Cement (USD 11.4 million), InterRao (USD 9.8 million), Kuzbassrazrezugol (USD 47.4 million), Priargunsky Ind common (USD 12.4 million), TNK-BP Holding common (USD 52.7 million), TNK-BP Holding pref (USD 66.8 million) and Transneft pref (USD 13.8 million).
- The Company distributes USD 246 million to its shareholders through a share split and a mandatory redemption programme.
- During the year the Company makes two additional investments in Black Earth Farming (USD 19.7 million) and RusForest (USD 20.2 million).

## 2013

- Vostok's largest owner Lorito Holdings (Guernsey) Limited ("Lorito") and Zebra Holdings Investment (Guernsey) Limited ("Zebra") sell all of their holdings in the Company, corresponding to 31.1 per cent. of the outstanding shares at the time. All shares sold by Lorito and Zebra were acquired by Luxor Capital Group, L.P.
- Lukas H. Lundin and C. Ashley Heppenstall resign from their directorships.
- Vostok's portfolio company TCS Group (earlier Tinkoff Credit System) lists on the London Stock Exchange and the Company sells approximately 13.8 million shares at a price of USD 17.5 per share in conjunction with the listing.
- The Company distributes its shareholdings in Black Earth Farming and RusForest, representing a value of USD 68.8 million, to its shareholders.

## 2014

- The Company makes three equity investments: Yell.ru (USD 8 million), Quandoo (EUR 5.5 million, corresponding to USD 7.4 million) and GetTaxi (USD 25 million).
- The Company makes two debt investments: Delivery Hero (EUR 25 million, corresponding to USD 33.5 million) and Kite Venture (EUR 8 million, corresponding to USD 10.3 million).
- The Company implements a share repurchase programme totaling USD 118 million.
- The Company makes a large loss during 2014 as the value of the Company's second largest holding, TCS Group, declines by almost 80 per cent. during the year.

## 2015

- The Company makes two divestments: Delivery Hero (85 per cent. of the equity part) and Quandoo (the entire holding).
- The Company changes name from Vostok Nafta Investment Ltd to Vostok New Ventures Ltd.
- The Company's holding in TCS Group is distributed to the newly created company Vostok Emerging Finance Ltd. Vostok Emerging Finance Ltd came to existence as a separate entity on July 16 when the SDRs in Vostok Emerging Finance Ltd were distributed to the SDR holders of the Company through a mandatory redemption programme. Vostok Emerging Finance lists on Nasdaq First North in conjunction with the transaction.
- The Company invests USD 34 million in BlaBlaCar, USD 20 million in Property Finder, SEK 10 million in Garantibil (a peer-to-peer-market place for used cars), USD 1 million in El Basharsoft (Wuzzuf and Forasna), USD 7.5 million in Merro, USD 4 million in OneTwoTrip, USD 4 million in Wallapop and USD 1.5 million in Vezeeta (DrBridge).

- The Company receives a secured credit facility of USD 25 million from Pareto Bank ASA, Pareto Securities AB and Pareto Bank AS.

## 2016

- The Company issues a SEK 300 million senior secured bond.
- The Company makes two additional investments BlaBlaCar: EUR 40 million, corresponding to USD 45.5 million, through an issue in kind to Luxor Capital Group and Lead Edge Capital and EUR 32 million, corresponding to USD 34.1 million, through an issue in kind to Lead Edge Capital. The Company also invests an additional USD 2.5 million in OneTwoTrip.

## 2017

- The Company makes an exit from the debt investment in Delivery Hero in connection with the company's listing during the summer of 2017.
- The Company invests USD 21.7 million in Babylon.
- The Company invests USD 1 million in Agente Imóvel and USD 3 million in CarZar.
- The company makes three additional investments in existing portfolio companies: BlaBlaCar (USD 8.5 million), Vezeeta (USD 0.3 million) and El Basharsoft (USD 0.2 million).

## 2018

- The Company invests USD 8.5 million in Busfor, USD 7 million in Booksy, USD 6 million in Housing Anywhere, USD 4 million in DOC+ and USD 2.75 million in VOI.
- The Company invests EUR 4 million, corresponding to USD 4.9 million, through a short-term loan to Marley Spoon. The loan is repaid during the year.
- The Company makes additional investments in Gett, Property Finder, Babylon, OneTwoTrip, El Basharsoft, Vezeeta and Agente Imóvel.
- The Company issues a SEK 400 million senior unsecured bond.
- The Company sells all its holdings in Delivery Hero in connection with Delivery Hero's IPO.

## 2019

- The Company sells all its holdings in Avito for a total consideration of USD 540 million.
- The Company distributes USD 215 million to its shareholders through a share split and mandatory redemption program.
- The Company redeems its two outstanding bonds of series 2017/2020 and series 2018/2022.
- The Company invests a total of USD 72 million in Babylon, of which USD 9.2 million is invested by way of convertible notes.
- The Company invests a total of USD 57.5 million in VOI, of which USD 17.5 million is invested by way of convertible notes.
- The Company invests a total of USD 23.6 million in Gett.
- The Company invests USD 16 million in SWVL.
- The Company invests USD 11.6 million in Dostavista.
- The Company invests USD 7 million in Shohoz.
- The Company makes additional investments in Shwe Property, DOC+, Grace Health, Booksy and JamesEdition.

## Organisation of activities

The general meeting is the Company's highest decision-making body, while the board of directors adopts decisions on overall issues affecting the Group. The board of directors meets in person at least three times a year and more frequently if needed. In addition to this, meetings are conducted by telephone conference when

necessary. Between meetings, the managing director has regular contact with the chairman and the other board members. The managing director prepares and issues investment recommendations in cooperation with the other members of the board of directors. Recommendations on investments are made by the board of directors of the Company to the board of directors of the Cypriot subsidiary. Investment decisions are then taken by the Board of Directors of Vostok New Ventures (Cyprus) Limited.

## The investment portfolio

Company	Fair value, USD thousand Sep 30, 2019	Share of portfolio	Fair value, USD thousand Dec 31, 2018	Valuation change per share, USD, 2019	
Babylon	200,000	28.9%	21,884	+557%	<sup>1</sup>
BlaBlaCar	150,646	21.8%	157,695	-4%	<sup>1</sup>
Gett	74,061	10.7%	55,359	+2%	<sup>1</sup>
Property Finder	39,985	5.8%	39,985	–	<sup>1</sup>
VOI	26,677	3.9%	10,832	+53%	<sup>1</sup>
Hemnet	17,665	2.6%	14,178	+29%	<sup>1,2</sup>
OneTwoTrip	17,620	2.5%	16,548	+6%	<sup>1</sup>
SWVL	16,002	2.3%	–	–	<sup>1,3</sup>
Booksy	12,931	1.9%	5,990	+50%	<sup>1</sup>
Dostavista	11,561	1.7%	–	–	<sup>1,3</sup>
Busfor	10,866	1.6%	8,604	+26%	<sup>1</sup>
Wallapop	9,940	1.4%	9,950	–	<sup>1</sup>
Merro	7,818	1.1%	7,761	+1%	<sup>1</sup>
Shohoz	7,004	1.0%	–	–	<sup>1,3</sup>
El Basharsoft (Wuzzuf and Forasna)	6,229	0.9%	4,737	+32%	<sup>1</sup>
Housing Anywhere	5,948	0.9%	6,227	-4%	<sup>1</sup>
JamesEdition	3,283	0.5%	–	-2%	<sup>1,3</sup>
Naseeb Networks (Roze and Mihnati)	3,159	0.5%	3,808	-17%	<sup>1</sup>
Vezeeta	3,156	0.5%	3,156	–	<sup>1</sup>
YouScan	2,992	0.4%	2,347	+28%	<sup>1,4</sup>
Agente Imóvel	2,479	0.4%	2,999	-17%	<sup>1</sup>
DOC+	1,845	0.3%	4,000	-68%	<sup>1</sup>
Yoppie	1,481	0.2%	–	–	<sup>1,3</sup>
Shwe Property	1,435	0.2%	500	+48%	<sup>1</sup>
Graze Health	1,020	0.1%	–	-2%	<sup>1,3</sup>
Numan	1,000	0.1%	–	-5%	<sup>1,3</sup>
JobNet	625	0.1%	500	+25%	<sup>1</sup>
Dubicars	508	0.1%	348	–	<sup>1</sup>
CarZar	451	0.1%	3,000	-85%	<sup>1</sup>
Marley Spoon	310	0.0%	316	-2%	<sup>1</sup>
Avito	–	–	539,874	–	<sup>1</sup>
VOI, convertible debt	17,815	2.6%	–	+2%	<sup>1,3</sup>
Numan, convertible debt	1,235	0.2%	1,012	+2%	<sup>1</sup>
Naseeb Networks, convertible debt	207	0.0%	–	+3%	<sup>1,3</sup>
Babylon, convertible debt	–	–	9,227	–	<sup>1</sup>
Booksy, convertible debt	–	–	1,000	–	<sup>1</sup>
Liquidity management	22,993	3.3%	644		<sup>1</sup>
<b>Investment portfolio</b>	<b>680,949</b>	<b>98.5%</b>	<b>932,482</b>		
Cash and cash equivalents	10,590	1.5%	40,303		
<b>Total investment portfolio</b>	<b>691,539</b>	<b>100.0%</b>	<b>972,785</b>		
Borrowings	–		-93,944		
Other net receivables/liabilities	-2,294		-2,132		
<b>Total NAV</b>	<b>689,245</b>		<b>876,709</b>		

1. This investment is shown in the balance sheet as financial asset at fair value through profit or loss.

2. Indirect holding through YSaphis S.A. and Sprints Capital Rob R Partners S.A.

3. Fair value change per share since initial investment date.

4. Reflects Vostok's 20.9% indirect shareholding in YouScan which is held through a 33.2% holding in Kontakt East Holding AB, which owns 63% of YouScan.

## Presentation of selected portfolio companies

### Babylon

Babylon launched in 2015 and is a pioneer in personal digital healthcare globally. Babylon's technology, available from any mobile phone or personal computer worldwide, aims to put an accessible and affordable health service into the hands of every person on Earth. Babylon has brought together one of the largest teams of scientists, clinicians, mathematicians and engineers to focus on combining the ever-growing computing power of machines, with the best medical expertise of humans.

In August 2019, Vostok participated in the closing of a funding raise in Babylon with a total of USD 72 million, including previously extended convertible loans. The USD 500 million round, with an option to raise a further USD 50 million, valued the company at USD 2 billion post money.

On 30 September, 2019, the Babylon investment was valued at USD 200,000 million, on the basis of the latest transaction in the company.

Babylon on 30 September 2019	
Vostok's holding in shares	117,178,169
Total value, Vostok's share (USD)	200,000,000
Share of Vostok's total portfolio	28.9%
Vostok's share of total shares outstanding	10%
Value development January 1–September 30, 2019 (USD)	+557%

### BlaBlaCar

BlaBlaCar connects people looking to travel long distances with drivers heading the same way, so they can travel together and share the cost. This model has made BlaBlaCar a leader of the global sharing economy with over 80 million members in 22 countries and is helping to make road travel more efficient and affordable.

Each passenger makes a fair contribution for their seat, and drivers cover their driving costs but do not make a profit. The platform is engineered to create a secure, trust-based community with declared identities and full member profiles. Members can even specify how chatty they are from "Bla" to "BlaBlaBla", hence the name BlaBlaCar.

BlaBlaCar was founded in 2006 by Frédéric Mazzella, CEO, Francis Nappéz, CTO, and Nicolas Brusson, COO and has raised more than USD 400 million in funding to date. Currently, BlaBlaCar operates in 22 countries including Benelux, Brazil, Croatia, France, Germany, Hungary, India, Italy, Mexico, Poland, Portugal, Romania, Russia, Serbia, Spain, Turkey, Ukraine and the United Kingdom.

Since 2015, Vostok has invested a total of EUR 107 million into BlaBlaCar. On 30 September 2019, Vostok owned approximately 8.6 per cent. of BlaBlaCar on a fully diluted basis and the investment is valued on the basis of the latest transaction.

BlaBlaCar on 30 September 2019	
Vostok's holding in shares	14,492,319
Total value, Vostok's share (USD)	150,646,207
Share of Vostok's total portfolio	21.8%
Vostok's share of total shares outstanding	8.6%
Value development January 1–September 30, 2019 (USD)	-4%

## Gett

Gett is a simple and instant way to order taxis in a convenient way from a smartphone. The Gett system automatically finds the taxi closest to the user's location, thus reducing the waiting time to less than 10 minutes. Gett users have access to driver and vehicle information and real-time views of taxis they order. Users can rank drivers, view their previous ride details, and even earn miles points toward free rides and other bonuses.

Gett provides its services to enterprises and individuals through mobile and web applications and aims to become a global leader in the space. Other shareholders include Access Industries, Inventure Partners and MCI.

Gett is equally successful in both B2C and B2B markets, serving more than 15,000 corporations today, using its "Gett for Business" product. The corporate market offers higher profitability and also immense growth opportunities, as competition is lower. Also in contrast to Uber, Gett deals solely with licensed drivers, making it a safe and valid option within European and NYC regulatory framework.

Gett is currently active in four countries and across more than 80 cities, including Moscow, Saint Petersburg, Tel Aviv, London, and New York City. Gett's technology enables consumers to instantly book on-demand transportation, delivery and logistics. The addressable market for the company within its existing markets is worth some USD 30 billion. Of this Gett's revenues are typically some 15–30 per cent, depending on whether it is servicing a private or business client. In total, Gett has raised over USD 520 million in venture funding.

On 30 September 2019, the Gett investment was valued at USD 74 million.

### Gett on 30 September

Vostok's holding in shares	18,171,609
Total Value, Vostok's share (USD)	74,060,728
Share of Vostok's total portfolio	10.7%
Vostok's share of total shares outstanding	5%
Value development January 1–September 30, 2019 (USD)	+2%

## Investments

After the end of the most recent financial period for which a financial report has been published (the Company's consolidated interim report for the financial period 1 January – 30 September 2019), in November 2019, Vostok invested an additional USD 30 million in VOI Technology as part of a larger funding round.

Since investments are an integral part of the Company's operations, there will always be ongoing discussions about potential investments in the ordinary course of the Group's activities. Except from the investments described above, the Company does not have any material ongoing or scheduled investments. The financial strategy of the Company is to finance its investments with equity primarily and financial leverage on a restrictive basis.

# Board of directors, senior management and auditors

## Board of directors

### Lars O Grönstedt (chairman)

Born 1954. Chairman of the board of directors since 2010.

*Education:* MBA from Stockholm School of Economics, a Bachelor's degree in language and literature from Stockholm University.

*Other current assignments:* Senior advisor to NordStream 2; Chairman of the board of Realcap Ventures Fund 1 AB (publ) and Vostok Emerging Finance Ltd; member of the board in the Fabius group of companies; deputy Chairman of the Swedish National Debt Office and speaker of the elected body of representatives of Trygg-Stiftelsen.

*Holdings in the Company:* 6,300 SDRs (including 4,100 through closely related person).

### Per Brilioth

Born 1969. Managing Director and member of the board of directors since 2007.

*Education:* A Bachelor's degree in Business Administration from Stockholm University and a Master of Finance from London Business School.

*Other current assignments:* Chairman of the board of Pomegranate Investment AB (publ), Pet Sounds AB, Pet Sounds Digitalt AB, Telegram Studios AB, Gavald Holdings AB, Thunderroad AB and Vera L AB; and member of the board of Vostok Emerging Finance Ltd, Kontakt East Holding AB, Cow-Pow Studios AB, NMS Invest AB and Voi Technology AB.

*Holdings in the Company:* 901,650 SDRs (of which 76,000 are Saving DRs under LTIP 2017, 2018 and 2019) and 910,000 LTIP 2019 Plan Shares.

### Josh Blachman

Born 1974. Member of the board of directors since 2013.

*Education:* MBA from Stanford Graduate School of Business, MS in Industrial Engineering from Stanford University and BS in Industrial Engineering from Stanford University.

*Other current assignments:* Founder and Managing Director of Atlas Peak Capital.

*Holdings in the Company:* Nil.

### Victoria Grace

Born 1975. Member of the board of directors since 2015.

*Education:* A Bachelor's degree in Biochemistry & Economics from Washington University in St. Louis.

*Other current assignments:* Founding Partner of Colle Capital Partners LP and member of the board of directors of Health Platforms, Inc., Sensydia Corp., Allergy Amulet, Inc., TicketSauce, Inc., Concourse Global, Inc., Hyllion, Inc., Marketmuse, Inc., Maxbone, Inc., YHPL Limited and Grace Health AB.

*Holdings in the Company:* 6,800 SDRs (including 2,500 through closely related person).

### Ylva Lindquist

Born 1961. Member of the board of directors since 2015.

*Education:* LL.M. from Stockholm University.

*Other current assignments:* Senior Legal Advisor at Fairplace AB and member of the board of Strategic Legal Consulting Sweden AB.

*Holdings in the Company:* 1,800 SDRs.

### Keith Richman

Born 1973. Member of the board of directors since 2013.

*Education:* A Master's degree in International Policy Studies from Stanford University.

*Other current assignments:* Member of the board of directors at GrubHub, Inc. and Voi Technology AB.

*Holdings in the Company:* 20,790 SDRs.

## Senior management

### Per Brilioth

Please see section "Board of directors" above.

### Nadja Borisova

Born 1968. CFO since 2010.

*Education:* Certified Accountant Degree from ACCA in England and a diploma in engineering from the St. Petersburg Institute of Mechanics.

*Other current assignments:* Member of the board of Pomegranate Investment AB (publ) and St Petersburg Property Company AB; deputy member of the board of PDFinance Sweden AB; and member of the audit committee of GT Gettaxi Limited, Property Finder International Ltd and Babylon Holdings Limited.

*Holdings in the Company:* 88,500 SDRs (of which 25,000 are Saving DRs under LTIP 2017, 2018 and 2019), 315,000 LTIP 2019 Plan Shares and 425 Bonds.

### Anders F. Börjesson

Born 1971. General Counsel since 2008.

*Education:* LL.M. from Stockholm University and LL.M. from NYU School of Law. Russian language studies at Stockholm University and St. Petersburg State University.

*Other current assignments:* Member of the board of Pomegranate Investment AB (publ) and Autumn Investments AB.

*Holdings in the Company:* 110,700 SDRs (of which 25,000 are Saving DRs under LTIP 2017, 2018 and 2019), 315,000 LTIP 2019 Plan Shares and 100 Bonds.

All members of the board of directors and the members of the senior management are available through the Company's main office.

## Board committees

Given the central role that valuation of unlisted holdings plays in the Company's accounts, the Board has hitherto taken the view that all Board members need to be informed and involved in the Company's reporting. For this reason, the Board had not formed an audit committee. However, following the recommendation by the 2018 Nomination Committee, as adopted by the 2018 AGM, the Board of Directors has by resolution dated October 9, 2018 constituted an Audit Committee and a Compensation Committee.

### Audit Committee

The primary task of the Audit Committee is to verify the valuations of non-listed equity performed by management ahead of each quarterly report, while the Board in its entirety remains responsible for reviewing and approving the contents of the quarterly reports as a whole. The Audit Committee consists of Josh Blachman (Chair) and Lars O Grönstedt.

### Compensation Committee

The main task of the Compensation Committee is to review and propose amendments to the Remuneration Principles as well as to propose for the Board's consideration the structure and size of the Company's long-term incentive programs and other variable remuneration as well as the annual remuneration of the Managing Director. The Compensation Committee consists of Keith Richman and Lars O Grönstedt (Chair).

### Nomination Committee

Shareholders in the Company have the right to nominate members of the board of directors and auditors to the annual general meeting. The Nomination Committee consists of representatives of the three largest shareholders of the Company. The Nomination Committee currently consist of the following members: Jake Hennemuth, appointed by Ruane Cunniff & Goldfarb, Jonathan Green, appointed by Luxor Capital and Evert Carlsson, appointed by Swedbank Robur Funds, as well as the chairman of the board of directors Lars O Grönstedt. The Nomination Committee's task is to prepare proposals for resolutions at the annual general meeting regarding appointment of chairman at the annual general meeting, appointment of board members and chairman of the board of directors, remuneration of the directors, election and remuneration of auditors and proposals on the nomination process for the following annual general meeting. In proposing board members for election at the annual general meeting, the Nomination Committee applies section 4 of the Code, which contains provisions regarding diversity and breadth of qualifications, experience and background, gender equality, and the directors' independence of the company, its executive management and major shareholders.

### Conflicts of interests

None of the members of the board of directors or the senior management of the Company has a private interest that may be in conflict with the interests of the Company. However, Colle Capital, a technology venture fund managed by Victoria Grace, is a shareholder in BlaBlaCar alongside the Company, and Keith Richman is a shareholder of Voi Technology AB alongside the Company. Although there are currently no conflicts of interest, it cannot be excluded that conflicts of interest may come to arise between companies in which members of the board of directors and members of the senior management have duties, as described above, and the Company.

### Auditors

PricewaterhouseCoopers AB has been the Company's auditor since 2007. From 2012 until the Company's 2019 AGM, Ulrika Ramsvik was the auditor-in-charge and, from 2014, Bo Hjalmarsson the co-signing auditor. As from the Company's 2019 AGM, Bo Hjalmarsson is the auditor-in-charge and Martin Oscarsson the co-signing auditor. Ulrika Ramsvik, Bo Hjalmarsson and Martin Oscarsson are members of FAR. The business address to PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company's auditors.

### Financial interests

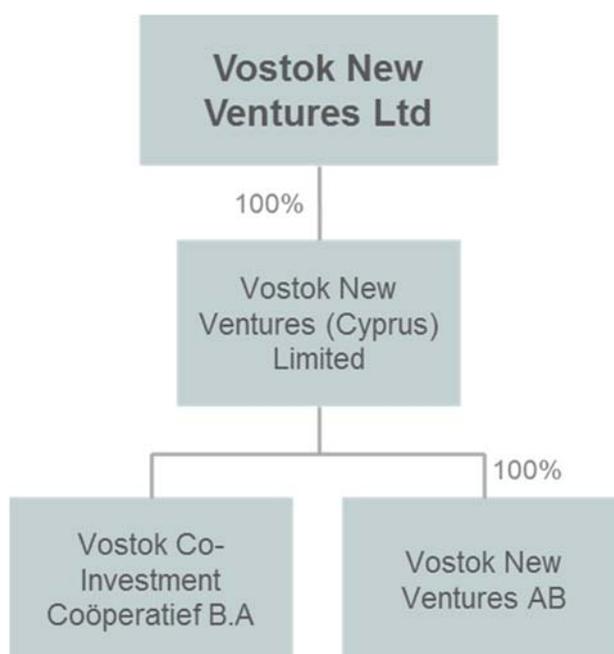
Several members of the board of directors and the senior management have a financial interest in the Company through their direct and indirect holdings of shares in the Company.

## Legal considerations and supplementary information

### Legal group structure

The Company is currently the parent company of three subsidiaries; in Cyprus, the Netherlands and Sweden. The Group structure is illustrated in the figure below.

The Company is the parent company and acts as the holding company of the Group and therefore owns, manages and finances its holdings through its wholly-owned Cypriot subsidiary, Vostok New Ventures (Cyprus) Limited. Vostok New Ventures (Cyprus) Limited is responsible for the Group's investment portfolio (in some cases via Vostok Co-Investment Coöperatief B.A). Vostok Co-Investment Coöperatief B.A and Vostok New Ventures AB are both subsidiaries of Vostok New Ventures (Cyprus) Limited. Vostok New Ventures AB provides information and analysis services to the Company.



### Share capital, shares and major shareholders

The Company's current share capital amounts to USD 19,260,002 divided among 85,835,309 issued and outstanding common shares represented by SDRs (including 7,685,303 shares represented by SDRs held in the Company's treasury) with a quota value of USD 0.24 each and 2,100,000 reclassifiable subordinated common shares with a quota value of USD 0.24 issued under the Company's 2019 LTIP. The authorised maximum share capital of the Company is USD 110 million. The Company's outstanding common shares are represented by SDRs which are issued under Swedish law, freely transferable, registered with Euroclear Sweden and traded on Nasdaq Stockholm. One SDR carries the same right to dividend as one underlying share, and SDR holders have the same voting rights at the General Meetings as holders of shares. Each SDR entitles the holder to one (1) vote. All of the outstanding shares are fully paid, issued in accordance with Bermuda law and denominated in USD.

The Company had, as of 30 September 2019 approximately 9,000 SDR holders. The ten largest SDR holders in the Company, according to the most recent information known to the Company, are shown in the table below. As far as the Board of Directors of Vostok New Ventures is aware, there are no shareholder agreements or other agreements between SDR holders with the purpose of exercising joint influence over the Company. As far as the

Board of Directors of Vostok New Ventures is aware, there is no controlling shareholder and there are no agreements or equivalent arrangements that may lead to a change in the control over the Company. Furthermore, there are, as far as the Board of Directors is aware, no agreements concerning transfer restrictions for a certain period (so-called lock-up agreements).

The Company's ten largest SDR holders	Number of SDRs	% of votes and capital
Acacia Partners	19,580,000	25.1%
Armor Advisors LLC	11,734,789	15.0%
Virtus KAR Funds	9,111,589	11.7%
Swedbank Robur Funds	8,250,718	10.6%
T Rowe Price Funds	2,683,191	3.4%
Fidelity Funds	2,559,702	3.3%
Per Brilioth	901,650	1.2%
Catella Funds	877,920	1.1%
TIN Funds	796,138	1.0%
Coronation Funds	703,627	0.9%
<b>10 largest owners</b>	<b>57,199,324</b>	<b>73.2%</b>
<b>Total shares</b>	<b>87,935,309</b>	<b>100.0%</b>
<b>Total outstanding SDRs*</b>	<b>78,150,006</b>	<b>88.8%</b>

To ensure that the control over the Company is not abused, the Company complies with the Bermuda Companies Act and with the Code as described in section "Governance". In addition, the Company acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Company.

### Dependence on subsidiaries and associated companies

A significant part of the Group's assets and revenues relate to the Company's subsidiaries and associated companies. Accordingly, the Company's operating results and financial position is dependent upon receipt of income related to the operation of and the ownership in such entities.

### Material agreements

The Company has not entered into any material agreements, or agreements under which any member of the Group has any obligation or entitlement which is material to the Group, besides agreements entered into in the ordinary course of business.

### Governmental, legal and arbitration proceedings

The Company is not, and has not been, party to any governmental, legal or arbitration proceedings during the last 12 months which may have, or have had, significant effects on the Company's or the Group's financial position or profitability. However, the Company is from time to time involved in legal proceedings in the ordinary course of business.

\* Excluding 7,685,303 repurchased SDRs held by the Company in treasury.

### Documents on display

The Company's (i) by-laws, (ii) memorandum of association, (iii) consolidated annual reports for the financial years 2017 and 2018, including the auditor's reports for the financial years 2017 and 2018 for the Company and, where such annual reports have been prepared, for the Company's subsidiaries and (iv) consolidated unaudited interim report for the period 1 January – 30 September 2019, for the Company and other published information referred to in this prospectus are available at Vostok's website ([www.vostoknewventures.com](http://www.vostoknewventures.com)).

### Significant changes and recent events

In August 2019, one of Vostok's principal holdings, Babylon Holdings Limited ("**Babylon**"), carried out an investment round in an amount of USD 500 million to fund further product innovation and international expansion, particularly in the US. Vostok participated in the round by way of a USD 72 million investment in shares and convertible debt. Vostok currently owns 10.0 per cent. of Babylon on a fully diluted basis. The net asset value of Vostok increased by approximately 18 per cent. as a result of the transaction and the revaluation of Babylon.

There has been no material adverse change in the prospects of the Company since the date of publication of its last audited financial report and, apart from the Babylon investment described above, no significant change in the financial or market position of the Group since the end of the last financial period for which financial information has been published.

In February 2019, the Company redeemed its outstanding bonds of series 2017/2020 and 2018/2022 in accordance with the early redemption clause in the terms and conditions of the bonds. The total nominal amount of the redeemed bonds amounted to SEK 1 billion. There have been no further material changes in the Company's borrowing and funding structure since the last financial year.

### Trends

The Company 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.

### Information on taxation

Tax legislation in the investor's home member state and in Bermuda, where the Issuer is incorporated, may affect any income from the Bonds.

## Financial overview and documents incorporated by reference

The accounting principles applied in the preparation of the Group's financial statements presented below are set out in the following and have been consistently applied to all the years presented, unless otherwise stated.

The financial information for the financial years ended 31 December 2017 and 31 December 2018 has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as interpretative notices from IFRS Interpretation Committee (IFRIC) as adopted by the European Union. The financial information for the financial period 1 January–30 September 2019 has been prepared in accordance with IAS 34 Interim Financial Reporting.

The Company's consolidated annual reports for the financial years ended 31 December 2017 and 31 December 2018 and the Company's consolidated interim report for the financial period 1 January–30 September 2019 have been – but only with respect to the sections listed in the table below – incorporated into this Prospectus by reference. The consolidated annual reports have been audited by the Company's auditor, and the auditor's reports have been incorporated into this Prospectus by reference through the consolidated annual reports. The consolidated interim report has been reviewed by the Company's auditor.

Reference	Document	Page(s)
Financial information regarding the Group and its business for the financial year ended 31 December 2018	Vostok's consolidated annual report for the financial year ended 31 December 2018	- 60 (Income statements - Group) - 61 (Balance sheets – Group) - 62 (Statement of changes in Equity – Group) - 63 (Cash flow statements – Group) - 65 (Income statement – Parent) - 66 (Balance sheet – Parent) - 67 (Statement of changes in Equity – Parent) - 68 (Cash flow statement – Parent) - 69–85 (Notes to the financial statements)
Audit report for the financial year ended 31 December 2018	Vostok's consolidated annual report for the financial year ended 31 December 2018	- 87–89
Financial information regarding the Group and its business for the financial year ended 31 December 2017	Vostok's consolidated annual report for the financial year ended 31 December 2017	- 57 (Income statements - Group) - 58 (Balance sheets – Group) - 59 (Statement of changes in Equity – Group) - 60 (Cash flow statements – Group) - 62 (Income statement – Parent) - 63 (Balance sheet – Parent) - 64 (Statement of changes in Equity – Parent) - 65 (Cash flow statement – Parent) - 66–82 (Notes to the financial statements)
Audit report for the financial year ended 31 December 2017	Vostok's consolidated annual report for the financial year ended 31 December 2017	- 84–86 (Independent Auditor's report)
Financial information regarding the Group and its business for the period 1 January – 30 September 2019	Vostok's unaudited interim report for the period 1 January – 30 September 2019	- 8 (Income statements – Group) - 9 (Balance sheet – Group) - 10 (Statement of changes in Equity – Group) - 11 (Cash flow statements – Group) - 13 (Income statement – Parent) - 14 (Balance sheet – Parent) - 15 (Statement of changes in Equity – Parent) - 16–21 (Notes to the financial statements)

Investors should read all information which is incorporated by reference as part of this Prospectus. It should be noted that the non-incorporated parts of the financial reports are either not relevant for the investor or covered elsewhere in the Prospectus.

# Terms and Conditions

**TERMS AND CONDITIONS FOR  
VOSTOK NEW VENTURES LTD  
MAXIMUM SEK 800,000,000  
SENIOR SECURED CALLABLE FIXED RATE  
BONDS 2019/2022**

**ISIN: SE0013233541**

First Issue Date: 4 October 2019

**TERMS AND CONDITIONS FOR  
VOSTOK NEW VENTURES LTD  
MAXIMUM SEK 800,000,000  
SENIOR SECURED CALLABLE FIXED RATE  
BONDS 2019/2022  
ISIN: SE0013233541**

## **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 Central Securities Depositories and Financial Instruments Accounts Act and through which a Holder has opened a Securities Account in respect of its Bonds.

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

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the total aggregate Nominal Amount of all Bonds owned by the Issuer, a Group Company or an Affiliate of the Issuer or a Group Company, irrespective of whether such Person is directly registered as owner of such Bonds.

“**Advance Purchase Agreement**” 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 or provided in the ordinary course of business.

“**Affiliate**” means, in relation to any Person, any other 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.

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

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday, Saturday, 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.

“**Business Day Convention**” means the first following day that is a Business Day.

**“Calculation Principles”** means:

- (a) that the calculation of the Equity Ratio and the ratio of Net Interest Bearing Debt to Net Asset Value shall be made as per a testing date (the **“Testing Date”**), determined by the Issuer, falling no more than two (2) months prior to the incurrence of Permitted Debt or a Restricted Payment (that requires the Incurrence Test to be met); and
- (b) that the Equity Ratio and the ratio of Net Interest Bearing Debt to Net Asset Value shall be measured on the Testing Date so determined, calculated *pro forma* including any new assets acquired with the proceeds from new Financial Indebtedness and including the new Financial Indebtedness provided it is an interest bearing obligation; and
- (c) that the figures for Total Assets, Equity and Net Asset Value for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be adjusted:
  - (i) so that any asset acquired or disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the Testing Date, shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period; and
  - (ii) so that any asset to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period.

**“Call Option Amount”** means:

- (a) an amount equivalent to the sum of (i) one hundred and two point eighty-eight (102.88) per cent. of the Nominal Amount, and (ii) the remaining interest payments up to, but not including, the date falling twenty-four (24) months after the First Issue Date, if the call option is exercised on or after the First Issue Date to, but not including, the date falling twenty-four (24) months after the First Issue Date;
- (b) one hundred and two point eighty-eight (102.88) per cent. of the Nominal Amount if the call option is exercised on or after the date falling twenty-four (24) months after the First Issue Date to, but not including, the date falling twenty-seven (27) months after the First Issue Date;
- (c) one hundred and two point zero one (102.01) per cent. of the Nominal Amount if the call option is exercised on or after the date falling twenty-seven (27) months from the First Issue Date to, but not including, the date falling thirty (30) months after the First Issue Date;
- (d) one hundred and one point fifteen (101.15) per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty (30) months from the First Issue Date to, but not including, the date falling thirty-three (33) months after the First Issue Date;

- (e) one hundred point twenty-nine (100.29) per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty-three (33) months from the First Issue Date to, but not including, the Final Redemption Date.

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

**“Change of Control Event”** means the occurrence of an event or series of events whereby one or more Persons, acting together, acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the voting 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.

**“Compliance Certificate”** means a certificate, in form and substance satisfactory to the Trustee, signed by the Issuer certifying:

- (a) that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if provided in connection with the delivery of a Financial Report, that the Maintenance Test is met and including calculations and figures in respect of the Maintenance Test;
- (c) if provided in connection with the testing of the Incurrence Test, that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test; and
- (d) if provided in connection with the delivery of the Group’s annual audited consolidated financial statements, that the provisions in Clause 12.6 (*Clean down period*) have been complied with.

**“Conditions Precedent for Disbursement”** means the documentation and evidence set out in Clause 13.1.1.

**“CSD”** means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB (reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden).

**“De-listing Event”** means a situation where (a) the Issuer’s shares are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market; or (b) trading of the Issuer’s shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days.

**“Deposit Account”** means a bank account of the Issuer into which the Deposit Amount will be transferred and which has been pledged in favour of the Secured Parties.

**“Deposit Amount”** means an amount equal to twelve (12) months’ interest payments under the Bonds calculated on the basis of the total Nominal Amount outstanding from time to time.

**“Equity”** means the aggregate amount which in accordance with the Accounting Principles would be shown in the Issuer’s consolidated Financial Report as the shareholders’ equity of the Group.

**“Equity Ratio”** means the ratio of Equity to Total Assets.

**“Escrow Account”** means a bank account of the Issuer into which the Net Proceeds will be transferred and which has been pledged in favour of the Trustee and the Holders (represented by the Trustee) under the Escrow Account Pledge Agreement.

**“Escrow Account Pledge Agreement”** means the pledge agreement entered into between the Issuer and the Trustee on or about the Issue Date in respect of a first priority pledge over the Escrow Account and all funds held on the Escrow Account from time to time, granted in favour of the Trustee and the Holders (represented by the Trustee).

**“Event of Default”** means an event or circumstance specified in Clause 14.1.

**“Final Redemption Date”** means 4 October 2022.

**“Finance Documents”** means these Terms and Conditions, the Trustee Agreement, the Security Documents, the Intercreditor Agreement (if any) and any other document designated to be a Finance Document by the Issuer and the Trustee.

**“Finance Lease”** means a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability.

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

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

**“Financial Report”** means the Group’s annual audited financial statements and quarterly interim unaudited reports, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 12.9 (*Financial reporting etcetera*).

**“First Issue Date”** means 4 October 2019.

**“Force Majeure Event”** has the meaning set forth in Clause 26.1. **“Group”** means the Issuer and all Subsidiaries from time to time and **“Group Company”** means the Issuer or any of the Subsidiaries.

**“Hedge Counterparty”** has the meaning ascribed to that term in the Intercreditor Agreement (if any).

**“Holder”** 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.

**“Holders’ Meeting”** means a meeting among the Holders held in accordance with Clause 17 (*Holders’ Meeting*).

**“Incurrence Test”** the Incurrence Test is met if:

- (a) the Equity Ratio exceeds eighty-five (85.00) per cent.;
- (b) the ratio of Net Interest Bearing Debt to Net Asset Value is less than ten (10.00) per cent.; and
- (c) no Event of Default is continuing or would result from the incurrence

calculated in accordance with the Calculation Principles.

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

**“Initial Bond Issue”** has the meaning set forth in Clause 2.1.

**“Intercreditor Agreement”** means the intercreditor agreement which may be entered into if required by the Issuer, substantially based on the terms set out in the intercreditor principles set out in the Schedule (*Intercreditor principles*) hereto, on or after the First Issue Date, between, amongst others, the Issuer, the Super Senior RCF Creditor (or its representative), any Hedge Counterparty and the Trustee, acting as agent and security agent.

**“Interest”** means the interest on the Bonds calculated in accordance with Clause 10.1 to 10.3.

**“Interest Payment Date”** means 4 January, 4 April, 4 July and 4 October each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 7 January 2020 and the last Interest Payment Date being the Final Redemption Date).

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

shorter period if relevant) in no case adjusted due to an application of the Business Day Convention.

“**Interest Rate**” means the fixed interest of five point seventy-five (5.75) per cent. *per annum*.

“**Issuer**” means Vostok New Ventures Ltd (reg. no. 39861, Clarendon House, 2 Church Street, Hamilton HM11, Bermuda).

“**Issuing Agent**” means Pareto Securities AB (reg. no. 556206-8956, P.O. Box 7415, SE-103 91 Stockholm, Sweden) or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Issue Date**” means the First Issue Date and any subsequent date when issuance of Subsequent Bonds take place.

“**Maintenance Test**” is met if:

- (a) the Equity Ratio exceeds seventy-five (75.00) per cent.;
- (b) the ratio of Net Interest Bearing Debt to Net Asset Value is less than twenty (20.00) per cent.;
- (c) the ratio of Net Interest Bearing Debt to Market Capitalisation is less than seventy-five (75.00) per cent.; and
- (d) the Deposit Amount is standing to the credit of the Deposit Account.

calculated in accordance with paragraph (c) in the definition of Calculation Principles (as applicable).

“**Market Capitalisation**” means an amount equal to the total number of issued and outstanding shares of the Issuer on the relevant test date multiplied by the arithmetic mean of the closing prices per share for the thirty (30) consecutive Business Days immediately preceding such testing date.

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial papers, 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 a Regulated Market or recognised unregulated market place.

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

“**Material Group Company**” means the Issuer or a Subsidiary representing more than ten (10.00) per cent. of the Total Assets.

“**Material Intra-Group Loan**” means any intra-group loan provided by the Issuer to any of the Subsidiaries where

- (a) the term is at least twelve (12) months; and
- (b) the principal amount exceeds USD 1,000,000 (or its equivalent in any other currency or currencies) (when aggregated with all other intra-group loans between the same intra-group creditor and debtor).

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

“**Net Asset Value**” means the aggregate market value of the Group’s investment portfolio after deducting Net Interest Bearing Debt and other liabilities of the Group in accordance with the Accounting Principles and as shown in the Issuer’s consolidated Financial Report.

“**Net Interest Bearing Debt**” means the aggregate interest bearing debt (excluding any interest bearing debt borrowed from any Group Company) less cash and cash equivalents of the Group in accordance with the Accounting Principles and as shown in the Issuer’s consolidated Financial Report.

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent 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 respective 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 2.1.

“**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.

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

- (a) incurred under the Bonds (including pursuant to any Subsequent Bond Issue, if such incurrence meets the Incurrence Test (calculated *pro forma* including such issue);
- (b) incurred by the Issuer under any Super Senior RCF;
- (c) taken up from a Group Company;
- (d) of the Group under any guarantee issued by a Group Company for the obligations of any Group Company, in the ordinary course of business;
- (e) of the Group incurred pursuant to any Finance Leases entered into in the ordinary course of the Group’s business in a maximum amount of USD 2,000,000 (or the equivalent in any other currency or currencies);
- (f) arising under a foreign exchange transaction or commodity derivatives 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 these Terms and Conditions or the Super Senior RCF, but not any transaction for investment or speculative purposes;

- (g) arising under any interest rate hedging transactions, but not any transaction for investment or speculative purposes;
- (h) arising under any hedging transactions related to obligations under executive remuneration plans forming part of the ordinary course of business;
- (i) incurred under Advance Purchase Agreements;
- (j) incurred under any counter-indemnity obligation and in the ordinary course of business;
- (k) incurred by the Issuer if such Financial Indebtedness is unsecured and ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents and (i) meets the Incurrence Test on a *pro forma* basis, (ii) has a final maturity date or a final redemption date, and (iii) when applicable, has early redemption dates or instalment dates, in each case (ii) and (iii) which occur after the Final Redemption Date; and
- (l) incurred for the purpose of refinancing the Bonds in full.

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

- (a) provided pursuant to the Finance Documents (including in respect of any Subsequent Bonds);
- (b) provided for the Super Senior RCF in accordance with the Intercreditor Agreement (if any);
- (c) 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);
- (d) provided in relation to any Finance Lease as set out in paragraph (e) in the definition of Permitted Debt;
- (e) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (f) provided pursuant to paragraphs (f), (g) or (h) in the definition of Permitted Debt;
- (g) provided for any guarantees issued by a Group Company in the ordinary course of business;
- (h) provided in relation to any counter-indemnity obligation and in the ordinary course of business as set out in paragraph (j) in the definition of Permitted Debt; and
- (i) agreed to be provided for the benefit of the financing provider(s) in relation to a refinancing of the Bonds in full.

**“Record Date”** means the fifth (5th) Business Day prior to (a) an Interest Payment Date, (b) a Redemption Date, (c) a date on which a payment to the Holders is to be made under Clause 15 (*Distribution of proceeds*), (d) the date of a Holders’ Meeting, or (e) 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 11 (*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.

**“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 12.1.

**“Secured Obligations”** means all present and future obligations and liabilities of the Issuer and/or the Group to the Secured Parties under the Finance Documents, (if the Super Senior RCF Creditor or its representative has entered into the Intercreditor Agreement) to the Super Senior RCF Creditor under the Super Senior RCF and the Trustee, together with all costs, charges and expenses incurred by any Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities.

**“Secured Parties”** means (a) prior to the Intercreditor Agreement (if any) coming into effect, the Holders and the Trustee, acting as security agent, and (b) after the Intercreditor Agreement coming into effect, it has the meaning ascribed to that term in the Intercreditor Agreement.

**“Securities Account”** means the account for dematerialised securities maintained by the CSD pursuant to the Central Securities Depositories and Financial Instruments Accounts Act in which (a) an owner of such security is directly registered or (b) 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 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 Trustee.

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

**“Sole Bookrunner”** means Pareto Securities AB (reg. no. 556206-8956, P.O. Box 7415, SE-103 91 Stockholm, Sweden).

**“Subsequent Bond Issue”** has the meaning set forth in Clause 2.4.

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

**“Subsidiary”** means an entity from time to time of which the Issuer:

- (a) has direct or indirect control; or
- (b) owns directly or indirectly more than fifty (50.00) per cent. of the share capital or other right of ownership.

**“Super Senior RCF”** means any credit facility or facilities provided to the Issuer for general corporate purposes of the Group (and any refinancing, amendment or replacements thereof), amended from time to time (as the case may be), in an aggregate amount not exceeding USD 10,000,000 (or its equivalent in any other currency or currencies).

**“Super Senior RCF Creditor”** means any creditor under a Super Senior RCF.

**“Testing Date”** has the meaning ascribed to it in paragraph (a) in the definition of Calculation Principles.

**“Total Assets”** means the Group’s total assets in accordance with the Accounting Principles and as shown in the Issuer’s consolidated Financial Report.

**“Transaction Costs”** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (a) the Initial Bond Issue or a Subsequent Bond Issue and (b) the admission to trading of the Bonds.

**“Transaction Security”** means the Security described in Clause 5.1.3 and any other Security designated as transaction security under the Intercreditor Agreement (if any).

**“Trustee”** means the Holders’ agent and the Secured Parties’ security agent under these Terms and Conditions and, if relevant, the other Finance Documents, from time to time; initially Nordic Trustee & Agency AB (publ) (reg.no. 556882-1879, P.O. Box 7329 SE-103 90 Stockholm, Sweden).

**“Trustee Agreement”** means the fee agreement entered into between the Trustee, in capacity as agent and security agent, and the Issuer on or prior to the First Issue Date regarding, *inter alia*, the remuneration payable to the Trustee.

**“USD”** means the lawful currency of the United States of America.

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

## 1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) **“assets”** includes present and future properties, revenues and rights of every description;

- (b) a “**Finance Document**” or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
- (c) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (d) a “**regulation**” includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) a time of day is a reference to Stockholm time.

1.2.2 An Event of Default is continuing if it has not been remedied or waived.

1.2.3 When ascertaining whether a limit or threshold specified in SEK 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 SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.

1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.

1.2.5 No delay or omission of the Trustee or of any Holder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

### 1.3 **Conflict of terms**

In case of any conflict of terms between the Intercreditor Agreement (if any) and any other Finance Document, the Intercreditor Agreement shall take precedent.

## 2. **THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS**

2.1 The aggregate amount of the bond loan will be an amount of up to SEK 800,000,000 which will be represented by Bonds, each of a nominal amount of SEK 10,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 550,000,000 (the “**Initial Bond Issue**”). All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.

2.2 The ISIN for the Bonds is SE0013233541.

2.3 The minimum permissible investment in connection with the Initial Bond Issue and any Subsequent Bond Issue is SEK 1,250,000.

2.4 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions (each such issue, a “**Subsequent Bond Issue**”), until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals

SEK 800,000,000 always provided that (a) the Incurrence Test (calculated *pro forma* including such issue) is met and (b) no Event of Default is continuing or would result from (i) the expiry of a grace period, giving of notice, making of any determination or any combination of any of the foregoing or (ii) the issue of the Subsequent Bonds.

- 2.5 Any Subsequent Bonds shall be issued subject to the Finance Documents and for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Initial Bonds shall also apply to Subsequent Bonds. The price of Subsequent Bonds may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount
- 2.6 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.7 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 2.8 By subscribing for Bonds, each initial Holder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds each subsequent Holder confirms such agreements.

### **3. STATUS OF THE BONDS**

Subject to the Intercreditor Agreement (if any), the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.

### **4. USE OF PROCEEDS**

- 4.1 The Net Proceeds from the Initial Bond Issue shall initially be deposited on the Escrow Account.
- 4.2 Upon the release of the Net Proceeds from the Initial Bond Issue from the Escrow Account, the Net Proceeds shall be used for, and the Net Proceeds from any Subsequent Bond Issue shall be used for:
- (a) *first*, funding the Deposit Account by the Deposit Amount;
  - (b) *secondly*, financing Transaction Costs; and
  - (c) *thirdly*, financing general corporate purposes of the Group, including investment activities.

## 5. TRANSACTION SECURITY

### 5.1 Transaction Security

5.1.1 As continuing security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants (and shall procure that any other Group Company (as applicable) grants) as first ranking security to the Secured Parties (as represented by the Trustee, acting as security agent) the Transaction Security on the terms set out in the Security Documents and the Intercreditor Agreement (if any).

5.1.2 The Trustee shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents and the Intercreditor Agreement (if any).

5.1.3 As Security for the Secured Obligations, the Issuer shall:

- (a) pledge to the Secured Parties a first ranking Security over all shares in Vostok New Ventures (Cyprus) Limited (reg. no. HE 114661, 1 Lampousas street, 1095, Nicosia, Cyprus);
- (b) pledge to the Secured Parties a first ranking Security over the Deposit Account and all funds held on the Deposit Account from time to time; and
- (c) pledge to the Secured Parties a first ranking Security over (i) any current Material Intra-Group Loans and (ii) any Material Intra-Group Loan made after the First Issue Date within sixty (60) Business Days from the incurrence of such Material Intra-Group Loan.

5.1.4 The Issuer shall:

- (a) ensure that the Security Documents and all documents relating thereto are duly executed in favour of the Secured Parties (as represented by the Trustee, acting as security agent) and that such documents are legally valid, perfected, enforceable and in full force and effect according to their terms;
- (b) execute and/or procure the execution of such further documentation as the Trustee may reasonably require in order for the Secured Parties to at all times maintain the security position envisaged under the Finance Documents; and
- (c) ensure that the relevant pledgors carries out any action to protect, perfect or give priority to the Transaction Security purported to be created by Clause 5.1.3 above.

5.1.5 Notwithstanding Clauses 5.1.3 and 5.1.4 above, all Transaction Security shall be subject to, and limited as required by, financial assistance regulations and other applicable corporate law limitations.

5.1.6 Subject to the terms of the Intercreditor Agreement (if any), unless otherwise decided by the Holders according to the procedures set out in Clauses 16 (*Decisions by Holders*), 17 (*Holdings Meeting*) and 18 (*Written Procedure*), the Trustee is, without first having to obtain the Holders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Trustee's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or for the purpose of settling Secured

Parties' relative rights to the Transaction Security. The Trustee is entitled to take all measures available to it according to the Security Documents.

## 5.2 Enforcement of Transaction Security

- 5.2.1 If the Bonds are declared due and payable in accordance with to Clause 14 (*Termination of the Bonds*), or following the Final Redemption Date, the Trustee is, without first having to obtain the Holders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Trustee finds acceptable (if in accordance with the Security Documents and the Intercreditor Agreement (if any)).
- 5.2.2 Subject to the terms of the Intercreditor Agreement (if any), if a Holders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Trustee is obligated to take actions in accordance with the Holders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in the Finance Documents, the Trustee shall not enforce the Transaction Security. Subject to the terms of the Intercreditor Agreement (if any), if the Holders, without any prior initiative from the Trustee or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clauses 16 (*Decisions by Holders*), 17 (*Holdings Meeting*) and 18 (*Written Procedure*), the Trustee shall promptly declare the Bonds terminated and enforce the Transaction Security. The Trustee is however not liable to take action if the Trustee considers cause for termination and/or acceleration not to be at hand, unless the instructing Holders in writing commit to holding the Trustee indemnified and, at the Trustee's own discretion, grant sufficient security for the obligation.
- 5.2.3 Funds that the Trustee receives (directly or indirectly) on behalf of Secured Parties in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) according to the Swedish Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Secured Parties. The Trustee shall promptly arrange for payments to be made to the Holders in such case. The Trustee shall arrange for payments of such funds in accordance with Clause 15 (*Distribution of proceeds*) as soon as reasonably practicable. If the Trustee deems it appropriate, it may, in accordance with Clause 5.2.4, instruct the CSD to arrange for payment to the Holders.
- 5.2.4 For the purpose of exercising the rights of the Holders and the Trustee under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Trustee to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Holders in accordance with Clause 5.2.3 above. To the extent permissible by law, the powers set out in this Clause 5.2.4 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Trustee provide the Trustee with any such documents, including a written power of attorney, which the Trustee

deems necessary for the purpose of carrying out its duties under Clause 5.2.3 above (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Trustee's request, provide the Trustee with a written power of attorney empowering the Trustee to change the bank account registered with the CSD to a bank account in the name of the Trustee and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 5.2.3 above to the Holders through the CSD.

### 5.3 Release of Transaction Security

The Trustee, acting as security agent, may release the Transaction Security in accordance with the terms of the Security Documents and the Intercreditor Agreement (as applicable).

## 6. THE BONDS AND TRANSFERABILITY

6.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.

6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.

6.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents relating to such Bonds are automatically transferred to the transferee.

6.4 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 Holder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Holder must ensure compliance with such restrictions at its own cost and expense.

6.5 The Bonds have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and the Issuer is under no obligation to arrange for registration of the Bonds under the Securities Act or under any other law or regulation.

6.6 The Bonds are not offered to and may not be subscribed by investors located in the United States except for "Qualified Institutional Buyers" ("**QIB**") within the meaning of Rule 144A under the Securities Act. In the application form relating to the Bonds, each person applying for the Bonds must confirm whether it is a U.S. person as defined in Rule 902 of Regulation S under the Securities Act, and if it is a U.S. person it must confirm, *inter alia*, that it is a QIB.

6.7 Holders located in the United States are not permitted to transfer Bonds except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the Holder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in

accordance with Regulation S under the Securities Act, (d) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) and (e) pursuant to any other available exemption from registration under the Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require confirming that such sale or transfer is in compliance with the Securities Act.

- 6.8 For the avoidance of doubt and notwithstanding the above, a Holder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Holder hereunder in each case until such allegations have been resolved.

## **7. BONDS IN BOOK-ENTRY FORM**

- 7.1 The Bonds will be registered for the Holders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 7.2 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 Central Securities Depositories and Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Trustee 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 Trustee, the Issuer shall promptly obtain such information and provide it to the Trustee.
- 7.4 For the purpose of or in connection with any Holders' 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. If the Trustee does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Trustee obtain information from the debt register and provide it to the Trustee.
- 7.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Trustee, as notified by the Trustee, 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 Trustee or unless consent thereto is given by the Holders.
- 7.6 At the request of the Trustee, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Trustee.

## **8. RIGHT TO ACT ON BEHALF OF A HOLDER**

- 8.1 If any Person other than a Holder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.
- 8.2 A Holder may issue one or several powers of attorney 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 Holder and may further delegate its right to represent the Holder by way of a further power of attorney.
- 8.3 The Trustee 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 8.1 and 8.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

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

- 9.1 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 Holder on the Record Date prior to the relevant payment 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.
- 9.2 If a Holder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account, such deposits will be effectuated by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Holder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Holders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, 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.
- 9.5 The Issuer shall pay any stamp duty and any other public fees accruing in connection with the Initial Bond Issue and any Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to

reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

## **10. INTEREST**

- 10.1 The Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the relevant Issue Date up to and including the Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to their issuance up to (and including) the relevant Redemption Date.
- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Holders on each Interest Payment Date for the preceding Interest Period.
- 10.3 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 incomplete months, the actual number of days elapsed (30/360-day basis).
- 10.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions 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 hundred (200) basis points 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 Trustee or the CSD, in which case the Interest Rate shall apply instead.

## **11. REDEMPTION AND REPURCHASE OF THE BONDS**

### **11.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date (or, to the extent such day is not a Business Day, on the first following Business Day) with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

### **11.2 The Group Companies' purchase of Bonds**

Any Group Company may, subject to applicable law, at any time and at any price purchase Bonds. The Bonds held by a Group Company may at such Group Company's discretion be retained, sold or, if held by the Issuer, be cancelled.

### **11.3 Early voluntary redemption by the Issuer (call option)**

- 11.3.1 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day before the Final Redemption Date, at the applicable Call Option Amount together with accrued but unpaid Interest.
- 11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders and the Trustee. Any such notice shall state

the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent to be fulfilled prior to the Record Date. 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.

#### **11.4 Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option)**

11.4.1 Upon a Change of Control Event or a De-listing Event occurring, each Holder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest; during a period of thirty (30) calendar days following a notice from the Issuer of the relevant event pursuant to paragraph (e) of Clause 12.9. The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event or the De-listing Event (as applicable).

11.4.2 The notice from the Issuer pursuant to paragraph (e) of Clause 12.9 (*Financial reporting etcetera*) shall specify the repurchase date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (e) of Clause 12.9 (*Financial reporting etcetera*). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.4.1.

11.4.3 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 11.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.

11.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be retained, sold or cancelled in accordance with Clause 11.2 (*The Group Companies' purchase of Bonds*).

#### **11.5 Mandatory repurchase due to failure to fulfil the Conditions Precedent for Disbursement**

11.5.1 If the Conditions Precedent for Disbursement have not been fulfilled within thirty (30) calendar days after the Issue Date, the Issuer shall redeem the Bonds at a price equal to the price at which they were issued, together with accrued but unpaid Interest; and the funds on the Escrow Account shall in such case be applied towards redemption of the Bonds on behalf of the Issuer. Any shortfall shall be covered by the Issuer.

11.5.2 Redemption in accordance with Clause 11.5.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders and the Trustee. Any such notice shall state

the Redemption Date and the relevant Record Date and is irrevocable. Upon expiry of such notice, the Issuer is bound to redeem the Bonds in full at the applicable amounts.

## 12. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Clause 12.

### 12.1 Distributions

The Issuer shall not, and shall procure that none of the Subsidiaries, (i) pay any dividend in respect of its shares, (ii) make any contribution (other than contributions to Subsidiaries, (iii) repurchase or redeem any of its own shares, (iv) redeem or reduce its share capital or other restricted equity with repayment to shareholders, (v) make any prepayments under any long-term debt ranking junior or *pari passu* with the Bonds (other than in relation to loans between Subsidiaries), or (vi) make any other similar distribution or transfers of value to the Issuer's, or the Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (items (i)-(vi) each being a "**Restricted Payment**").

Notwithstanding the above, if permitted by law and no Event of Default is continuing or would result from such Restricted Payment:

- (a) any Restricted Payment may be made by any Group Company if such Restricted Payment is made to a Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis; or
- (b) any Restricted Payment may be made by the Issuer, provided that at the time of the payment the Incurrence Test is satisfied (calculated on a *pro forma* basis including the relevant payment).

### 12.2 Nature of business

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

### 12.3 Financial Indebtedness

The Issuer shall not, and shall procure that none of the Subsidiaries will, incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Issuer and the Subsidiaries have a right to incur, maintain or prolong any Financial Indebtedness that constitutes Permitted Debt, if such Permitted Debt is incurred on market terms (or better).

#### 12.4 **Negative Pledge**

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

#### 12.5 **Disposal of assets**

The Issuer shall not, and shall procure that none of the Subsidiaries, sell or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or any Subsidiary's assets or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that (i) it in each case is permitted by the terms of any Security Document in respect of such assets and (ii) it does not have a Material Adverse Effect. The Issuer shall notify the Trustee of any disposal of shares in a Material Group Company or of all or substantially all of the assets of a Material Group Company and, upon request by the Trustee, provide the Trustee with any information relating to the transaction which the Trustee deems necessary (acting reasonably).

#### 12.6 **Clean down period**

The Issuer shall procure that during each calendar year there shall be a period of five (5) consecutive days during which the amount outstanding under the Super Senior RCF, less cash and cash equivalents of the Group, amounts to zero (0) or less. Not less than three (3) months shall elapse between two such periods. Compliance shall be confirmed in the Compliance Certificate issued together with each of the Group's annual audited consolidated financial statements.

#### 12.7 **Dealings with related parties**

The Issuer shall, and shall procure that the Subsidiaries will, 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.

#### 12.8 **Compliance with laws etcetera**

The Issuer shall, and shall procure that the Subsidiaries, (i) comply in all material respects with all laws and regulations applicable from time to time, and (ii) obtain maintain and in all material respects comply with, the terms and conditions of any authorisation, approval, license or other permit required for the business carried out by the respective Group Company.

## 12.9 Financial reporting etcetera

The Issuer shall:

- (a) prepare and make available 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 not later than four (4) months after the expiry of each financial year;
- (b) prepare and make available the quarterly interim unaudited consolidated reports 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 not later than two (2) months after the expiry of each relevant interim period;
- (c) issue a Compliance Certificate to the Trustee in connection with the delivery of a Financial Report or the testing of the Incurrence Test;
- (d) keep the latest version of these Terms and Conditions available on the website of the Group;
- (e) promptly notify the Trustee (and, as regards a Change of Control Event or a De-listing Event, the Holders) when the Issuer is or becomes aware of a Change of Control Event or a De-listing Event or that an Event of Default has occurred, and provide the Trustee with such further information as the Trustee may request (acting reasonably) following receipt of such notice; and
- (f) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm (or any other Regulated Market, as applicable) (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).

12.9.1 The Issuer shall notify the Trustee of any transaction involving a Material Group Company's shares or assets as referred to in Clauses 12.5 (*Disposals of assets*) and shall, upon request by the Trustee, provide the Trustee with (a) any information relating to the transaction which the Trustee deems necessary (acting reasonably) and (b) a determination from the Issuer which states whether the transaction is carried out at fair market value and on terms and conditions customary for such transaction or not and whether it has a Material Adverse Effect or not. The Trustee may assume that any information provided by the Issuer is correct, and the Trustee shall not be responsible or liable for the adequacy, accuracy or completeness of such information. The Trustee is not responsible for assessing if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect, but is not bound by the Issuer's determination under item (b) above.

## 12.10 Admission to trading of Bonds

12.10.1 The Issuer shall procure that the Bonds are admitted to trading on the Frankfurt Stock Exchange Open Market as soon as reasonably possibly after each Issue Date and with an

intention to complete such listing within thirty (30) days after the relevant Issue Date and shall procure that the Bonds remain admitted to trading on such exchange until the Bonds have been redeemed in full.

12.10.2 The Issuer shall ensure that:

- (a) the Initial Bonds are admitted to trading on the corporate bond list on Nasdaq Stockholm (or any other Regulated Market) not later than sixty (60) calendar days after the First Issue Date (and with an intention to complete such listing within thirty (30) calendar days after the First Issue Date);
- (b) any Subsequent Bonds are admitted to trading on the corporate bond list on the relevant Regulated Market not later than sixty (60) calendar days after the relevant Issue Date (and with an intention to complete such listing within thirty (30) calendar days after the relevant Issue Date); and
- (c) the Bonds, if admitted to trading on a Regulated 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 the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

#### 12.11 **Maintenance Test**

12.11.1 The Issuer shall ensure that the Maintenance Test is met for as long as any Bond is outstanding. The Maintenance Test shall be tested quarterly on the basis of the interim report for the period covered by the relevant Reference Date on the basis of the Compliance Certificate issued therewith. The first test date for the Maintenance Test shall be 31 December 2019. The last test date for the covenant in paragraph (d) in the definition of Maintenance Test in Clause 1.1 (*Definitions*) shall be 30 September 2021.

#### 12.12 **Trustee Agreement**

12.12.1 The Issuer shall, in accordance with the Trustee Agreement:

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

12.12.2 The Issuer and the Trustee shall not agree to amend any provisions of the Trustee Agreement without the prior consent of the Holders if the amendment would be detrimental to the interests of the Holders.

### 12.13 CSD related undertakings

The Issuer shall keep the Bonds affiliated with a CSD and comply with all CSD regulation applicable to the Issuer from time to time.

## 13. CONDITIONS PRECEDENT FOR DISBURSEMENT AND CONDITIONS SUBSEQUENT

### 13.1 Conditions Precedent for Disbursement

13.1.1 The Trustee's approval of the disbursement of the Net Proceeds from the Initial Bond Issue from the Escrow Account is subject to the Trustee being satisfied it has received the following documents:

- (a) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising one or several signatories to execute the Finance Documents) for the Issuer and any other relevant Group Company (as applicable), together constituting evidence that the Finance Documents have been duly executed;
- (b) duly executed copies of the Finance Documents (other than the Intercreditor Agreement);
- (c) evidence that the Transaction Security has been duly provided and perfected or will be perfected as soon as practically possible following disbursement from the Escrow Account; and
- (d) evidence, in the form of a funds flow statement signed by the Issuer, that the Deposit Amount will be transferred from the Escrow Account to the Deposit Account;
- (e) an agreed form Compliance Certificate; and
- (f) legal opinion(s) on the capacity and due execution of each party to a Finance Document not incorporated in Sweden 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).

13.1.2 When the Conditions Precedent for Disbursement have been fulfilled to the satisfaction of the Trustee (acting reasonably), the Trustee shall release the funds from the Escrow Account to be applied in accordance with Clause 4.2, and thereafter release the pledge over the Escrow Account.

### 13.2 Conditions subsequent

13.2.1 The Issuer shall provide evidence to the Trustee, in form and substance satisfactory to the Trustee (acting reasonably), showing that the events listed below have occurred no later than at the times set out below:

- (a) that the Deposit Amount is standing on the credit of the Deposit Account, such evidence to be provided as soon as possible and no later than three (3) Business Days after the disbursement from the Escrow Account has been made; and
- (b) that the security interest purported to be created under the Transaction Security has been perfected, such evidence to be provided as soon as possible and no later than ten (10) Business Days after the disbursement from the Escrow Account has been made.

### 13.3 Conditions precedent for Subsequent Bonds

The Issuing Agent shall pay the Net Proceeds from the issuance of any Subsequent Bonds to the Issuer on the later of (i) the date of the issue of such Subsequent Bonds and (ii) the date on which the Trustee notifies the Issuing Agent that it has received the following:

- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into any documents necessary in connection therewith;
- (b) a Compliance Certificate from the Issuer confirming that the Incurrence Test is met (calculated *pro forma* including such issue) and that no Event of Default is continuing or would result from the issue of the Subsequent Bonds; and
- (c) any other document or information as agreed between the Trustee and the Issuer.

### 13.4 No responsibility for documentation

The Trustee may assume that the documentation and evidence delivered to it pursuant to Clauses 13.1–13.3 is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Trustee does not have to verify or assess the contents of any such documentation or evidence. None of the documentation and evidence delivered to it pursuant to Clauses 13.1–13.3 are reviewed by the Trustee from a legal or commercial perspective of the Holders.

## 14. TERMINATION OF THE BONDS

14.1 Subject to the terms of the Intercreditor Agreement (if any), the Trustee is entitled to, and shall following a demand in writing from a Holder (or Holders) 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 Holder on the second Business Day following the day on which the demand is received by the Trustee and shall, if made by several Holders, be made by them jointly) or following an instruction or decision pursuant to Clause 14.6 or 14.7, on behalf of the Holders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Trustee determines (such later date not falling later than twenty (20) Business Days from the date on which the Trustee made such declaration), if:

- (a) **Non-payment:** The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is caused by administrative or technical error and payment is made within five (5) Business Days of the due date;
- (b) **Conditions subsequent:** The Issuer has not provided the Trustee with evidence, in form and substance satisfactory to the Trustee (acting reasonably), showing that each of the conditions subsequent have been fulfilled not later than at the times set out in Clause 13.2 (*Conditions subsequent*);
- (c) **Other obligations:** A party (other than the Trustee) does not comply with its obligations under the Finance Documents, in any other way than as set out under paragraph (a) above, provided that the Trustee has requested the Issuer in writing to remedy such failure and

the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Trustee may declare the Bonds due and payable without such prior written request);

- (d) **Cross-acceleration:** Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (c) if the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 15,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company;
- (e) **Insolvency:**
  - (i) Any Material 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
  - (ii) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company;
- (f) **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) calendar days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:
  - (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company; and
  - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets or any analogous procedure or step is taken in any jurisdiction;
- (g) **Mergers and demergers:** A decision is made that any Material Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that 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;
- (h) **Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding SEK 15,000,000 and is not discharged within sixty (60) calendar days;

- (i) **Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of these Terms and Conditions or if the obligations under these Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable; or
  - (j) **Continuation of the business:** The Issuer or any other Material Group Company ceases to carry on its business if such discontinuation is likely to have a Material Adverse Effect.
- 14.2 The Trustee may not terminate the Bonds in accordance with Clause 14.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under Clause 14.1.
- 14.3 If the right to terminate 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 termination to be deemed to exist.
- 14.4 The Issuer is obliged to inform the Trustee immediately if any circumstance of the type specified in Clause 14.1 should occur. Should the Trustee not receive such information, the Trustee is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Trustee does not have knowledge of such circumstance. The Trustee is under no obligations to make any investigations relating to the circumstances specified in Clause 14.1. The Issuer shall further, at the request of the Trustee, provide the Trustee with details of any circumstances referred to in Clause 14.1 and provide the Trustee with all documents that may be of significance for the application of this Clause 14.
- 14.5 The Issuer is only obliged to inform the Trustee according to Clause 14.4 if informing the Trustee would not conflict with any statute or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such a conflict would exist pursuant to the listing contract with Nasdaq Stockholm or otherwise, the Issuer shall however be obliged to either seek the approval from Nasdaq Stockholm (or any other Regulated Market, as applicable) or undertake other reasonable measures, including entering into a non-disclosure agreement with the Trustee, in order to be able to timely inform the Trustee according to Clause 14.4.
- 14.6 If the Trustee has been notified by the Issuer or has otherwise determined that there is a default under these Terms and Conditions according to Clause 14.1, the Trustee shall (i) notify, within five (5) Business Days of the day of notification or determination, the Holders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Trustee has decided not to terminate the Bonds, the Trustee shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Clause 16 (*Decisions by Holders*). If the Holders vote in favour of termination and instruct the Trustee to terminate the Bonds, the Trustee shall promptly declare the Bonds terminated. However, if the cause for termination according to the Trustee's appraisal has ceased before the termination, the Trustee shall not terminate the Bonds. The Trustee shall in such case, at the earliest possible date, notify the Holders that the cause for termination has ceased. The Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 14.7 If the Holders, without any prior initiative to decision from the Trustee or the Issuer, have made a decision regarding termination in accordance with Clause 16 (*Decisions by Holders*), the Trustee shall promptly declare the Bonds terminated. The Trustee is however not liable to take action if the Trustee considers cause for termination not to be at hand, unless the instructing Holders agree in writing to indemnify and hold the Trustee harmless from any loss or liability and, if requested by the Trustee in its discretion, grant sufficient security for such indemnity.
- 14.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 14, the Trustee shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 14.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 14 without relevant decision by the Trustee or following instructions from the Holders' pursuant to Clause 16 (*Decisions by Holders*).
- 14.10 If the Bonds are declared due and payable in accordance with this Clause 14, the Issuer shall redeem all Bonds with an amount per Bond as set forth in the applicable Call Option Amount for the relevant period (plus accrued but unpaid interest).

## 15. DISTRIBUTION OF PROCEEDS

- 15.1 If the Bonds have been declared due and payable in accordance with Clause 14 (*Termination of the Bonds*):
- (a) if the Intercreditor Agreement has been entered into, all payments by the Issuer relating to the Bonds and any proceeds received from an enforcement of the Transaction Security shall be distributed in accordance with the Intercreditor Agreement; and
  - (b) if the Intercreditor Agreement has not been entered into, all payments by the Issuer relating to the Bonds and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Trustee:
    - (i) *first*, in or towards payment *pro rata* amounts owing to the Trustee under the Finance Documents, including all fees, costs and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Holders' rights under the Finance Documents;
    - (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 items (a) to (d) above shall be paid to the Issuer. The application of proceeds in accordance with items (a) to (d) above shall,

however, not restrict a Holders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- 15.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1.
- 15.3 If the Issuer or the Trustee shall make any payment under this Clause 15, the Issuer or the Trustee, as applicable, shall notify the Holders 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 9.1 shall apply.

## 16. DECISIONS BY HOLDERS

- 16.1 A request by the Trustee for a decision by the Holders on a matter relating to the Finance Documents shall (at the option of the Trustee) be dealt with at a Holders' Meeting or by way of a Written Procedure.
- 16.2 Any request from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Holder on the Business Day immediately following the day on which the request is received by the Trustee and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to the Finance Documents shall be directed to the Trustee and dealt with at a Holders' Meeting or by way of a Written Procedure, as determined by the Trustee. The Person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.
- 16.3 The Trustee may refrain from convening a Holders' Meeting or instigating a Written Procedure if
- (a) the suggested decision must be approved by any Person in addition to the Holders and such Person has informed the Trustee that an approval will not be given; or
  - (b) the suggested decision is not in accordance with applicable laws.
- 16.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Holder*) from a Person who is, registered as a Holder:
- (a) on the Record Date prior to the date of the Holders' Meeting, in respect of a Holders' Meeting; or
  - (b) on the Business Day specified in the communication pursuant to Clause 18.3, in respect of a Written Procedure,
- may exercise voting rights as a Holder at such Holders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.

- 16.5 The following matters shall require consent of Holders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3:
- (a) waive a breach of or amend an undertaking set out in Clause 12 (*Special undertakings*);
  - (b) a release of the Transaction Security in whole or in part, except in accordance with the terms of the Security Documents and the Intercreditor Agreement (if any);
  - (c) a mandatory exchange of Bonds for other securities;
  - (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
  - (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking, or
  - (f) amend the provisions in this Clause 16.5 or in Clause 16.6.
- 16.6 Any matter not covered by Clause 16.5 shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3. 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 paragraphs (a), (b) or (c) of Clause 19.1, or a termination of the Bonds or the enforcement of the Transaction Security in whole or in part.
- 16.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Holders' Meeting or the Trustee in a Written Procedure, will prevail.
- 16.8 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount;
- (a) if at a Holders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 16.9 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 17.1) or initiate a second Written Procedure (in accordance with Clause 18.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 16.8 shall not apply to such second Holders' Meeting or Written Procedure.
- 16.10 Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under the Finance Documents shall be subject to the Issuer's or the Trustee's consent, as appropriate.
- 16.11 A Holder 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.
- 16.12 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under the Finance Documents, unless

such consideration is offered to all Holders that consent at the relevant Holders' 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.

- 16.13 A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- 16.14 All costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.
- 16.15 If a decision shall be taken by the Holders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Trustee 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 of a Group Company.
- 16.16 Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Holders and published on the websites of the Issuer and the Trustee, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Holders' Meeting or Written Procedure shall at the request of a Holder be sent to it by the Issuer or the Trustee, as applicable.

## **17. HOLDERS' MEETING**

- 17.1 The Trustee shall convene a Holders' Meeting by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons). If the Holder's Meeting has been requested by the Holder(s), the Trustee shall send a copy of the notice to the Issuer.
- 17.2 Should the Issuer want to replace the Trustee, it may convene a Holders' Meeting in accordance with Clause 17.1 with a copy to the Trustee. After a request from the Holders pursuant to Clause 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 17.1.
- 17.3 The notice pursuant to Clause 17.1 shall include (a) time for the meeting, (b) place for the meeting, (c) agenda for the meeting (including each request for a decision by the Holders) and (d) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.
- 17.4 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 17.5 If the Trustee, in breach of these Terms and Conditions, has not convened a Holders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene

the Holders' Meeting itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no Person to open the Holders' Meeting has been appointed by the Trustee, the meeting shall be opened by a Person appointed by the requesting Person.

- 17.6 At a Holders' Meeting, the Issuer, the Holders (or the Holders' representatives/proxies) and the Trustee may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Holders' Meeting. The Holders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Holders' Meeting instead of the Holder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Holder.
- 17.7 Without amending or varying these Terms and Conditions, the Trustee may prescribe such further regulations regarding the convening and holding of a Holders' Meeting as the Trustee may deem appropriate. Such regulations may include a possibility for Holders to vote without attending the meeting in person.

## **18. WRITTEN PROCEDURE**

- 18.1 The Trustee shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(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 Holder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Holder(s), the Trustee shall send a copy of the communication to the Issuer.
- 18.2 Should the Issuer want to replace the Trustee, it may send a communication in accordance with Clause 18.1 to each Holder with a copy to the Trustee.
- 18.3 A communication pursuant to Clause 18.1 shall include (a) each request for a decision by the Holders, (b) a description of the reasons for each request, (c) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights, (d) 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 (e) the stipulated time period within which the Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 18.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 18.4 If the Trustee, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD.
- 18.5 When the requisite majority consents of the Adjusted Nominal Amount pursuant to Clauses 16.5 and 14.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.5 or 16.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 19. AMENDMENTS AND WAIVERS

- 19.1 Subject to the terms of the Intercreditor Agreement (if any), the Issuer and the Trustee (acting on behalf of the Holders) may agree to amend the Finance Documents or waive any provision in the Finance Documents, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Holders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
  - (c) such amendment or waiver is necessary for the purpose of listing the Bonds on a Regulated Market provided such amendment or waiver does not materially adversely affect the rights of the Holders; or
  - (d) such amendment or waiver has been duly approved by the Holders in accordance with Clause 16 (*Decisions by Holders*).
- 19.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- 19.3 The Trustee shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 19.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are available on the websites of the Issuer and the Trustee. The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 19.4 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Holders Meeting, in the Written Procedure or by the Trustee, as the case may be.

## 20. APPOINTMENT AND REPLACEMENT OF THE TRUSTEE

### 20.1 Appointment of Trustee

- 20.1.1 By subscribing for Bonds, each initial Holder:
- (a) appoints the Trustee to act as its agent and security agent in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by the Finance Documents) in any legal or arbitration proceedings relating to the Bonds held by such Holder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*), or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer including, for the avoidance of doubt, any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security; and
  - (b) confirms the appointment under the Intercreditor Agreement (if any) of the Trustee to act as its security agent in all matters relating to the Transaction Security and the Security Documents, including any legal or arbitration proceeding relating to the perfection,

preservation, protection or enforcement of the Transaction Security and acknowledges and agrees that the rights, obligations, role of and limitations of liability for the Trustee is further regulated in the Intercreditor Agreement (if any).

- 20.1.2 By acquiring Bonds, each subsequent Holder confirms the appointment and authorisation for the Trustee to act on its behalf, as set forth in Clause 20.1.1 above.
- 20.1.3 Each Holder shall immediately upon request by the Trustee provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), as the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Trustee is under no obligation to represent a Holder which does not comply with such request.
- 20.1.4 The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 20.1.5 The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Trustee's obligations as agent and security agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 20.1.6 The Trustee may act as agent and/or security agent 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 Trustee**

- 20.2.1 The Trustee shall represent the Holders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Secured Parties and, where relevant, enforcing the Transaction Security on behalf of the Holders. However, the Trustee is not responsible for the contents, execution, legal validity or enforceability of the Finance Documents. The Trustee shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Trustee.
- 20.2.2 The Trustee is not obliged to actively assess or monitor (i) the financial condition of the Issuer or any Group Company, (ii) the compliance by the Issuer of the Finance Documents (unless expressly set out in the Finance Documents) or (iii) whether an Event of Default (or any event that may lead to an Event of Default) has occurred or not. Until it has actual knowledge to the contrary, the Trustee is entitled to assume that no Event of Default has occurred.
- 20.2.3 The Trustee may assume that any information, documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Trustee does not have to verify or assess the contents of any such information, documentation or evidence. The Trustee does not review any information, documents and evidence from a legal or commercial perspective of the Holders.
- 20.2.4 The Trustee shall upon request by a Holder disclose the identity of any other Holder who has consented to the Trustee in doing so.

- 20.2.5 When acting in accordance with the Finance Documents, the Trustee is always acting with binding effect on behalf of the Holders. The Trustee shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 20.2.6 The Trustee is entitled to delegate its duties to other professional parties, but the Trustee shall remain liable for the actions of such parties under the Finance Documents.
- 20.2.7 The Trustee shall treat all Holders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Holders 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.
- 20.2.8 The Trustee shall be entitled to disclose to the Holders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Trustee may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 20.2.9 The Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Trustee pay all costs for external experts engaged (a) after the occurrence of an Event of Default, (b) for the purpose of investigating or considering an event which the Trustee reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Trustee reasonably believes may be detrimental to the interests of the Holders under the Finance Documents or (c) when the Trustee is to make a determination under the Finance Documents. Any compensation for damages or other recoveries received by the Trustee 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*).
- 20.2.10 The Trustee shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Trustee, as may be necessary in order for the Trustee to carry out its duties under the Finance Documents.
- 20.2.11 The Trustee may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate restructuring of the Bonds or other situations.
- 20.2.12 Notwithstanding any other provision of the Finance Documents to the contrary, the Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 20.2.13 If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Holders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee 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.
- 20.2.14 The Trustee shall give a notice to the Holders (a) 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 Trustee under the Finance Documents, or (b) if it refrains from acting for any reason described in Clause 20.2.13.

20.2.15 The Trustee's duties under these Terms and Conditions are solely mechanical and administrative in nature and the Trustee only acts in accordance with these Terms and Conditions and upon instructions from the Holders, unless otherwise set out in the Finance Documents. In particular, the Trustee is not acting as advisors (whether legal, financial or otherwise) to the Holders or any other person.

### 20.3 Limited liability for the Trustee

20.3.1 The Trustee will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Trustee shall never be responsible for indirect loss.

20.3.2 The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.

20.3.3 The Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Trustee to the Holders, provided that the Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Trustee for that purpose.

20.3.4 The Trustee shall have no liability to the Holders for damage caused by the Trustee acting in accordance with instructions from the Holders given in accordance with Clause 16 (*Decisions by Holders*).

20.3.5 Any liability towards the Issuer which is incurred by the Trustee 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 Holders under the Finance Documents.

20.3.6 The Trustee is not liable for information provided to the Holders by or on behalf of the Issuer or by any other person.

### 20.4 Replacement of the Trustee

20.4.1 Subject to Clause 20.4.6, the Trustee may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Trustee at a Holders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.

20.4.2 Subject to Clause 20.4.6, if the Trustee is insolvent or becomes subject to bankruptcy proceedings, the Trustee shall be deemed to resign as Trustee and the Issuer shall within ten (10) Business Days appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent and/or security agent (as applicable) under debt issuances.

20.4.3 A Holder (or Holders) representing at least ten (10.00) 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 Holder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held

for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Holders that the Trustee be dismissed and a new Trustee appointed.

- 20.4.4 If the Holders have not appointed a successor Trustee within ninety (90) calendar days after (a) the earlier of the notice of resignation was given or the resignation otherwise took place or (b) the Trustee was dismissed through a decision by the Holders, the Issuer shall appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.5 The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under the Finance Documents.
- 20.4.6 The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.
- 20.4.7 Upon the appointment of a successor, the retiring Trustee 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 Trustee. Its successor, the Issuer and each of the Holders 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 Trustee.
- 20.4.8 In the event that there is a change of the Trustee in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents. Unless the Issuer and the new Trustee agrees otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee.

## **21. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT**

- 21.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 21.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.
- 21.3 The Issuing Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

## 22. APPOINTMENT AND REPLACEMENT OF THE CSD

- 22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.
- 22.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Holder or the admission to trading of the Bonds on a Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

## 23. NO DIRECT ACTIONS BY HOLDERS

- 23.1 A Holder may not take any steps whatsoever against the Issuer or a Subsidiary or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer or a Subsidiary in relation to any of the liabilities of the Issuer or a Subsidiary under the Finance Documents. Such steps may only be taken by the Trustee, acting as security agent.
- 23.2 Clause 23.1 shall not apply if:
- (a) the Trustee has been instructed by the Holders 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 Holder to provide documents in accordance with Clause 20.1.3), such actions within a reasonable period of time and such failure or inability is continuing; or
  - (b) the Trustee, acting as security agent, has been instructed by an Instructing Party (as defined in the Intercreditor Agreement (if any)) in accordance with the Intercreditor Agreement (if any) to enforce the Transaction Security but is legally unable to take such enforcement actions,

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 Trustee under the Finance Documents or by any reason described in Clause 20.2.13, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.14 before a Holder may take any action referred to in Clause 23.1.

- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 11.4 (*Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option)*) or other payments which are due by the Issuer to some but not all Holders.

## 24. TIME-BAR

- 24.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred 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 Holders' right to receive payment has been time-barred and has become void.

- 24.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar 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 the right to receive payment of Interest (excluding capitalised Interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## 25. NOTICES AND PRESS RELEASES

### 25.1 Notices

25.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

- (a) if to the Trustee, 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 such email address as notified by the Trustee to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address Clarendon House, 2 Church Street, Hamilton HM11, Bermuda or such address notified by the Issuer to the Trustee from time to time or, if sent by email by the Trustee, to [legal@vostoknewventures.com](mailto:legal@vostoknewventures.com) or such email address as notified by the Issuer to the Trustee from time to time; and
- (c) if to the Holders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Trustee.

25.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (and, if between the Trustee and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1 or, in case of email to the Trustee or the Issuer, when received in legible form by the email address specified in Clause 25.1.1.

25.1.3 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

### 25.2 Press releases

25.2.1 Any notice that the Issuer or the Trustee shall send to the Holders pursuant to Clause 11.3 (*Early voluntary redemption by the Issuer (call option)*), Clause 11.4 (*Mandatory repurchase due to a Change of Control Event or a De-listing Event (put option)*), paragraph (e) of Clause 12.9, Clause

14.6, Clause 15.3, Clause 16.16, Clause 17.1, Clause 18.1, Clause 19.3, Clause 20.2.14 and Clause 20.4.1 shall also be published by way of press release by the Issuer or the Trustee, as applicable.

- 25.2.2 In addition to Clause 25.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Trustee may send to the Holders under these Terms and Conditions has not already been made public by way of a press release, the Trustee shall before it sends such information to the Holders 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 Trustee considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Holders, the Trustee shall be entitled to issue such press release.

## 26. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 26.1 The Trustee and the Issuing Agent shall not 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 Trustee or the Issuing Agent itself takes such measures, or is subject to such measures.
- 26.2 The Issuing Agent shall have no liability to the Holders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 26.3 Should a Force Majeure Event arise which prevents the Trustee or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.
- 26.4 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

## 27. GOVERNING LAW AND JURISDICTION

- 27.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 27.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 27.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 27.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Trustee (or the Holders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

**SCHEDULE**  
**Intercreditor principles**

Up to SEK 800,000,000 Senior Secured Callable Fixed Rate Bonds 2019/2022 (the “**Bonds**”) and  
up to USD 10,000,000 super senior revolving credit facility agreement

These intercreditor principles should be read together with the terms and conditions for the Bonds (the “**Terms and Conditions**”). Unless otherwise defined in this Schedule (*Intercreditor principles*) (the “**ICA Term Sheet**”), terms defined in the Terms and Conditions shall have the same meanings when used in this ICA Term Sheet.

**General:** To establish the relative rights of creditors under various financing arrangements, the Intercreditor Agreement will be entered into by:

1. the Issuer, Vostok New Ventures (Cyprus) Limited, Vostok New Ventures AB and Vostok Co-Investment Coöperatief B.A. (the “**Original ICA Group Companies**”);
2. Nordic Trustee & Agency AB (publ), acting as security agent (on behalf of the Secured Parties) (the “**Security Agent**”) and as Bonds agent (on behalf of the Holders) (the “**Bond Trustee**”);
3. Pareto Bank ASA as hedge counterparty (the “**Original Hedge Counterparty**”);  
and
4. Pareto Bank ASA, as lender under the Super Senior RCF (the “**Original Super Senior RCF Creditor**”).

**Background:** The security securing 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 relevant law and intercreditor arrangements, and the Security Agent will be appointed as initial security agent to hold the security on behalf of the Secured Parties.

**Definitions:** “**Bonds Finance Documents**” has the meaning ascribed to it in the definition of “Finance Documents” in the Terms and Conditions.

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

“**Debt Documents**” means the Super Senior Documents, the Hedging Agreements, the Bonds Finance Documents, any documents evidencing Intercompany Debt and any documents evidencing Shareholder Debt.

“**Enforcement Action**” means any action of any kind to:

- (a) demand payment which has fallen due, declare prematurely due and payable or otherwise seek to accelerate payment of or place on demand all or any part of any Debt (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 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.

**“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 that all commitments under the Senior Finance Documents have been cancelled or terminated.

**“Hedge Counterparty”** means (i) the Original Hedge Counterparty and (ii) any person who is or becomes a hedge counterparty pursuant to any Hedging Agreement and has acceded to the Intercreditor Agreement.

**“Hedging Agreement”** means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by an ICA Group Company and a Hedge Counterparty in connection with protection against or benefit from fluctuation in any rate (including currency) or price, in respect of payments to be made under the Terms and Conditions or the Super Senior Documents (but not a derivative transaction for investment or speculative purposes).

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

**“ICA Group Companies”** means the Original ICA Group Companies and any other Group Company and/or entity which has acceded to the Intercreditor Agreement pursuant to the Senior Finance Documents.

**“Insolvency Event”** means that:

- (a) any Material 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

generally (save for the Super Senior RCF Creditors or Senior Creditors) with a view to rescheduling its Financial Indebtedness; or

- (b) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company;
- (c) 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) calendar days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:
  - (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company; and
  - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets,

or any analogous procedure or step is taken in any jurisdiction.

**“Intercompany Debt”** means any intercompany loan between members of the Group.

**“Secured Obligations”** means all obligations of the Group outstanding from time to time under the Senior Finance Documents, both actual and contingent.

**“Secured Parties”** means the Trustee, the Holders and the SSRCF Creditor.

**“Security Enforcement Objective”** means maximising, so far as is consistent with prompt and expeditious realisation of value from enforcement of the Transaction Security, the recovery by the Secured Parties, always provided that such enforcement is made in compliance with the fiduciary duties (Sw. *vårdplikt*) of the Security Agent.  
**“Senior Creditors”** means the Holders.

**“Senior Debt”** means all indebtedness outstanding to the Senior Creditors under the Bonds Finance Documents.

**“Senior Finance Documents”** means the Bonds Finance Documents and the Super Senior Documents.

**“Shareholder Creditor”** means any creditor being a direct or indirect shareholder of the Issuer which shall be subordinated pursuant to the Intercreditor Agreement.

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

**“Super Senior Creditor”** means each Super Senior RCF Creditor and each Hedge Counterparty.

**“Super Senior Debt”** means (i) all indebtedness outstanding to the Super Senior RCF Creditors under the Super Senior Documents and (ii) all indebtedness outstanding to a Hedge Counterparty (if any) under a Hedging Agreement.

**“Super Senior Documents”** means the Super Senior RCF, the Intercreditor Agreement, the Hedging Agreements (if any) and the Security Documents.

**“Super Senior RCF”** means any facility provided by a Super Senior RCF Creditor for the general corporate purposes of the Group in the maximum aggregate nominal amount of USD 10,000,000 (or its equivalent in any other currency or currencies).

**“Super Senior RCF Creditor”** means the Original Super Senior RCF Creditor and any creditor which is a creditor in respect of a Super Senior RCF and which have acceded to the Intercreditor Agreement as such.

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

**“Triggering Event”** means:

- (a) the occurrence of an event of default (however described) under any Super Senior Documents; or
- (b) a breach of any financial covenant under the Super Senior Documents.

**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 all respects in right and priority of payment in the following order:

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

The Security granted under the Escrow Account Pledge Agreement shall not be subject to this Intercreditor Agreement and hence only secure the liabilities and obligations owed towards the creditors under the Bonds Finance Documents.

**Payment Block:** Following a Triggering Event and for as long as it is continuing or up until a written notice from the Super Senior RCF Creditor to the contrary, no payments may be made to or for the account of the Senior Creditors.

**Turnover:** The Intercreditor Agreement shall include provisions for turnover of payments received in conflict with this ICA Term Sheet.

**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 or any other framework which is similar in terms and effect and contain provisions regarding *inter alia* application of “Second Method” in case of termination event or event of default and provisions regarding “Automatic Early Termination” (or

provisions similar in terms and effect), (iii) no voting rights and no enforcement rights for Hedge Counterparties, and (iv) restrictions on over-hedging.

- Subordination of Intercompany Debt:** Any Intercompany Debt shall be subordinated to the Secured Obligations (including with respect to maturity). Repayment of principal and payment of interest on Intercompany Debt not being subject to Transaction Security shall be allowed up until a Triggering Event. Payment of interest, but not repayment of principal, on Intercompany Debt subject to Transaction Security shall be allowed up until a Triggering Event. However, provided that payment of principal and interest on Intercompany Debt shall always be permitted if made for the purpose of serving 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).
- Replacement of Super Senior RCF:** The Issuer shall (after prior approval from the Super Senior RCF Creditor) from time to time be entitled to replace the Super Senior RCF in full or in part with another Super Senior RCF.
- Cancellation of Super Senior RCF:** To the extent the Issuer repurchases, amortises or otherwise repays the Bonds whereby the aggregate Nominal Amount of Bonds outstanding falls below seventy (70) per cent. of the aggregate initial Nominal Amount, the Super Senior RCF Creditor may demand repayment and cancellation of the Super Senior RCF *pro rata* with such repurchase, amortisation or other repayment.
- Limitation on Secured Obligations and subordination:** All Transaction Security, indemnities and subordination provisions in the Intercreditor Agreement shall be subject to applicable customary limitation language.
- Appointment of security agent:** 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. The Security Agent's appointment and duties shall be subject to customary indemnities and be limited to
- 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 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 or take other Enforcement Actions unless instructed otherwise by the Instructing Party in accordance with paragraph (b) below but always subject to item (iv) of this paragraph (a) below.
- (iii) Subject to the Transaction Security having become enforceable in accordance with its terms and subject to paragraph (b) below, the Instructing Party 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 this paragraph (a) and paragraph (b) below, the Senior Representative may only give any Enforcement Instructions if the proceeds to be received from the proposed Enforcement Action 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).

(b) **Consultation**

- (i) If either the Super Senior Representative or the Senior Representative wishes to issue Enforcement Instructions, 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 item (iii) of this paragraph (b) 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 less 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 such Conflicting Enforcement Instruction and (B) the date falling ten (10) Business Days after the date on which the original Enforcement Proposal is delivered in accordance with item (i) of this paragraph (b) 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 item (ii) of this paragraph (b) above if:
  - (A) the Transaction Security have become enforceable as a result of an Insolvency Event; or
  - (B) each of the Super Senior Creditors and the Holders (represented by the Bond Trustee), agree that no Consultation Period is required.
- (iv) If consultation has taken place during the Consultation Period there shall be no further obligation to consult and the Security Agent may act in accordance with the instructions as to enforcement then or previously 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 instructions have been issued to the Security Agent from the Instructing Party within three (3) months from the end of the Consultation Period, or (B) no proceeds from an enforcement of the Transaction Security have been received by the Security Agent 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 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.

(c) **Miscellaneous**

- (i) Upon an enforcement of the Transaction Security, the proceeds shall be distributed in accordance with the 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 paragraph (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 provided that the proceeds are distributed in accordance with the provisions set out in the Intercreditor Agreement.
- (iv) Nothing herein shall preclude the rights of the Super Senior Creditors or the Bond Trustee 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 Parties or the Security Agent and is not inconsistent with its obligations contained in the Intercreditor Agreement and each of the Super Senior Creditors and the Bond Trustee shall give prompt notice to the other of any action taken by it to join, intervene or otherwise support any such proceedings.
- (v) For avoidance of doubt, customary provisions regarding permitted (or required) actions once an Insolvency Event has occurred to be included in the Intercreditor Agreement.

**“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 with any other instruction (or proposed instruction) given as to the manner of enforcement (including any inconsistency as to the timeframe for realising value from an enforcement of the Transaction Security or a distressed disposal), it being understood

that, for the purpose of triggering the consultation requirements under item (ii) of paragraph (b) above 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.

**“Enforcement Instructions”** means instructions as to enforcement (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".

**“Representative”** means the Senior Representative or the Super Senior Representative.

**“Senior Representative”** means, at any time, those Senior Creditors whose Senior Debt at that time aggregate more than fifty (50) per cent. of the total Senior Debt at that time. The Bond Trustee shall represent all Holders and act on the instructions of and on behalf of the Holders.

**“Super Senior Representative”** means, at any time, holders of 66⅔% of the aggregate of:

- (a) the Super Senior RCF;
- (b) following a permitted termination or close out of any Hedging Obligation, the settlement amount of that Hedging Obligation to the extent that that settlement amount is due to the Hedge Counterparty and has not been paid by the relevant ICA Group Company; and
- (c) (following discharge in full of the Super Senior RCF only), the deemed settlement amount of the Hedging Obligations (that have not been closed out or terminated) at any time.

**“Instructing Party”** means the Senior Representative or, following replacement in accordance with item (v) of paragraph (b) above, the Super Senior Representative.

**Application of  
Enforcement  
Proceeds:**

The proceeds of any Enforcement Action (including but not limited to any proceeds received from any direct or indirect realisation or sale by the Security Agent of any assets being subject to Transaction Security or proceeds received in connection with bankruptcy or other insolvency proceedings) 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 any Group Company to the Security Agent;
- (b) *secondly*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by any Group Company to the Issuing Agent, the Bond Trustee and any agent representing creditors under the Super Senior RCF;
- (c) *thirdly*, towards payment *pro rata* of accrued interest unpaid under the Super Senior Documents;
- (d) *fourthly*, towards payment *pro rata* of principal under the Super Senior Documents and any other costs or outstanding amounts under the Super

Senior Documents, and any close out amount and any other outstanding amounts under the Hedging Obligations (if any);

- (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 Terms and Conditions and any Senior 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.

**Amendments and modifications:**

Each Secured Party may amend or waive the terms of the Debt 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 to the extent it has the effect of amending 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 each 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 adversely 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.

**Governing law:**

The Intercreditor Agreement shall be governed by Swedish law.

**Miscellaneous:**

Each of the Bond Trustee and the Super Senior RCF Creditor shall have a duty to inform the other creditor classes of any default or event of default which is continuing or any 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. At any time following the occurrence of an Enforcement Action, an ICA Group Company shall, if requested by the Security Agent (acting on instruction by the Instructing Party), release and discharge any liabilities owed by another ICA Group Company to such ICA Group Company as specified by the Security Agent, by way of shareholders' contribution, forgiveness of liabilities, or in any other way deemed appropriate by the Security Agent.

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# Definitions

AGM	Annual general meeting.
Bonds	The senior secured callable fixed rate bonds 2019/2022 with ISIN SE0013233541.
Company, Issuer, Vostok or Vostok New Ventures	Vostok New Ventures Ltd, reg. no. 39861, Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
Group	The group of companies in which Vostok New Ventures Ltd is the parent company.
EUR	Euro.
Euroclear Sweden	Euroclear Sweden AB, reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden.
IFRS	International Financial Reporting Standards.
Issue Date	4 October 2019.
Initial Bond	Any Bond issued on 4 October 2019.
Initial Bond Issues	The issuance of Bonds on 4 October 2019 in an amount of SEK 550,000,000 and the issuance of Bonds on 28 November in an amount of SEK 100,000,000.
Issuing Agent and Sole Bookrunner	Pareto Securities AB, reg. no. 556206-8956, P.O. Box 7415, SE-103 91 Stockholm, Sweden, or another party replacing it, in accordance with the Terms and Conditions.
LTIP	Long-term incentive program.
Nasdaq Stockholm	The regulated market operated by Nasdaq Stockholm AB.
Prospectus	This prospectus.
SEK	Swedish krona.
SDR	Swedish Depository Receipts representing shares in Vostok with trading symbol (ticker) VNV SDB and ISIN SE0007278965.
SFSA	The Swedish Financial Supervisory Authority.
Subsequent Bond	Any Bond issued after 4 October 2019.
Subsequent Bond Issue	Any issue of Subsequent Bonds.
Trustee	The bondholders' agent under the Terms and Conditions, from time to time; initially Nordic Trustee & Agency AB (publ), reg.no. 556882-1879, P.O. Box 7329 SE-103 90 Stockholm, Sweden.
USD	U.S. dollar.

# Addresses

## Company

Vostok New Ventures Ltd  
Clarendon House  
2 Church Street  
Hamilton HM 11, Bermuda  
Tel: +1 441 295 1422  
[www.vostoknewventures.com](http://www.vostoknewventures.com)

## Issuing Agent

Pareto Securities AB  
P.O. Box 7415  
SE-103 91 Stockholm, Sweden  
Tel: +46 (0) 8 402 50 00  
[www.paretosec.com](http://www.paretosec.com)

## Legal Advisor

Gernandt & Danielsson Advokatbyrå KB  
P.O. Box 5747  
SE-114 87 Stockholm, Sweden  
Tel: +46 (0) 8 670 66 00  
[www.gda.se](http://www.gda.se)

## Auditor

PricewaterhouseCoopers AB  
Torsgatan 21  
113 97 Stockholm, Sweden.  
Tel: +46 (0) 10-213 30 00  
[www.pwc.se](http://www.pwc.se)

## Trustee

Nordic Trustee & Agency AB (publ)  
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