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Term Sheet

avonova

ISIN: SE0024220107

Avonova Bidco AB (publ)
Initial issue of SEK 500,000,000
Senior Secured Callable Floating Rate Bonds 2025/2028
under a framework of maximum SEK 800,000,000
First Issue Date: 3 June 2025

Issuer:	Avonova Bidco AB (publ), a public limited liability company incorporated in Sweden with reg. no 559183-3990.
Original Guarantors:	Means: <ul style="list-style-type: none">(a) Avonova Hälsa AB, incorporated in Sweden with reg. no. 556500-6821;(b) Avonova Helse AS, incorporated in Norway with reg. no. 884 039 312;(c) Avonova Solutions AB, incorporated in Sweden with reg. no. 556680-5981; and Avonova Solutions AS, incorporated in Norway with reg. no. 925 160 601.
Guarantors:	The Original Guarantors and each Material Group Company which is party to the Guarantee and Adherence Agreement from time to time.
Obligors:	The Issuer and the Guarantors.
Group:	The Issuer and all its Subsidiaries from time to time (each a " Group Company ").
Agent and Security Agent:	The Bondholders' agent and security agent under the Terms and Conditions and, if relevant, the Senior 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.

Bondholder:	Each Person registered as an owner or nominee holder of a Bond.
Currency:	SEK.
Initial Bond Issue:	SEK 500,000,000.
Subsequent Bond Issue:	The Issuer may on one or more occasions issue additional Bonds amounting to SEK 300,000,000 in aggregate (together with the Initial Bond Issue, in total SEK 800,000,000) (each a " Subsequent Bond " and together with the Initial Bonds, the " Bonds "), provided that the applicable conditions set out in the section " <i>Conditions Precedent for a Subsequent Bond Issue</i> " below are satisfied or waived.
Bond Issue:	The Initial Bond Issue and any Subsequent Bond Issue.
Purpose of the Bond Issue:	<p>The Net Proceeds of the Initial Bond Issue shall be used to (i) refinance the Existing Debt and (ii) finance general corporate purposes (including but not limited to acquisitions and investments).</p> <p>The Net Proceeds of any Subsequent Bond Issue shall be used to (i) finance general corporate purposes of the Group, including but not limited to acquisitions and investments and (ii) refinance target company financial indebtedness.</p>
Margin:	7.5 per cent. <i>per annum</i> .
Coupon Rate:	3 months STIBOR plus the Margin. If STIBOR is less than zero, STIBOR shall be deemed to be zero. STIBOR fallback provisions will be included in the Terms and Conditions.
First Issue Date:	3 June 2025.
Maturity Date:	three (3) years after the first issue date 2028.
Final Maturity Date:	The Maturity Date or such earlier date on which the Bonds are redeemed in full.
Redemption at maturity:	The Bonds shall be repaid in full on the Maturity Date at a price of 100 per cent. of the Outstanding Nominal Amount together with accrued but unpaid interest.
Interest Payment Dates:	3 March, 3 June, 3 September and 3 December each year (with the first Interest Payment Date on 3 September 2025 and the last Interest Payment Date being the Final Maturity Date), or to the extent such day is not a Business Day, the first following day that is a Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.
Interest Payments:	<p>Interest on the Bonds will accrue from the First Issue Date to, but excluding, the first Interest Payment Date. In respect of subsequent interest periods, the period from an Interest Payment Date to, but excluding, the next succeeding Interest Payment Date (or a shorter period if relevant). Any Subsequent Bonds will carry Interest at the Interest Rate from the Interest Payment Date falling immediately prior to their issuance to, but excluding, the next succeeding Interest Payment Date (or a shorter period if relevant).</p> <p>Interest shall be payable quarterly in arrears on the Interest Payment Dates each year. Interest shall be calculated on the basis of the actual number of days in the</p>

interest period in respect of which payment is being made divided by 360 (actual/360).

Default interest:	2 per cent. <i>per annum</i> higher than the Coupon Rate.
Issue price:	100 per cent. of the Nominal Amount for Bonds issued on the First Issue Date. Any Subsequent Bonds may be issued at, above or below par.
Nominal Amount:	The Bonds will each have a nominal value of SEK 1,250,000, with a minimum subscription and allocation amount of SEK 1,250,000.
Outstanding Nominal Amount:	The Nominal Amount less any redemptions and repayments made pursuant to the Terms and Conditions.
Status of the Bonds:	The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) <i>pari passu</i> between themselves and (ii) at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except (A) those obligations which are mandatorily preferred by law and (B), after the entering into of an Intercreditor Agreement, the Super Senior Debt in accordance with the Intercreditor Agreement.
Intercreditor Agreement:	<p>The Issuer may request that the creditors under any Super Senior RCF (or their representative), the counterparties under any Super Senior Hedging Agreement, the Parent and the Agent enter into an intercreditor agreement, providing for inter alia (i) subordination of any Shareholder Loan, and (ii) super senior ranking of any Super Senior RCF and any Super Senior Hedging Agreement, each in relation to the Bonds. The super senior ranking of any Super Senior RCF will follow market practice for super senior revolving credit facilities, including sharing of the Transaction Security but with priority in favour of the creditors under any Super Senior RCF and any Super Senior Hedging Agreement to any enforcement proceeds.</p> <p>The principal terms of the Intercreditor Agreement are set out in further detail in the intercreditor principles attached as Schedule 1 (<i>Intercreditor term sheet</i>) hereto. This term sheet and Schedule 1 (<i>Intercreditor term sheet</i>) shall be read together.</p>
Call Option (American):	The Issuer may, at any day prior to the Maturity Date, redeem any outstanding Bonds in full at the applicable Call Option Amount, together with accrued but unpaid interest. Redemption shall be made by the Issuer giving not less than 10 Business Days' and not more than 30 Business Days' notice to the Bondholders and the Agent.
Call Option Amount:	<p>The Issuer may redeem the Bonds, in full at an amount (the "Call Option"):</p> <ul style="list-style-type: none"> (a) equal to the sum of (i) 100% plus 50% of the Margin per cent. of the Outstanding Nominal Amount and (ii) the remaining interest payments on or after the First Issue Date to, but not including, the date falling 18 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 18 months after the First Issue Date; (b) of 100% plus 50% of the Margin per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling 18 months after the First Issue Date to, but not including, the date falling 24 months after the First Issue Date; (c) of 100% plus 25% of the Margin per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling 24 months after the First Issue Date

to, but not including, the date falling 30 months after the First Issue Date;
and

- (d) of 100% plus 10% of the Margin per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling 30 months after the First Issue Date to, but not including, the Maturity Date.

For the purpose of calculating the remaining interest payments pursuant to (a) above it shall be assumed that the Interest Rate for the period from the relevant record date to but not including, the date falling 18 months after the First Issue Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

**Mandatory Redemption
(long stop date):**

If the applicable "*Conditions Precedent for disbursement from the Escrow Account*" have not been fulfilled within 90 days from the First Issue Date, the Issuer shall redeem the Bonds at a price equal to 100 per cent. of the Outstanding Nominal Amount together with accrued but unpaid interest and the funds on the Escrow Account shall in such case be applied to redeem the Bonds on behalf of the Issuer. Any shortfall shall be covered by the Issuer.

Transaction Security:

All amounts outstanding under the Senior Finance Documents, plus accrued interest, costs, fees and expenses shall be secured by the following Security on the terms set out in the relevant Security Agreements and subject to the Agreed Security Principles and the Intercreditor Agreement (if any):

- (a) pledge over the shares in each Obligor;
- (b) existing business mortgages or floating charges in each Obligor;
- (c) pledge over current and future Material Intragroup Loans; and
- (d) pledge over the Parent's claim under any existing and future Shareholder Loans.

All Transaction Security shall be subject to, and limited as required by, financial assistance regulations, capital maintenance requirements and other corporate law limitations.

**Guarantee and
Adherence Agreement:**

Subject to the Agreed Security Principles and the Intercreditor Agreement (if any), each Guarantor will (subject to applicable corporate law limitations) irrevocably and unconditionally, jointly and severally, as principal obligor, guarantee to the Secured Parties the punctual performance by the Obligors of all the Obligors' obligations under the Senior Finance Documents (to the fullest extent permitted under applicable laws) and agree to adhere to the Terms and Conditions on the terms set out in the Guarantee and Adherence Agreement.

Super Senior RCF:

The Issuer may enter into a Super Senior RCF for the purpose of funding, *inter alia*, general corporate purposes of the Group (including investments and acquisitions).

**Conditions Precedent for
the First Issue Date:**

The Issuer shall provide to the Agent, or procure the provision of, to the satisfaction of the Agent, no later than 9.00 a.m. three (3) Business Days prior to the First Issue Date (or such later time as agreed by the Agent):

- (a) copies of the constitutional documents of the Issuer;

- (b) copies of corporate resolutions of the Issuer:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it executes, delivers and performs the Finance Documents to which it is a party;
 - (ii) authorising a specified person or persons to execute the Finance Documents on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party;
- (c) a copy the Agency Agreement, duly executed;
- (d) a copy of the Terms and Conditions, duly executed;
- (e) a copy of the Escrow Account Pledge Agreement, duly executed, and the documents and other evidences to be delivered pursuant to the Escrow Account Pledge Agreement;
- (f) an agreed form Compliance Certificate (which may be included in the Terms and Conditions); and
- (g) evidence by way of a certificate duly signed by the Issuer confirming the amount needed to fully repay the Existing Debt and any accrued but not paid interest in relation to the Existing Debt (including calculations thereof).

The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions have been fulfilled (or amended or waived) no later than 9.00 a.m. two (2) Business Day prior to the First Issue Date (or such later time as agreed by the Issuing Agent).

Following receipt by the Issuing Agent of the confirmation from the Agent, the Issuing Agent shall, as applicable, settle the issuance of the Initial Bonds and on the First Issue Date transfer the Net Proceeds to the Escrow Account.

The Agent may assume that the documentation and evidence delivered to it (as initial conditions precedent, conditions precedent or conditions subsequent (as applicable)) is accurate, legally valid, enforceable, correct and true, and the Agent does not have to verify or assess the contents of any such documentation. The conditions precedent are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.

Conditions Precedent for a Subsequent Bond Issue:

- (a) If the Issuer meets the Incurrence Test (tested *pro forma* including the incurrence of the relevant Subsequent Bonds), the Issuer shall provide the Agent, prior to the issue of Subsequent Bonds, with the following:
 - (i) a duly executed Compliance Certificate certifying that the Incurrence Test (tested *pro forma* including the incurrence of the relevant Subsequent Bonds) is met;
 - (ii) copies of constitutional documents of the Issuer; and

(iii) copies of necessary corporate resolutions (including authorisations) from the Issuer.

(b) On the Issue Date of any Subsequent Bonds, and subject to (a) above, provided that the conditions precedent for such issuance set out above have been fulfilled to the satisfaction of the Agent (acting reasonably) or waived, the Agent will instruct the Issuing Agent to promptly transfer the Net Proceeds to the Issuer.

Conditions Precedent for initial disbursement from the Escrow Account:

The Agent's approval of the initial disbursement of the Net Proceeds from the Escrow Account is subject to the following documents being received by the Agent:

- (a) copies of the constitutional documents of each of the Parent, the Issuer and each Original Guarantor;
- (b) copies of the resolution of the board of directors of each of the Parent, the Issuer and each Original Guarantor:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it executes, delivers and performs the Finance Documents to which it is a party;
 - (ii) authorising a specified person or persons to execute the Finance Documents on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party;
- (c) a copy of the Guarantee and Adherence Agreement, duly executed by the Issuer and each Original Guarantor;
- (d) duly executed copies of the following Security Documents:
 - (i) a share pledge agreement over all outstanding shares in the Issuer and each Original Guarantor;
 - (ii) a pledge agreement in respect of all existing business mortgage certificates (or similar in case of non-Swedish entities) issued in each Original Guarantor;
 - (iii) a pledge agreement in respect of all present and future Material Intragroup Loans granted by the Issuer and each Original Guarantor; and
 - (iv) a pledge agreement in respect of the Parent's claim under any existing and future Shareholder Loans,

together with evidence that the Transaction Security purported to be created under such Security Documents has been or will be perfected in accordance with the terms of such Security Documents in connection with the initial disbursement of the Net Proceeds from the Escrow Account;

(e) evidence, (i) in the form of a funds flow statement, that payments in accordance with paragraph (i) of section "*Purpose of the Bond Issue*" will

be made promptly following disbursement of the Net Proceeds from the Escrow Account and (ii) that the Existing Debt has been or will be cancelled and repaid in full on or before the Completion Date, evidenced by a duly executed prepayment and cancellation notice (if applicable), and that any Security and guarantees in respect of such Existing Debt have been or will be released or discharged upon such cancellation and repayment, evidenced by a duly executed release notice or release and delivery undertaking from each relevant creditor; and

- (f) in relation to any party to a Finance Document referred to above not incorporated in Sweden or any Finance Document governed by non-Swedish law, a legal opinion on capacity, due execution and enforceability issued to the Agent by a reputable law firm and in form and substance satisfactory to the Agent acting reasonably.

Conditions Subsequent: The Issuer shall no later than five (5) Business Days after the initial disbursement of the Net Proceeds from the Escrow Account provide the Agent with evidence that the Issuer has received a contribution in cash, in the form of a share issue, a shareholder contribution and/or Shareholder Loan, in an amount equal to at least SEK 100,000,000 (or the equivalent thereof in other currencies), including all equity contributed since March 2025.

Additional Security: Subject to the Agreed Security Principles and the terms of the Intercreditor Agreement (if any), in connection with the accession of a Material Group Company to the Guarantee and Adherence Agreement as Guarantor, (i) security shall be granted over the shares in such Material Group Company, any present or future Material Intragroup Loan made by such Material Group Company and any existing business mortgage certificates (or similar in case of a non-Swedish entity) in respect of the relevant assets of such Material Group Company and (ii) the Agent shall in connection therewith be provided (unless previously provided) with such evidence and documentation as may be required by the Agent to ensure that the Transaction Security is legal, valid and enforceable.

Additional Guarantors: Subject to the Agreed Security Principles and the terms of the Intercreditor Agreement (if any), the Issuer shall procure that each Material Group Company (subject to applicable corporate law limitations) accedes to the Guarantee and Adherence Agreement and the Intercreditor Agreement no later than 90 days after that Material Group Company being nominated as such in accordance with the undertaking "*Nomination of Material Group Companies*" and in connection therewith provide to the Agent (unless previously provided) such evidence and documentation as may be required under the Guarantee and Adherence Agreement.

General Undertakings: The Terms and Conditions shall include the following undertakings by the Issuer. Any undertaking below referring to any Guarantor shall be made by such Guarantor by its accession to the Guarantee and Adherence Agreement.

Distributions: No Obligor shall, and each Obligor shall procure that none of its Subsidiaries will:

- (a) pay any dividend on its shares;
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders;

- (d) grant any loans to any shareholders of the Issuer (or any of their Affiliates (for the avoidance of doubt, other than Group Companies));
 - (e) repay any Shareholder Loan or pay any interest thereon; or
 - (f) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer (other than Group Companies),
- (a)-(f) each being a "**Restricted Payment**".

Notwithstanding the above, a Restricted Payment may be made:

- (a) to the Issuer or a direct or indirect Subsidiary of the Issuer but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis;
- (b) by the Issuer to the Parent for funding of any tax obligations of the Parent or its direct or indirect shareholders relating to or arising solely from such entity's direct and/or indirect investment in the Group; and
- (c) by the Issuer to the Parent for funding of administration and management cost (in the Parent or, as the case may be, a direct or indirect holding company of the Parent) in an amount not exceeding the higher of (i) SEK 5,000,000 and (ii) 2 per cent. of EBITDA (or its equivalent in other currencies) for each financial year.

For the avoidance of doubt, the foregoing shall not prevent the Group from making payments to shareholders and Affiliates of the shareholders in the ordinary course of business, provided that all such payments are made on arm's length terms, including, for the avoidance of doubt, salary, consultancy fees and bonuses to employees and management of Group Companies.

Admission to trading: The Issuer shall ensure that:

- (a) the Bonds issued in the Initial Bond Issue are admitted to trading on the corporate bond list of Nasdaq Stockholm within 12 months of the First Issue Date or on any other Regulated Market within 12 months of the First Issue Date;
- (b) any Subsequent Bonds are admitted to trading on the same Regulated Market as the Initial Bonds within sixty (60) days of the later to occur of (A) the Issue Date of the relevant Subsequent Bonds and (B) the date of admission to trading of the Initial Bonds on the Regulated Market; 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).

Disposals: Subject to the terms of the Intercreditor Agreement (if any), the Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of any shares in any Material Group Company or all or substantially all of the assets or operations of any Material Group Company to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless (i) the transaction is

carried out on arm's length terms and provided that it does not have a Material Adverse Effect, or (ii) it constitutes a Permitted Reorganisation.

No asset that is subject to Transaction Security (other than pursuant to any business mortgage (or similar in case of a non-Swedish entity)) may be disposed of other than in accordance with the terms of the Agreed Security Principles and the Intercreditor Agreement (if any) and shall always be permitted with the prior written approval of the Security Agent.

Mergers and demergers: Subject to the terms of the Intercreditor Agreement (if any), the Issuer shall not enter into any amalgamation, demerger, merger or reconstruction other than under (i) an intra-Group re-organisation on a solvent basis where the Issuer is the surviving entity, or (ii) a Permitted Reorganisation.

Financial Indebtedness: No Obligor shall, and shall ensure that no other Group Company will, incur or maintain any Financial Indebtedness other than Permitted Financial Indebtedness.

Negative pledge: No Obligor shall, and shall procure that none of its Subsidiaries will, provide, prolong or renew any security over any of its/their assets (present or future) to secure Financial Indebtedness, provided however that each Group Company has the right to provide, retain, prolong or renew, any Permitted Security.

Loans out: No Obligor shall, and shall procure that none of its Subsidiaries will, extend any loans in any form to any other party, other than (i) in the ordinary course of business, or (ii) to a Group Company.

Nature of business: Each Obligor shall ensure that no substantial change is made to the general nature of the business carried on by it or by the Group as of the First Issue Date if such change would have a Material Adverse Effect.

Authorisations. Each Obligor shall, and shall ensure that all other Group Companies will, obtain, comply with, renew and do all that is necessary to maintain in full force and effect any licenses, authorisation or any other consents required to enable it to carry on its business where failure to do so would have a Material Adverse Effect.

Insurances: Each Obligor shall, and shall ensure that all other Group Companies will, maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

Compliance with laws: Each Obligor shall, and shall ensure that all other Group Companies will, comply in all material respects with all laws and regulations it or they may be subject to from time to time, to the extent that failure to do so would have a Material Adverse Effect.

Arm's length basis: No Obligor shall (and the Issuer shall ensure that no Group Company will) enter into any transaction with any person except on arm's length terms and for fair market value, other than (i) intra-Group loans to wholly-owned Subsidiaries, (ii) transactions between Obligors, (iii) transactions between Group Companies not being Obligors, (iv) Restricted Payments permitted under the Finance Documents and (v) a Permitted Reorganisation.

Nomination of Material Group Companies: Subject to the Intercreditor Agreement (if any) and the Agreed Security Principles, the Issuer shall ensure that:

- (a) each wholly-owned Group Company which (on a consolidated basis in the case of a Group Company which itself has Subsidiaries) has EBITDA representing 10 per cent. or more of EBITDA of the Group (calculated on a consolidated basis); and
- (b) such Group Companies as are necessary to ensure that the Material Group Companies (calculated on an unconsolidated basis and excluding all intra-Group items and investments in Subsidiaries of any Group Company) in aggregate account for at least 80 per cent. of EBITDA of the wholly-owned Group Companies (calculated on a consolidated basis),

are nominated as "Material Group Companies", by listing the relevant Group Companies in the Compliance Certificate delivered in connection with the annual audited consolidated financial statements (for the first time, in respect of the Compliance Certificate delivered together with the annual audited consolidated financial statement for the financial year 2025).

**Permitted Financial
Indebtedness:**

Means any Financial Indebtedness:

- (a) incurred under the Bonds (other than Subsequent Bonds);
- (b) incurred by the Issuer, or any other Group Company under any Super Senior RCF;
- (c) arising under any Super Senior Hedging Agreement or any other hedging transaction for non-speculative purposes in the ordinary course of business of the relevant Group Company;
- (d) up until and including the date of the disbursement of the Net Proceeds from the initial Bond Issue from the Escrow Account, the Existing Debt;
- (e) incurred by a Group Company from another Group Company (including any cash pool arrangements);
- (f) in the form of any Shareholder Loan;
- (g) in the form of any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (h) incurred under any advance or deferred purchase agreement on normal commercial terms by any Group Company from any of its trading partners in the ordinary course of its trading activities;
- (i) incurred by the Issuer if such Financial Indebtedness:
 - (i) is incurred as a result of a Subsequent Bond Issue and the Incurrence Test is met on a *pro forma* basis; or
 - (ii) provided that the Incurrence Test is met on a *pro forma* basis, (A) ranks *pari passu* with the obligations of the Issuer under the Finance Documents and has a final maturity date, or when applicable, early redemption dates or instalment dates which occur on or after the Maturity Date ("**New Senior Debt**"); or (B) (i) is subordinated to the obligations of the Group under the Finance Documents which, if an Intercreditor Agreement has been

entered into, shall be made pursuant to the Intercreditor Agreement, (ii) according to its terms has a final maturity date or, when applicable, early repayment dates or instalment dates which occur after the Maturity Date and (iii) according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Bonds Discharge Date ("**Subordinated Debt**");

- (j) of the Group incurred pursuant to any Finance Leases or hire purchase contract in the ordinary course of the Group's business;
- (k) arising by operation of law or in the ordinary course of trading and not as a result of any default or omission;
- (l) incurred as a result of any Group Company acquiring another entity which holds Financial Indebtedness, provided however that such indebtedness is (i) not increased or extended in contemplation of the relevant acquisition and (ii) repaid or refinanced with Financial Indebtedness constituting Permitted Financial Indebtedness (if applicable) no later than 120 days from the acquisition;
- (m) under any pension and tax liabilities incurred in the ordinary course of business;
- (n) incurred as part of making an acquisition permitted by the Finance Documents for the purpose of enabling a re-investment of the sellers of the relevant target, and the debt is set off (or similar) and converted into equity no later than ten (10) Business Days following the relevant incurrence (provided that at the time of the acquisition the sellers have undertaken to complete such conversion accordingly);
- (o) any deferred consideration or vendor loan (excluding, for the avoidance of doubt, any earn-out obligations) in relation to an acquisition, provided that any such Financial Indebtedness (i) is subordinated to the obligations of the Group under the Finance Documents, (ii) has a final repayment date or, when applicable, instalment dates which occur after the Maturity Date and (iii) does not bear interest or yields only payment-in-kind interest and/or cash interest that is payable after the Bonds Discharge Date;
- (p) any earn-out obligation in relation to an add-on acquisition provided that no earn-out obligation may exceed 30 per cent. of the total purchase price of such add-on acquisition;
- (q) of any Group Company representing deferred compensation or other similar arrangements to directors, officers, employees, members of management and managers of any Group Company in the ordinary course of business;
- (r) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds; or
- (s) not permitted by the preceding paragraphs and the outstanding amount of which does not exceed the higher of (i) SEK 10,000,000 and (ii) 10 per cent. of EBITDA.

**Permitted
Reorganisation:**

- (a) The solvent liquidation or reorganisation (including but not limited to any mergers) of any Group Company which is not an Obligor and/or Material Group Company so long as any payments or assets distributed as a result of such liquidation or reorganisation are distributed to other members of the Group; or
- (b) without prejudice to paragraph (a) above, a merger or demerger of a Group Company provided that (i) a merger (A) where the shares in one of the Group Companies involved in the merger are subject to Transaction Security is permitted only if the shares in the surviving Group Company are subject to Transaction Security immediately following such merger and (B) one of the Group Companies involved in the merger is a Guarantor is permitted only if the surviving Group Company is a Guarantor (and such Group Company shall, for the avoidance of doubt, be considered to be a Material Group Company), and (ii) the Issuer may not be demerged or involved in any merger (other than a merger where the Issuer is the surviving entity),

provided in each case that such merger or demerger is not likely to have a Material Adverse Effect, and the reorganisation (including but not limited to any mergers) of Avonova Solutions OY shall always constitute a Permitted Reorganisation.

Permitted Security:

Means any security:

- (a) created under the Senior Finance Documents;
- (b) up until the release of the Net Proceeds from the initial Bond Issue from the Escrow Account, in the form of any security granted in respect of any Existing Debt;
- (c) arising by operation of law or in the ordinary course of business and not as a result of any default or omission;
- (d) arising in the ordinary course of banking arrangements for the purposes of netting debt and credit balances of Group Companies;
- (e) arising as a consequence of any Finance Lease or hire purchase contract permitted pursuant to paragraph (j) of the definition of "Permitted Financial Indebtedness", provided that such security is granted only in the leased asset in question;
- (f) subsisting as a result of any Group Company acquiring another entity after the First Issue Date which entity already had provided security for Financial Indebtedness permitted under paragraph (l) of the definition of "*Permitted Financial Indebtedness*", provided that such security is discharged and released in full upon the refinancing or repayment of such Financial Indebtedness as set out therein;
- (g) created in the form of a pledge over one or more escrow accounts to which the proceeds incurred in relation to the issuance of Subsequent Bonds or a refinancing of the Bonds in full are intended to be received;
- (h) created for the benefit of the providers of financing for the refinancing of the Bonds in full, provided that any perfection requirements in relation thereto are not satisfied until after repayment of the Bonds in full (other than with respect to an escrow account (if applicable) which may be

perfected in connection with the incurrence of such Financial Indebtedness); or

- (i) securing indebtedness not otherwise permitted above the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of security given by any Group Company other than any permitted under the preceding paragraphs) does not at any time exceed the higher of (i) SEK 10,000,000 and (ii) 10 per cent. of EBITDA.

Maintenance Covenants: **Leverage Ratio:** The Issuer shall ensure that the Leverage Ratio in respect of any Relevant Period ending on a Reference Date falling on or after 31 March 2026, shall not exceed 5.00:1.00, and be calculated by reference to the relevant quarterly interim unaudited reports of the Group.

Minimum Liquidity: The Issuer shall ensure that the Liquidity of the Group at all times is at least SEK 50,000,000 (or its equivalent in other currencies).

Maintenance Covenant Cure: If there is a breach of any Maintenance Covenant, and the Issuer receives or has received any Cure Amount during the period from the last Reference Date up to the date of delivery to the Agent of the Compliance Certificate in respect of such period, then:

- (a) with respect to the Leverage Ratio, the Leverage Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to reduce the Net Interest Bearing Debt for the Relevant Period and if, after the Leverage Ratio is so recalculated, the Leverage Ratio is below 5.00:1.00; and/or
- (b) with respect to the Liquidity, the Liquidity shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase Liquidity for the Relevant Period and if, after the Liquidity is so recalculated, the Liquidity is at least SEK 50,000,000 (or its equivalent in other currencies),

the Issuer shall be deemed to have been in compliance with the relevant Maintenance Covenant (each a "**Maintenance Covenant Cure**"). For the purpose of testing the Maintenance Covenants after a Maintenance Covenant Cure has been made, the Cure Amount shall be taken into account in the next three testing periods

No more than 2 Maintenance Covenant Cures may be made over the lifetime of the Bonds and may not be injected in respect of any consecutive calendar quarters. For the purpose of this provision "**Cure Amount**" shall mean cash received by the Issuer (i) in exchange for fully paid shares in the Issuer or (ii) as Shareholder Loans.

Incurrence Test: The Incurrence Test is met if the Net Interest Bearing Debt to EBITDA (the "**Leverage Ratio**") is equal to or less than 3.50:1 and provided that no Event of Default is continuing or would occur upon the relevant incurrence.

Calculations and Calculation Adjustments to the Leverage Ratio: The Leverage Ratio shall be:

- (a) calculated on a testing date determined by the Issuer falling no earlier than the last day of the period covered by the most recent Financial Report delivered to the Agent prior to the event in respect of which the Incurrence Test shall be made; and

- (b) (unless otherwise set out below) calculated in accordance with the Accounting Principles, accounting practices and financial reference periods consistent with those applied in its previous Financial Reports delivered or made public pursuant to the terms hereof (unless, there has been a change in those Accounting Principles or accounting practices, and the Issuer delivers to the Agent a statement signed by its auditors (i) describing in reasonable detail any change necessary for those financial statements to reflect the Accounting Principles or accounting practices upon which those Financial Reports were prepared and (ii) confirming that the relevant Incurrence Test would still have been complied with had such changes not been made).

For the purpose of calculating the Leverage Ratio and (for the purposes of any basket):

- (a) the Net Interest Bearing Debt shall be calculated as at the relevant testing date with the following adjustments:
 - (i) the new interest bearing Financial Indebtedness in respect of which the Incurrence Test shall be made and any other new interest bearing Financial Indebtedness that has required that testing of the Incurrence Test (after deducting any interest bearing Financial Indebtedness which shall be refinanced at the time of incurrence of such new interest bearing Financial Indebtedness) shall be added to the Net Interest Bearing Debt;
 - (ii) any cash balance resulting from the incurrence of new interest bearing Financial Indebtedness in respect of which the Incurrence Test shall be made shall not reduce the Net Interest Bearing Debt; and
 - (iii) any cash balance standing on the Escrow Account shall reduce Net Interest Bearing Debt, but any amount to be released from the Escrow Account (including, for the avoidance of doubt, any cash balance resulting from such release) shall not reduce Net Interest Bearing Debt; and
- (b) EBITDA shall be calculated for the 12-month period being the subject of the most recent published Financial Report (for which a compliance certificate has been delivered) with the following adjustments (where no amount shall be included or excluded more than once):
 - (i) any company, business or undertaking acquired or disposed of by the Group during such period, or after the end of that period but before the relevant testing date, shall be included or excluded (as applicable) *pro forma* for the entire period;
 - (ii) any entity, asset or operation to be acquired with the proceeds from any new Permitted Financial Indebtedness shall be included *pro forma* for the entire Relevant Period (on a *pro forma* basis); and
 - (iii) *pro forma* adjustments shall be made for reasonably identifiable and supportable synergies and/or cost savings to be achieved by the Group within 12 months as a result of an acquisition, disposal or other implemented Group initiative (but not taking into account any costs for realising such synergies and/or cost savings) where (without double counting with any actual realised synergies and/or cost savings) such synergies and/or cost savings have been certified, based on reasonable

assumptions, by the chief financial officer of the Group, and (ii) the total amount of any synergies and/or cost savings taken into account pursuant to this paragraph (b)(iii) in respect of any Relevant Period shall not exceed 10 per cent. of EBITDA for the Group (including, for this purpose, any entity, asset or operation to be acquired with the proceeds from any new Permitted Financial Indebtedness) provided that the aggregate amount of synergies and/or cost savings and adjustments pursuant to paragraph (d) of definition "EBITDA" may not exceed 15 per cent. in respect of any Relevant Period.

Definitions:

"Accounting Principles" means the generally accepted accounting principles, standards and practices in Sweden (including K3) as applied by the Issuer in preparing its consolidated financial statements for the financial year ending 31 December 2024 (for the avoidance of doubt, any actual change of the accounting principles of the Issuer shall not affect the application of this definition for the purposes of Terms and Conditions).

"Adjusted Nominal Amount" means the total Outstanding Nominal Amount at the relevant time less the aggregate Nominal Amount of all Bonds held by a Group Company, any Investor or any of their respective Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds.

"Affiliate" means 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.

"Agency Agreement" means the fee agreement entered into between the Agent and the Issuer on or prior to the First Issue Date regarding, *inter alia*, the remuneration payable to the Agent.

"Agreed Security Principles" means the principles set forth in Schedule 2 hereto.

"Bonds Discharge Date" means the date when all principal, interest and any other costs or outstanding amounts owed to the Agent and/or the Bondholders (represented by the Agent) under the Bonds and the Finance Documents have been irrevocably discharged in full.

"Book-Entry Securities System" means the Infinity system being part of the book-entry register maintained by the CSD or any other replacing book-entry securities system.

"Business Day" means a day on which the deposit banks are generally open for business in Stockholm.

"Cash and Cash Equivalents" means, at any time, (i) cash in hand or amounts standing to the credit of any current and/or on deposit accounts held by the Group with a reputable bank and/or invested in money market funds and (ii) time deposits with reputable banks and certificates of deposit issued, and bills of exchange accepted, by a reputable bank, in each case to which a Group Company is beneficially entitled at the time and to which it has free and unrestricted access and which is not subject to any Security (other than Transaction Security).

"Completion Date" means the date of disbursement of the Net Proceeds from the initial Bond Issue from the Escrow Account.

"Compliance Certificate" means a certificate, in the agreed form between the Agent and the Issuer, signed by the Issuer certifying:

- (a) satisfaction of the Incurrence Test (if relevant);
- (b) 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;
- (c) if delivered in connection with an increase of the commitments under such Super Senior RCF, confirming that the aggregate commitments at the time of the increase does not exceed 100 per cent. of the EBITDA of the Group;
- (d) if delivered in connection with the annual audited consolidated financial statements, the identity of each Material Group Company;
- (e) if delivered in connection with an Incurrence Test, the certificate shall include calculations and figures in respect of the Incurrence Test; and
- (f) if delivered in connection with a Financial Report, that the Maintenance Covenants are met (including figures in respect of the relevant financial tests and the basis on which they have been calculated).

"EBITDA" means, in respect of the Relevant Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s), without double counting and in each case, if and only to the extent these items arise during the Relevant Period:

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Financial Indebtedness and/or factoring/receivables purchasing arrangement whether paid or payable by any Group Company (calculated on a consolidated basis);
- (c) before taking into account any extraordinary items which are not in line with the ordinary course of business (including for the avoidance of doubt acquisition costs) provided that (i) such items are not in excess of 10 per cent. of EBITDA for such Relevant Period and (ii) such items, when aggregated with (A) any adjustments synergies and/or cost savings, and (B) for any Relevant Period ending on or after 30 September 2025, are not in excess of 15 per cent. of EBITDA in respect of such Relevant Period;
- (d) before taking into account any Transaction Costs;
- (e) for any Relevant Period ending on or before 30 June 2025, before taking into account any Reorganisation Costs;
- (f) not including any accrued interest owing to any Group Company;

- (g) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (h) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (j) plus or minus the Group's share of the profits or losses of entities which are not part of the Group;
- (k) after adding back any losses to the extent covered by any insurance and in respect of which insurance proceeds have been received, or is anticipated to be received, by the Group; and
- (l) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

"Escrow Account" means a bank account of the Issuer, into which the Net Proceeds in respect of the Initial Bond Issue as well as any Subsequent Bond Issue will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Escrow Account Pledge Agreement.

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

"Existing Debt" means:

- (a) the SEK 189,000,000 Norwegian law governed term loan facility and multicurrency revolving credit facility agreement originally dated 9 January 2019 (as amended and/or amended and restated from time to time) between, among others, the Issuer and DNB Bank ASA; and
- (b) the tax payment respite granted by the Swedish Tax Authority during the Covid-19 Pandemic.

"Finance Documents" means:

- (a) the Terms and Conditions;
- (b) the Agency Agreement;
- (c) the Escrow Account Pledge Agreement;
- (d) the Security Documents;
- (e) the Guarantee and Adherence Agreement;
- (f) the Intercreditor Agreement (if any); and

- (g) any other document designated to be a Finance Document by the Issuer and the Agent.

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

"Financial Indebtedness" means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any Finance Leases;
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis according to the Accounting Principles at the time of entering into such arrangement);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Principles, excluding agreements in respect of the supply of assets or services and for which payment is due less than 120 days after the date of supply provided that the primary purpose is to finance the purchase or construction of the assets or the services in question;
- (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) - (f).

"Financial Report" means the Group's annual audited consolidated financial statements and quarterly interim unaudited reports of the Group, which shall be prepared and made available according to (a) and (b) under Section *"Information undertakings"*.

"Hedge Counterparty" has the meaning ascribed to it in Schedule 1 (*Intercreditor term sheet*).

"Intercreditor Agreement" means the intercreditor agreement to be entered into between, amongst others, the Issuer, the Parent, the creditors under the Super Senior RCF, the Hedge Counterparties (if any) and the Agent (representing the Bondholders), substantially on the terms set out in the Intercreditor Term Sheet.

"Intercreditor Term Sheet" means the intercreditor term sheet attached hereto as Schedule 1 (*Intercreditor term sheet*).

"Investors" means:

- (a) Norvestor VII L.P. or any of its Affiliates;
- (b) any trust, company, partnership, fund or investment vehicle (including, in each case, any continuation fund or successor of any such entity) directly or indirectly owned, controlled, advised and/or managed by Norvestor Investment Management S.a.r.l. and/or Norvestor Advisory AS and/or any of their respective Affiliates from time to time; and/or
- (c) any co-investor to the extent that any direct or indirect voting rights of such co-investor in respect of the Issuer are, directly or indirectly, exercisable by Norvestor Investment Management S.a.r.l. and/or Norvestor Advisory AS and/or any of their respective Affiliates from time to time.

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

"Liquidity" means Cash and Cash Equivalents held by any Group Company, together with any available commitment under the Super Senior RCF (including, for the avoidance of doubt, any undrawn commitments under any overdraft or credit facility established thereunder) or any other undrawn commitments under any credit facilities being Permitted Financial Indebtedness.

"LSEG Benchmark" means the London Stock Exchange Group, provider of financial information and interest rate benchmarks formerly provided under the brand Refinitiv and Thomson Reuters.

"Market Loan" means any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on any Regulated Market, MTF or any other regulated or unregulated recognised 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 Obligors' ability (taken as a whole) to perform and comply with their obligations under any of the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

"Material Group Companies" means:

- (a) the Issuer;
- (b) any Guarantor; and
- (c) any wholly-owned Group Company who is nominated as such by the Issuer in accordance with the "General Undertakings" above.

"Material Intragroup Loan" means any loan or credit made by an Obligor to a Group Company where:

- (a) the term of the loan is not less than 12 months (the term to be determined by the Issuer); and

- (b) when aggregated with all other such intra group loans or credits with a term of not less than 12 months from the same creditor to the same debtor, the principal amount thereof is at least SEK 10,000,000,

provided however that no such intra group loans or credits under any cash pool arrangements (other than where the Issuer is the creditor) shall be (i) deemed to be a Material Intragroup Loan or (ii) aggregated with other intra group loans or credits for the purpose of paragraph (b) above.

"Net Interest Bearing Debt" means the aggregate interest bearing Financial Indebtedness (including, in respect of Finance Leases, only their capitalised value) less cash and cash equivalents of the Group in accordance with the Accounting Principles of the Group (for the avoidance of doubt, excluding guarantees, bank guarantees, any Subordinated Debt, any Shareholder Loan and interest bearing Financial Indebtedness borrowed from any Group Company).

"Net Proceeds" means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Bookrunner and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

"Parent" means Avonova Midco AS (reg. no. 821 075 742).

"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.

"Quotation Day" means (i) in relation to an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, two (2) Business Days before the First Issue Date), or (ii) in relation to any other period for which an Interest Rate is to be determined, two (2) Business Days before the first day of that period.

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

"Regulated Market" means any regulated market (as defined in Directive 2014/65/EC on markets in financial instruments).

"Relevant Period" means each period of 12 consecutive calendar months to the relevant test date.

"Reorganisation Costs" means one-off or non-recurring costs or expenses relating to severance and termination of employees, reorganisation and other restructuring or cost-cutting measures, the reduction or elimination of product lines, assets or businesses and the consolidation, relocation, or closure of retail, administrative or production locations, including IT-projects, in each case, to the extent that such costs or expenses relates to implemented or executed measures and do not relate to provisions or anticipated costs for measures that have been decided but not yet effected.

"Secured Obligations" means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards

the Secured Parties outstanding from time to time under the Senior Finance Documents.

"Secured Parties" has the meaning ascribed to it in Schedule 1 (*Intercreditor term sheet*).

"Security" means a mortgage, charge, pledge, lien 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 Agent.

"Senior Finance Documents" has the meaning ascribed to it in Schedule 1 (*Intercreditor term sheet*).

"Shareholder Loan" means any loan made from the Parent as creditor to the Issuer as debtor (in each case on terms acceptable to the Security Agent), if such loan:

- (a) is subordinated to the obligations of the Group under the Finance Documents which, if an Intercreditor Agreement has been entered into, shall be subordinated pursuant to the Intercreditor Agreement;
- (b) according to its terms has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Maturity Date; and
- (c) according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Bonds Discharge Date (unless a Restricted Payment is permitted under the Finance Documents).

"STIBOR" means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for the offering of deposits in Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the LSEG Benchmark screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the LSEG Benchmark screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

"Subsidiaries" means, in respect of which such person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners, or (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

"Super Senior Debt" has the meaning ascribed to it in Schedule 1 (*Intercreditor term sheet*).

"Super Senior Hedging Agreement" has the meaning ascribed to it in Schedule 1 (*Intercreditor term sheet*).

"Super Senior RCF" means one or more revolving credit facilities for the purpose of financing the Group's general corporate purposes, (including, but not limited to, investments, acquisitions and payment of Transaction Costs), with aggregate commitments not exceeding SEK 100,000,000, or a higher amount as a result of an increase of the commitments under such Super Senior RCF, provided that the aggregate commitments thereunder does not, at the time of the increase, exceed 100 per cent. of the EBITDA of the Group (as set out in a Compliance Certificate delivered to the Agent in connection with such increase), and any replacement thereof.

"Transaction Costs" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other Group Company in connection with (a) the Bond Issue, (b) a Subsequent Bond Issue, (c) the listing of the Bonds, (d) the Super Senior RCF, and (e) the acquisition of any target company or business (including, for the avoidance of doubt, any asset transfer).

"Transaction Security" means the Security provided for the Secured Obligations.

Information Undertakings:

The Issuer shall:

- (a) starting with the year ending 31 December 2024, prepare and make available its 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 4 months (and in relation to the first annual audited consolidated financial statements of the Group to be delivered under the Terms and Conditions, 6 months) after the expiry of each financial year, all in accordance with the Accounting Principles;
- (b) starting with the quarter ending 31 March 2025, 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 2 months (and in relation to the first quarterly interim unaudited consolidated report of the Group to be delivered under the Terms and Conditions, 3 months) after the expiry of each relevant interim period, all in accordance with the Accounting Principles;
- (c) issue a Compliance Certificate to the Agent in connection with (i) the incurrence of debt pursuant to paragraph (i) of the definition of Permitted Financial Indebtedness, (ii) testing of the Maintenance Test, (iii) the

delivery of the annual audited consolidated financial statements, and (iv) the Agent's request, within twenty (20) days from such request;

- (d) keep the latest version of the Terms and Conditions available on the website of the Group; and
- (e) promptly notify the Agent when the Issuer is or becomes aware of (i) the occurrence of a Change of Control Event, or (ii) that an Event of Default has occurred, and (iii) shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice.

Events of Default:

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.

Maintenance Covenant: The Issuer has failed to comply with any of the Maintenance Covenants.

Other obligations: A party (other than the Agent or a Bondholder) does not comply with its obligations under the Finance Documents, in any other way than as set out under "Non-Payment" above, provided that the Issuer has not remedied the failure within 20 Business Days from (i) the Issuer becoming aware of the failure to comply or (ii) the Agent requesting the Issuer in writing to remedy such failure (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds due and payable without such prior written request).

Cross payment default and cross-acceleration: Any Financial Indebtedness of an Obligor is:

- (a) not paid when due as extended by any originally applicable grace period; or
- (b) 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 clause if the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 10,000,000 (or the equivalent) and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

Insolvency:

- (a) Any Obligor or the Parent 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 (except for holders of Bonds) with a view to rescheduling its Financial Indebtedness; or
- (b) a moratorium is declared in respect of the Financial Indebtedness of any Obligor or the Parent,

in each case excluding any Permitted Reorganisation.

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 60 days of commencement or, if earlier, the date on which it is advertised, and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of any Obligor or the Parent; or
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Obligor, the Parent or any of its assets,

or any analogous procedure or step is taken in any jurisdiction in respect of any Obligor or the Parent, and in each case excluding any Permitted Reorganisation.

Mergers and demergers: A decision is made that any Group Company shall be demerged or merged if such merger or demerger is not a Permitted Reorganisation.

Creditors' process: Any enforcement of security, expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Obligor or the Parent having an aggregate value of an amount equal to or exceeding SEK 10,000,000 (or the equivalent) and is not discharged within 30 days, in each case excluding any Permitted Reorganisation.

Unlawfulness, Invalidity, Repudiation: It becomes impossible or unlawful for any Obligor, the Parent or any other Group Company to fulfil or perform any of the provisions of the Finance Document or the Security created or expressed to be created thereby is varied or ceases to be effective and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Bondholders.

Intercreditor Agreement: If an Intercreditor Agreement has been entered into, any Obligor or shareholder which is a party to the Intercreditor Agreement, fails to comply with the provisions of, or does not perform its obligations under the Intercreditor Agreement, subject to a remedy period of 15 Business Days of the earlier of the Agent or the Security Agent giving notice to that party or that party becoming aware of the non-compliance.

Continuation of business: Any Obligor ceases to carry on its business (except if due to a Permitted Reorganisation) and provided, in relation to a discontinuation of a Material Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.

Allocation of Proceeds:

Subject to the terms of the Intercreditor Agreement (if any), upon enforcement of any Transaction Security or guarantees, all payments by the Issuer relating to the Bonds and proceeds received from such enforcement shall be made and/or distributed in accordance with the following order of priority:

- (a) *first*, in or towards payment of the Agent under the Finance Documents, including all costs, fees, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights under the Finance Documents;
- (b) *secondly*, towards payment of accrued interest unpaid under the Bonds;
- (c) *thirdly*, towards payment of principal under the Bonds; and
- (d) *fourthly*, in or towards payment of any other costs or outstanding amounts under and in respect of the Bonds.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer.

Acceleration Amount:	In the event of an acceleration of the Bonds, the Issuer shall, subject to the Intercreditor Agreement (if any), redeem all Bonds with an amount per Bond together with a premium on the due and payable amount as set forth in the definition of Call Option Amount for the relevant period provided that for the period until the date falling 18 months after the First Issue Date such premium shall be the price set out in paragraph (b) of the Call Option Amount definition above (in each case plus accrued and unpaid interest).
Change of Control Event:	Means the occurrence of an event or series of events whereby one or more persons, not being the Investors, acting in concert, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer, provided that no Change of Control Event shall be deemed to occur if the change of or control results from a transfer of ownership interests to one or several Person(s) which has been pre-approved by more than 50 per cent. of the Bondholders voting in a Bondholders' meeting or written procedure, for which quorum exists only if Bondholders representing at least 50 per cent. of the Adjusted Nominal Amount attend in due order.
Listing Failure Event:	Means the situation where the Bonds issued under the Initial Bond Issue are not admitted to trading on Frankfurt Open Market, Nasdaq Transfer Market or any other MTF within 60 calendar days from the First Issue Date (although the Issuer has the intention to complete such listing within 30 calendar days).
Put Option – Change of Control Event or Listing Failure Event:	Upon the occurrence of a Change of Control Event or a Listing Failure Event each Bondholder shall have a right of prepayment (put option) of the Bonds held by it at a price of 101 per cent. of the Outstanding Nominal Amount (plus accrued and unpaid interest) during a period of 45 days following effective receipt of notice of a Change of Control or Listing Failure Event (exercise period). The settlement date of the Put Option shall occur within twenty (20) Business Days after the ending of the exercise period.
Issuer's ownership of Bonds:	The Issuer and the other Group Companies each have the right to acquire and own the Bonds. Such Bonds may at the Issuer's discretion be retained or sold (but not cancelled unless in connection with a redemption in full of the Bonds).
Terms and Conditions:	<p>The Terms and Conditions will regulate the rights and obligations with respect to the Bonds. In the event of any discrepancy between this term sheet and the Terms and Conditions, the Terms and Conditions shall prevail.</p> <p>By investing in the Bonds, each investor accepts to be bound by the Terms and Conditions. Further, by investing in the Bonds each investor accepts that certain adjustments to the structure and terms described in this term sheet may occur and that they are bound by the final terms of the Terms and Conditions.</p> <p>The Terms and Conditions shall include provisions on the Agent's right to represent the Bondholders, as well as other provisions customary for a Swedish bond offering.</p>
No action clause:	No Bondholder may take any action against the Issuer in matters relating to the Bonds or the Terms and Conditions, subject to the provisions of the Terms and Conditions.
Quorum and majority requirements:	Quorum at a Bondholders' meeting exists only if Bondholders representing at least 50 per cent. of the Adjusted Nominal Amount attend the Bondholders' meeting in due order. The resolution of the Bondholders shall be in accordance with the opinion held by the majority of the Outstanding Nominal Amount of the Bonds

represented at the meeting. In respect of certain matters, a qualified majority of at least two thirds (2/3) of the Bonds represented at the meeting is required for a resolution to be passed. The Terms and Conditions will include standard provisions for resolutions by way of written procedure.

Governing law and jurisdiction:

The Terms and Conditions shall be governed by and construed in accordance with Swedish law. Any dispute or claim arising in relation to the Terms and Conditions shall be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.

CSD:

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, 101 23 Stockholm, Sweden.

Bookrunner:

Arctic Securities AS.

Issuing Agent:

Arctic Securities AS.

Terms of subscription:

Application and subscriptions of Bonds will be made on the terms of, and by the execution and delivery or otherwise acceptance (by a taped telephone conversation, Bloomberg L.P or otherwise) of, an application form from the Bookrunner ("**Application Form**") prior to receiving Bond allotments. The terms of the Application Form inter alia provide that the relevant subscribers, through their applications for Bonds, specifically authorise the Agent to execute and deliver the Terms and Conditions on behalf of the prospective Bondholders. On this basis, the Issuer and the Agent will execute and deliver the Terms and Conditions and the latter's execution and delivery is on behalf of all of the subscribers having received Bond allotments, such that they thereby will become bound by the Terms and Conditions. The Terms and Conditions will specify that all Bond transfers shall be subject to the terms thereof, and the Agent and all Bond transferees shall, when acquiring the Bonds, be deemed to have accepted the terms of the Terms and Conditions, will specify that all such transferees shall automatically become bound by the Terms and Conditions upon completed transfer having been registered by the CSD without any further action required to be taken or formalities to be complied with.

MiFID II Product Governance:

Solely for the purposes of the product governance requirements set forth in Directive 2014/65/EU (as amended, "**MiFID II**"), the Bookrunner (as used herein, "**Manufacturer**" refers to the Bookrunner) have made a target market assessment in respect of the Bonds, and have concluded that the target group for the Bonds is:

Type of client: Clients that are eligible counterparties, professional clients and retail clients, each as defined in MiFID II.

Knowledge and experience: Clients that are (i) informed investors, having one or more of the following characteristics: (a) average knowledge of the relevant financial products (an informed investor can make an informed investment decision based on the offering documentation, together with knowledge and understanding of the specific risk factors/risks highlighted with them only), or (b) some financial industry experience, or (ii) advanced investors, having one, or more of the following characteristics: (x) good knowledge of the relevant financial products and transactions, or (y) financial industry experience or accompanied by professional investment advice or included in a discretionary portfolio service.

Financial situation with a focus on the ability to bear losses: Clients that have the ability to tie money up for five years and bear losses of up to 100 per cent. of the capital invested in the Bonds.

Risk tolerance: Financial ability and willingness to put the entire capital invested at risk. Clients investing in the Bonds are willing to take more risk than deposit savings and do not require a fully guaranteed income or return profile.

Investment objective: Clients whose investment objective is to generate growth of the invested capital and have a medium (five year) investment horizon.

Furthermore, the Manufacturer has made an assessment as to the negative target market and concluded that the negative target market for the Bonds is clients that seek full capital protection or full repayment of the amount invested, are fully risk averse/have no risk tolerance or need a fully guaranteed income or fully predictable return profile.

The Manufacturer has made an assessment as to the distribution strategy for the Bonds, and have concluded that (i) all channels for distribution to eligible counterparties and professional clients are appropriate; and (ii) the following channels for distribution of the Bonds to retail clients are appropriate – investment advice, portfolio management, non-advised sales and pure execution services, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the Manufacturer's target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the Manufacturer's target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

Placing fee: The Bookrunner will be paid a fee by the Issuer in respect of the placement of the transaction.

Subscription restrictions: The Bonds have not been and will not be registered under the U.S. Securities Act or any state securities law except pursuant to an exemption from the registration requirements of the U.S. Securities Act and appropriate exemptions under the laws of any other jurisdiction. The Bonds may not be offered or sold within the United States to, or for the account or benefit of, any U.S. Person (as such terms are defined in regulations). Failure to comply with these restrictions may constitute a violation of applicable securities legislation.

Transfer restrictions: The Bonds are freely transferable and may be pledged, subject to the following:

- (a) The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) and may not be offered, sold, pledged or otherwise transferred, except outside the United States in an offshore transaction, as defined in, and meeting the requirements of, Regulation S under the U.S. Securities Act.
- (b) Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations applicable at own cost and expense.
- (c) Notwithstanding the above, a Bondholder which has purchased the Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under the Terms and Conditions.

* * *

23 May 2025
Avonova Bidco AB (publ)
as Issuer

Arctic Securities AS
as Bookrunner

SCHEDULE 1**INTERCREDITOR TERM SHEET**

Up to SEK 800,000,000 Senior Secured Callable Floating Rate Bonds 2025/2028 and
SEK 100,000,000 Super Senior Revolving Credit Facility Agreement

These intercreditor principles should be read together with the term sheet for the Bonds (the “**Term Sheet**”). Unless otherwise defined in this Schedule 1 (*Intercreditor term sheet*) (the “**ICA Term Sheet**”), terms defined in the Term Sheet 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;
2. the Original Guarantors (together with the Issuer the “**Original ICA Group Companies**”);
3. the Parent (the “**Shareholder Creditor**”); and
4. 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 Bondholders) (the “**Bonds Agent**”).

In addition any creditor which is to be a Super Senior Creditor must accede to the Intercreditor Agreement.

Background: The security securing the Secured Obligations will (to the extent permitted by applicable law and practically possible) be a single security package (not including any “cash cover” provided in respect of an ancillary facility under any Super Senior RCF or the Bonds Only Transaction Security) which will be held pursuant to relevant law and the Intercreditor Agreement, and the Security Agent will be appointed as initial security agent to hold the security on behalf of the Secured Parties.

Superiority of Intercreditor Agreement: All Debt Documents are subject to the terms of the Intercreditor Agreement. In the event of any inconsistency between any Debt Document and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

Definitions: “**Acceleration Event**” means that any Secured Party has served a written notice of acceleration to the Issuer due to the occurrence of a continuing event of default (however described) under any Secured Document.

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

“**Bonds Only Transaction Security**” means the security created or purported to be created under the Escrow Account Pledge Agreement.

“**Debt**” means any indebtedness under or in connection with the Super Senior Debt (including any replacement debt referred to in “Replacement of Super Senior

RCF” below), the Senior Debt, any Subordinated Debt, any Shareholder Loan and the Intragroup Debt.

“**Debt Documents**” means the Senior Finance Documents, the Super Senior Documents, the Subordinated Debt Documents, the Shareholder Loan Documents and the Intragroup Debt Documents

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

- (a) declare prematurely due and payable or otherwise seek to accelerate payment of or place on demand all or any part of any Debt or Guarantee (other than as a result of it becoming unlawful for a Secured Party to perform its obligations under, or of any voluntary or mandatory prepayment under, the Secured 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, but excluding the application of any “cash cover” in respect of an ancillary facility under any Super Senior RCF) (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 Secured Documents);
- (c) exercise or enforce any enforcement right under the Transaction Security, in each case granted in relation to (or given in support of) all or any part of any Debt;
- (d) petition for (or take or support any other step which may lead to) an Insolvency Event;
- (e) sue, claim or bring proceedings against the Issuer, any Guarantor or any ICA Group Company in respect of recovering any Debt (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 Secured Documents); or
- (f) in relation to any Hedging Obligation only, designate an Early Termination Date (as defined in the relevant Super Senior Hedging Agreement) under any Super Senior Hedging Agreement, or terminate, or close out any transaction under, any Super Senior Hedging Agreement, 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 Super Senior 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 Secured Documents and not related to any default,

except that the taking of any action falling within paragraphs (e) or (f) above which is necessary (but only to the extent necessary) to preserve the validity, existence or priority of claims in respect of Secured Obligations, including the registration of such claims before any court or governmental authority and the bringing, supporting or joining of proceedings to prevent any loss of the right to bring, support or join proceedings by reason of applicable limitation periods, shall not constitute an “Enforcement Action”.

“**Final Discharge Date**” means the date when all principal, interest and any other costs or outstanding amounts under the Secured Documents have been irrevocably

discharged in full and that all commitments under the Secured Documents have expired, been cancelled or terminated.

“Guarantees” means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

“Hedge Counterparty” means any person who is or becomes a hedge counterparty pursuant to any Super Senior Hedging Agreement and has acceded as a Hedge Counterparty to the Intercreditor Agreement.

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

“ICA Group Companies” means the Original ICA Group Companies and any other Group Company which has acceded to the Intercreditor Agreement pursuant to the Secured Documents.

“Insolvency Event” means that:

- (a) the Parent or any Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than the creditors under the Secured Documents) with a view to rescheduling its Financial Indebtedness;
- (b) a moratorium is declared in respect of the Financial Indebtedness of the Parent or any Group Company; or
- (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 60 days of commencement or, if earlier, the date on which it is advertised and (ii),] in relation to the Group Companies other than the Issuer, 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 the Parent or any Group Company;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Parent or any Group Company or any of their assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of the Parent or any Group Company.

“Intragroup Debt” means any Material Intragroup Loan and any Non-Material Intragroup Loan.

“Intragroup Debt Documents” means all documents, agreements and instruments evidencing any Intragroup Debt.

“Major Undertakings” means an undertaking with respect to any Group Company pursuant to any negative pledge undertaking or restriction on financial

indebtedness, disposals, mergers, acquisitions, distributions, loans out or guarantees under any Super Senior RCF.

“Material Intragroup Loan” means any loan or credit made by an Obligor to another Group Company where:

- (a) the term of the loan is not less than 12 months (the term to be determined by the Issuer); and
- (b) when aggregated with all other such intra group loans or credits with a term of not less than 12 months from the same creditor to the same debtor, the principal amount thereof is at least SEK 10,000,000,

provided however that no such intra group loans or credits under any cash pool arrangements (other than where the Issuer is the creditor) shall be (i) deemed to be a Material Intragroup Loan or (ii) aggregated with other intra group loans or credits for the purpose of paragraph (b) above.

“New Senior Debt” means Financial Indebtedness (as defined in the Terms and Conditions) incurred pursuant to paragraph (ii) in the definition of Permitted Financial Indebtedness in the Terms and Conditions and permitted under any Super Senior RCF which ranks *pari passu* with the Bonds, provided that the creditors under such Financial Indebtedness have acceded to the Intercreditor Agreement.

“New Senior Debt Creditors” means each creditor (or their agent) under and as defined in the relevant New Senior Debt Documents.

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

“Non-Material Intragroup Loan” any debt outstanding from a Group Company to another Group Company, which does not constitute a Material Intragroup Loan.

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

- (e) a non-payment;
- (f) a breach of financial covenants;
- (g) non-compliance with any of the Major Undertakings;
- (h) a cross default;
- (i) insolvency;
- (j) insolvency proceedings;
- (k) creditors' process;
- (l) impossibility or illegality; or
- (m) cessation of business,

under the Super Senior RCF has occurred or the Super Senior Representative serves a written notice of acceleration to the Company (as defined in the Super Senior RCF) with a copy to the Issuer, the Security Agent, the Bonds Agent and any New Senior Debt Creditor(s) (or its/their agent).

“Secured Documents” means the Senior Finance Documents and the Super Senior Documents.

“Secured Obligations” means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards the Secured Parties outstanding from time to time under the Secured Documents.

“Secured Parties” means the Senior Creditors and the Super Senior Creditors.

“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 relevant Senior Creditor or Super Senior Creditor.

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

“Senior Creditor” means the Bondholders (represented by the Bonds Agent), the Bonds Agent and any New Senior Debt Creditor acceding to the Intercreditor Agreement as a Senior Creditor.

“Senior Debt” means all indebtedness outstanding to the Senior Creditors (or any of their Affiliates) under the Bonds Finance Documents and any New Senior Debt Documents.

“Senior Finance Documents” means the Bonds Finance Documents and any New Senior Debt Documents.

“Shareholder Loan” means all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Issuer to the Shareholder Creditor.

“Shareholder Loan Documents” means all documents, agreements and instruments evidencing any Shareholder Loan.

“Subordinated Creditor” means any creditor of the Group which has acceded to the Intercreditor Agreement as creditor under Subordinated Debt.

“Subordinated Debt” means any loan made to the Issuer as debtor if such loan is:

- (a) subordinated to the obligations of the Group under the Secured Documents pursuant to the Intercreditor Agreement;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Maturity Date; and
- (c) according to its terms yields only payment-in-kind interest and/or cash interest that is payable after the Maturity Date.

“Subordinated Debt Documents” means all documents, agreements and instruments evidencing any Subordinated Debt.

“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 (or any of their Affiliates) under the Super Senior Documents and (ii) all indebtedness outstanding to a Hedge Counterparty (if any) under a Super Senior Hedging Agreement.

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

“Super Senior Documents” means any Super Senior RCF, the Intercreditor Agreement, any Super Senior Hedging Agreement, the Guarantee and Adherence Agreement and the Security Documents (excluding, for the avoidance of doubt, the Bonds Only Transaction Security) and any other document designated to be a Super Senior Document by the Issuer and the Super Senior Creditors.

“Super Senior 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 Secured Documents (but not a derivative transaction for investment or speculative purposes).

“Super Senior RCF” means a revolving credit facility for the purpose of financing the Group’s general corporate purposes, (including, but not limited to, investments, acquisitions and payment of Transaction Costs), with aggregate commitments not exceeding SEK 100,000,000, or a higher amount as a result of an increase of the commitments under such Super Senior RCF, provided that the aggregate commitments thereunder does not, at the time of the increase, exceed 100 per cent. of the EBITDA of the Group (as set out in the Compliance Certificate delivered to the Agent in connection with the latest quarterly interim unaudited consolidated report of the Group prior to such increase), and any replacement thereof.

“Super Senior RCF Creditor” means 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 for the Secured Obligations.

Ranking and priority:

Unless expressly provided to the contrary in the ICA Term Sheet, 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) *firstly*, the Super Senior Debt (*pari passu* between all indebtedness under the Super Senior RCF and the Hedging Obligations);
- (b) *secondly*, the Senior Debt (*pari passu* between all indebtedness under the Bonds Finance Documents and any New Senior Debt Documents);
- (c) *thirdly*, any liabilities raised in the form of Intragroup Debt;

- (d) *fourthly*, any liabilities raised in the form of Subordinated Debt; and
- (e) *fifthly*, any liabilities raised in the form of a Shareholder Loan.

The Bonds Only Transaction Security shall not be subject to this Intercreditor Agreement and shall only secure the liabilities and obligations owed towards the creditors under the Bonds Finance Documents.

Any “cash cover” provided in respect of an ancillary facility under any Super Senior RCF shall not be subject to this Intercreditor Agreement and shall only secure the liabilities and obligations owed towards the Super Senior RCF Creditor under any Super Senior RCF.

Turnover:

The Intercreditor Agreement shall include provisions for turnover of payments (including by way of set-off) received in conflict with this ICA Term Sheet. The payment waterfall provisions shall apply regardless of any Transaction Security or Guarantees not being (for whatever reason) valid or enforceable in respect of the relevant Secured Party.

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) customary permitted termination or close out rights for Hedge Counterparties, (ii) certain qualification requirements for Hedge Counterparties, (iii) any Super Senior Hedging Agreement to be based on the 2002 ISDA Master Agreement or the 1992 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 a termination event or event of default and provisions regarding “Automatic Early Termination” (or provisions similar in terms and effect), (iv) no voting rights and no enforcement rights for Hedge Counterparties (other than in relation to any amendment or waiver of the Intercreditor Agreement which directly affects the rights or obligations of that Hedge Counterparty), and (v) restrictions on over-hedging.

Subordination of Intragroup Debt:

Any Material Intragroup Loans shall be subordinated to the Secured Obligations. Any Non-Material Intragroup Loans shall be subordinated to the Secured Obligations upon an Acceleration Event. Repayment of principal and payment of interest on Non-Material Intragroup Loans shall be allowed up until an Acceleration Event. Payment of interest and, provided that it may not impair the validity or enforceability of the Transaction Security, principal (including by way of conversion to equity), on Material Intragroup Loans shall be allowed up until an Acceleration Event. However, payment of principal and interest on Intragroup 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 for repayment of principal or payment of interest on such Debt owed to the Secured Parties, in accordance with the waterfall provisions of the Intercreditor Agreement.

For the avoidance of doubt, no Group Company shall be required to accede to the Intercreditor Agreement only by reason of being a creditor or debtor in respect of a Non-Material Intragroup Loan.

Subordination of Subordinated Debt and Shareholder Loans:

Any Subordinated Debt provided by a Subordinated Creditor and any Shareholder Loan provided by a Shareholder Creditor shall be subordinated to the Secured Obligations and any repayment of, or payment of principal or interest under, any Subordinated Debt and any Shareholder Loan shall be subject to all Secured Obligations having been discharged in full (other than as permitted by the Secured

Establishment and replacement of Super Senior RCF:

Documents and unless repayments or payments made under a permitted Restricted Payment as defined in the Terms and Conditions.).

The Issuer may enter into a Super Senior RCF provided that such Super Senior RCF is permitted under the Debt Documents and shall from time to time be entitled to replace the Super Senior RCF in full or in part with another Super Senior RCF (but, if in part, only after prior approval from any existing Super Senior RCF Creditors).

Limitation on Secured Obligations and subordination:

All Transaction Security, Guarantees 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 limitations. The Intercreditor Agreement will contain customary resignation and replacement mechanics in relation to the Security Agent.

New security:

Any new security created (and guarantees and indemnities granted) in respect of any Secured Obligation (other than (i) any "cash cover" provided in respect of an ancillary facility under any Super Senior RCF and (ii) the Bonds Only Transaction Security) 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.

Sharing of Transaction Security and Guarantees with New Senior Debt:

A Group Company may grant Security and Guarantees for New Senior Debt to a New Senior Debt Creditor provided that (i) such New Senior Debt shares in the Transaction Security and the Guarantees; and/or (ii) such Security and Guarantees which are not Transaction Security or Guarantees are granted also to all the Secured Parties (including the New Senior Debt Creditor), in each case to be shared between the Secured Parties as set forth in the Intercreditor Agreement, in each case further provided that the New Senior Debt Creditor shall accede to the Intercreditor Agreement as a Senior Creditor and the New Senior Debt shall rank as Senior Debt pursuant to the terms of the Intercreditor Agreement.

Release of Security and guarantees:

Save for any Intragroup Restructurings and Third Party Disposals, no asset subject to Transaction Security governed by and/or perfected in accordance with Swedish law (or the laws of any other jurisdiction where such disposal right may adversely affect the validity and/or enforceability of such Transaction Security) may be disposed of without the prior written approval of the Super Senior Representative, save to the extent expressly permitted under the terms of the relevant Security Document. Any release of Transaction Security, save for in connection with a Third Party Disposal or Intragroup Restructuring shall also be subject to the prior written approval of the Security Agent.

Subject to the written approval of the Super Senior Representative (save for in the case of an Intragroup Restructuring and a Third Party Disposal), the Security Agent is authorised and may execute on behalf of any Secured Party, in each case without any need for further deferral to or authority from such Secured Party (other than, for the avoidance of doubt, the Super Senior Representative), and may take into consideration any instructions provided by the Super Senior Representative, any release of the Security created by any Security Document or any guarantee created under the Secured Documents, in the following cases:

- (a) any Guarantee or Transaction Security provided by a Guarantor (other than the Issuer) that ceases to be a Material Group Company, provided that the Issuer has provided evidence that the Guarantor coverage thresholds in paragraph (b) of undertaking “Nomination of Material Group Companies” will continue to be complied with immediately after such release;
- (b) upon the irrevocable discharge in full and cancellation of all of the Secured Obligations, or legal defeasance, covenant defeasance or satisfaction and discharge of all of the Secured Obligations, any Transaction Security or Guarantee;
- (c) any Transaction Security provided over a Shareholder Loan in connection with a conversion into equity in the Issuer of such Shareholder Loan;
- (d) any Transaction Security provided over Material Intragroup Loans in connection with a conversion into equity in the relevant debtor provided that the shares in such debtor is subject to Transaction Security in favour of the Secured Parties; and
- (e) in connection with admission to trading of the Bonds in order to facilitate such admission to trading and/or related prospectus approval by relevant authorities or similar bodies.

Any Transaction Security to be released will always be released *pro rata* between the Secured Parties and the remaining Transaction Security will continue to rank *pari passu* between the Secured Parties as set forth in the Security Documents and the Intercreditor Agreement. For the avoidance of doubt, any Transaction Security will always be released in such way which does not affect the sharing between the Secured Creditors and the Hedge Counterparties of the remaining Transaction Security and/or the ranking and priority of the Secured Creditors and the Hedge Counterparties.

Intra-Group Restructuring:

Subject to the terms of the Secured Documents, a Group Company shall until the occurrence of an Acceleration Event be entitled to make disposals of shares in pledged Group Companies (a “**Share Disposal**”) or pledged intra-Group loans (a “**Loan Disposal**”) to another Group Company (provided that if the disposing Group Company is a Material Company the acquiring Group Company shall be a Guarantor), provided that:

- (a) in case of a Share Disposal, the transfer shall be made subject to the Transaction Security over such shares and the Issuer shall procure that the acquiring Group Company shall enter into any agreements, execute any documents and take all actions requested by the Security Agent (acting reasonably) for the purpose of maintaining Security over such shares;
- (b) in case of a Loan Disposal of a pledged intra-Group loan, the transfer shall be made subject to the Transaction Security over such pledged intra-Group loan and the Issuer shall procure that the acquiring Group Company and/or the debtor under such pledged intra-Group loan shall enter into any agreements, execute any documents and take all actions requested by the Security Agent for the purpose of maintaining Security over such intra-Group loan;
- (c) in case of a merger, if the shares in the transferor Group Company but not the shares in the transferee Group Company are subject to the Transaction Security, the shares in the transferee Group Company is pledged to the

Secured Parties on substantially the same terms to the Security Agent no later than the completion of the merger;

- (d) in case of a merger, if the transferor Group Company but not the transferee Group Company is a Guarantor, the Issuer shall procure that the transferee Group Company shall accede to the Guarantee and Adherence Agreement as a Guarantor no later than the completion of the merger;
- (e) in case of a merger, any pledged intra-Group loans transferred as a result of a merger remain subject to the Security and the Issuer shall procure that the creditors and/or debtors under such pledged intra-Group loans shall enter into any agreements, execute any documents and take all actions requested by the Security Agent for the purpose of maintaining Security over such intra-Group loans; and
- (f) in case of a merger, any other asset (including business mortgage certificates but not shares or intra-Group loans that cease to exist as a result of that merger) subject to Transaction Security transferred as a result of a merger remain subject to the Security and the Issuer shall procure that the relevant Group Company shall enter into any agreements, execute any documents and take all actions requested by the Security Agent for the purpose of maintaining Security over such asset.

Third Party Disposals:

A Group Company may dispose of shares or all or substantially all of the assets in a pledged Group Company (a “**Disposed Company**”) to a person or entity not being a Group Company (a “**Third Party Disposal**”), provided that:

- (a) no Event of Default has occurred and is continuing or would occur from such Third Party Disposal;
- (b) the disposal is permitted under the Secured Documents;
- (c) the consideration is paid in cash; and
- (d) prior to the disposal, security is granted to the Secured Parties (represented by the Security Agent) over a bank account (other than the Escrow Account) held by a Group Company with a reputable bank (in the sole discretion of the Security Agent) (the “**Proceeds Account**”) on terms similar to the terms of the other relevant Security Documents, to which account the Issuer and the disposing Group Company shall ensure that the net disposal proceeds (excluding related taxes and transaction costs) for the Disposed Company is transferred directly from the purchaser.

The Security Agent shall not release any security over the shares in a Disposed Company until the conditions set out above have been fulfilled.

A Group Company which has granted security over a Proceeds Account may request that the Security Agent releases any funds (in whole or in part) standing to the credit on the Proceeds Account for the purpose of an add-on acquisition (the “**Target Company**”) provided that:

- (a) no Event of Default has occurred and is continuing or would occur from such add-on acquisition;
- (b) the acquisition is permitted under the Secured Documents; and
- (c) immediately upon the acquisition, the acquiring Group Company shall pledge all shares in the Target Company to the Secured Parties (represented by the Security Agent) on terms similar to the terms of other relevant Security

Documents and ensure that such pledge is duly perfected immediately in connection therewith.

Payment Block:

Following a Payment Block Event and for as long as such is continuing and until the earlier of (i) the taking of Enforcement Actions in accordance with the Intercreditor Agreement and (ii) a written notice from the Super Senior Representative to the Security Agent to the contrary, no payments of principal or interest in respect of the Senior Debt shall be made to the Senior Creditors (notwithstanding any other provisions to the contrary herein). However, interest shall continue to accrue during such period and any overdue amounts shall carry default interest pursuant to the terms of the Terms and Conditions and the New Senior Debt Documents. For the avoidance of doubt, the failure to repay principal or pay interest on a due date shall constitute an event of default under the Terms and Conditions and the New Senior Debt Documents.

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

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 Secured Documents.
 - (ii) The Security Agent may refrain from enforcing the Transaction Security and/or Guarantees or taking other Enforcement Actions unless instructed otherwise by the Instructing Party in accordance with paragraph (b) below but always subject to paragraph (a)(iv) below.
 - (iii) Subject to the Transaction Security or the Guarantees having become enforceable in accordance with its terms and subject to paragraph (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 paragraphs (a)-(b), 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 paragraph (b)(iii) below, if the Security Agent has received Conflicting Enforcement Instructions, the Security Agent shall promptly notify the Representatives and the Representatives will consult with each other and the Security Agent (as the case may be) in good faith for a period of not less than 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 10 Business Days after the date on which the original Enforcement Proposal is delivered in accordance with paragraph (b)(i) above, with a view to agreeing instructions as to enforcement.
- (iii) The Representatives shall not be obliged to consult (or, in the case of (B) below, shall be obliged to consult for such shorter period as the Instructing Party may determine) in accordance with paragraph (b)(ii) above if:
 - (A) the Transaction Security or the Guarantees have become enforceable as a result of an Insolvency Event; or
 - (B) each of the Super Senior Creditors and the Senior Creditors (in relation to the Bondholders, represented by the Bonds Agent), 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 shall, provided that no joint Enforcement Instructions has been agreed during the Consultation Period (in which case such joint Enforcement Instruction will be applicable), 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) an Insolvency Event has occurred and no enforcement instructions have been issued to the Security Agent from the Instructing Party within 2 weeks from the end of the Consultation Period, (B) an Insolvency Event has not occurred and no enforcement instructions have been issued to the Security Agent from the Instructing Party within 3 months from the end of the Consultation Period, (C) the Instructing Party has given its consent (acting on the instructions of the Bondholders), or (D) the Super Senior Discharge Date has not occurred within 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 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) Funds that the Security Agent receives (directly or indirectly) in connection with an Enforcement Action in respect of the Transaction Security shall constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate account on behalf of the Secured Parties or the Issuer as the case may be. The Security Agent shall promptly arrange for payments to be made in accordance with the application of proceeds set forth in the Intercreditor Agreement.
- (v) Nothing herein shall preclude the rights of the Super Senior Creditors, the Bonds Agent or any New Senior Debt Creditors to join or intervene in or otherwise support any proceedings arising from insolvency proceedings or do such other things as may be necessary to maintain a claim or security, always as long as such action does not adversely affect the rights of the other Secured Creditors or the Security Agent and is not inconsistent with its obligations contained in the Intercreditor Agreement and each of the Super Senior Creditors and the Bonds Agent shall give prompt notice to the other of any action taken by it to join, intervene or otherwise support any such proceedings.
- (vi) For avoidance of doubt, customary provisions regarding permitted (or required) actions once an Insolvency Event has occurred to be included in the Intercreditor Agreement.

“Conflicting Enforcement Instructions” means instructions (or proposed instructions) as to enforcement of the Transaction Security or Guarantees 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 the Guarantees or a distressed disposal), it being understood that, for the purpose of triggering the consultation requirements under paragraph (b)(ii) 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”.

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

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

“Senior Representative” means, at any time, the representative of those Senior Creditors holding more than 50 per cent. of the aggregate of the Senior Debt at any time (the Bonds Agent shall for the avoidance of doubt represent all Bondholders and act on the instructions of and on behalf of the Bondholders).

“Super Senior Representative” means, at any time, the representative of those Super Senior Creditors holding more than 50.00 per cent. of the aggregate of:

- (a) any 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.

**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, payments under any Guarantee 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 Bonds Agent, any agent representing creditors under the New Senior Debt and any agent representing creditors under any 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* (and with no preference among them) 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 (and with no preference among them);
- (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 (and with no preference among them);
- (h) *eighthly*, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under the Intragroup Debt;
- (i) *ninthly*, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under any Subordinated Debt;
- (j) *tenthly*, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under any Shareholder Loan; and
- (k) *eleventhly*, after the Final Discharge Date, in payment of the surplus (if any) to the relevant ICA Group Company or other person entitled to it.

Limitation:

Customary limitation language for intercreditor arrangements to be included in the Intercreditor Agreement.

Governing law:

The Intercreditor Agreement shall be governed by Swedish law.

Miscellaneous:

The Bonds Agent, the New Senior Debt Creditor(s) and any 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, each Subordinated Creditor and the Shareholder Creditor 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, Subordinated Creditor or the Shareholder Creditor 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, Subordinated Creditor or the Shareholder Creditor 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.

SCHEDULE 2

AGREED SECURITY PRINCIPLES

1. General legal and statutory limitations, financial assistance, transfer of value provisions, corporate benefit, fraudulent preference, thin capitalisation rules, retention of title claims, employee consultation and approval requirements and, in each case, similar or analogous principles may limit the ability of a Group Company to provide a guarantee or security or enter into subordination arrangements, or may require that such guarantee, security or subordination arrangement is limited by an amount or otherwise, provided that the relevant Group Company must use reasonable endeavours to overcome any such obstacle to the extent possible and practicable and if it can be done at a cost which is not disproportionate to the benefit of the Secured Parties obtaining the Security.
2. Group Companies will not be required to grant guarantees or enter into Security Documents if to do so would:
 - (i) not be within its legal capacity;
 - (ii) conflict with the fiduciary duties of any of its directors or contravene any legal prohibition or regulatory condition or have the potential to result in a risk of personal or criminal liability on the part of any officer or director (in each case as confirmed by a reputable local legal counsel in such jurisdiction); or
 - (iii) cause it or the Group to incur costs or other disadvantages (including legal fees, registration fees, stamp duty, taxes, notarial fees and other fees or costs directly associated with providing the relevant guarantees and/or granting the relevant security) that are disproportionate to the benefit to the Secured Parties of obtaining such guarantees or security,

provided, in each case, that the relevant Group Company must use its best endeavours to overcome any such obstacle to the extent possible and practicable.
3. Before incurring material legal fees, disbursements, registration costs, taxes, notary fees and other costs and expenses relating to the granting of security, the Security Agent will consult with the Issuer in respect of the incurrence of such fees, costs and expenses and the Issuer shall at the Agent's request advance sufficient funds to the Agent prior to the Agent incurring such fees, costs or expenses. The Obligors shall not be under an obligation to grant guarantees or Transaction Security over any assets which would impose a stamp duty, taxes, notary fees, translation fees, registration fees or similar costs or charges on any Group Company or the Agent unless such costs amount to less than SEK 250,000 on an aggregate basis in respect of any financial year.
4. No entity which is acquired pursuant to a permitted acquisition shall be required to accede as an additional Guarantor or grant Transaction Security if prevented by the terms of the documentation of its Financial Indebtedness or the security granted by it for so long as such Financial Indebtedness or security constitutes Permitted Financial Indebtedness or Permitted Security.
5. It is expressly acknowledged that in certain jurisdictions it may be impossible to provide guarantees and/or to grant security over certain categories of assets in which event such guarantees will not be given and such security will not be granted over such assets.
6. In calculating the 80 per cent. guarantor coverage in the undertaking "*Nomination of Material Group Companies*", (i) any entity with negative EBITDA shall be included in the calculations with zero EBITDA and (ii) goodwill, intra-group items **and** investments in Subsidiaries shall be disregarded.
7. Any assets subject to pre-existing third-party arrangements which prevent those assets from being charged will be excluded from the relevant Security, provided that, if the relevant assets are material, the relevant Group Company has used its best endeavours to obtain consent to charging such assets.
8. The form of each Security Document shall be negotiated in good faith in accordance with the terms of these Agreed Security Principles (and any market standard in the relevant jurisdiction is thus, to the greatest extent possible under the governing law applicable in respect of the relevant Security Document, to be disregarded to the extent the relevant issue is already regulated by these Agreed Security Principles).

9. Any rights of set-off will only be exercisable after the occurrence of an Acceleration Event, subject to any applicable restrictions set out in the Senior Finance Documents.
10. No perfection action will be required in jurisdictions where Group Companies are not located.
11. Transaction Security will not be enforceable until an Event of Default has occurred and is continuing and the relevant creditor or creditor representative has given notice of acceleration under the relevant finance document (an “**Acceleration Event**”).
12. Any powers of attorney under the Security Documents shall be granted on the date of the relevant Security Document and any such power of attorney shall thereafter only be issued (or renewed) upon request. The Secured Parties shall only be able to exercise any powers of attorney (including, but not limited to, in respect of voting rights appertaining to any shares) granted under any Security Document or have the right to receive any dividends if an Acceleration Event has occurred and is continuing unless any pledgor has failed to comply with the relevant Security Documents (including, but not limited to any further assurance or perfection requirement), and for the purpose of carrying out the purposes of the relevant Security Document and to take any action and executing any instruments which the Security Agent may deem reasonably necessary or advisable.
13. Each Security Document (other than Security Documents which are required to be notarised in order to be valid and/or enforceable) will, to the extent legally possible without prejudicing the validity or perfection of the Transaction Security created thereunder, contain a clause which records that if there is a conflict between the Security Document and the Intercreditor Agreement then (to the extent permitted by law) the provisions of the Intercreditor Agreement shall take priority to the extent of such conflict over the provisions of the Security Document.
14. Save for as may be required in order to have a fully valid, perfected and enforceable security, the Security Documents will not operate so as to prevent transactions which are otherwise not restricted under the Senior Finance Documents or require additional consents or authorisations.
15. The Security Documents will not contain any reporting requirements or information undertakings unless such information and/or reporting is required by local law to perfect or register or maintain the security and, that this information can be provided without breaching confidentiality requirements or damaging business relationships or commercial reputation.
16. The terms of the Transaction Security should not be such that they are unduly burdensome or interfere unreasonably with the ability of the relevant Group Company to conduct its operations and business in the ordinary course (unless required for perfection purposes).
17. **Material Intragroup Loans:** The Obligors shall be permitted to pay and receive interest and, unless it may impair the perfection of the relevant Transaction Security, principal in relation to any Material Intragroup Loans being subject to Transaction Security unless an Acceleration Event has occurred. However, subject to the Intercreditor Agreement the Obligors shall always be permitted to pay and receive (i) interest, until the occurrence of an Acceleration Event and for so long as it is continuing and (ii) interest and principal amounts in relation to any Material Intragroup Loans being subject to Transaction Security, if such payments are made directly to the Secured Parties in order to fulfil the Secured Obligations. The Obligors shall not be under an obligation to grant Transaction Security over any claims pursuant to any cash pool arrangement (other than pursuant to cash pool arrangements where the Issuer is the creditor and which constitute Material Intragroup Loans) or over any intra-group loans (other than the Material Intragroup Loans). Any Security Documents in respect of Material Intragroup Loans shall unless otherwise agreed be governed by the laws of the jurisdiction of incorporation of the debtor.
18. **Shareholder Loans:** No payments of principal or interest amounts in relation to any Shareholder Loan being subject to Transaction Security shall be permitted, save for interest payments, which are permitted but only to the extent they are classified as permitted Restricted Payments.
19. **Joint Ventures:** No security will be required over investments or shares in joint ventures or any other companies not wholly owned directly or indirectly by the Issuer (including but not limited to shares owned by minority

shareholders) or the assets of joint ventures and no joint venture or not wholly owned company will be required to provide a guarantee or asset security, in each case, where the joint venture arrangements or shareholder agreements prohibit or restrict such security and/or guarantee from being granted or require the consent of another party to the joint venture agreements or the shareholders agreement or any minority shareholder.

20. **Shares:** Share security will only be required in respect of a subsidiary of a Material Group Company or the parent company of a Material Group Company if such subsidiary or parent company is also a Material Group Company and the pledgors will retain legal title to such shares and shall be entitled to exercise voting rights until the occurrence of an Acceleration Event and receive any type of dividends until the occurrence of an Acceleration Event.
21. **Business Mortgage:** Transaction Security in respect of business mortgage certificates shall only be required to be granted over existing business mortgage certificates of an Obligor or an additional Obligor and the Security Documents documenting such Transaction Security shall not cover or contain any limitation on the Group's possibility to issue new certificates and granting Transaction Security over such certificates to any third party provided that it is otherwise permitted under the Intercreditor Agreement (if any).
22. An acknowledgement, countersignature or confirmation on a notice of pledge or similar to be delivered in connection with the granting of Transaction Security or Guarantee by another party (other than a Group Company) shall only be required to be collected and delivered by the relevant Group Company on a best effort basis.
23. Notwithstanding anything to the contrary in these Agreed Security Principles, the Transaction Security Documents shall not create new commercial obligations and shall not contain additional or duplicate representations, warranties or undertakings to those set out in the Senior Finance Documents that are not required for the creation, perfection, validity, enforceability, effectiveness or preservation of the relevant Transaction Security as such (and, for the avoidance of doubt, precluding any representations, warranties or undertakings which only ensure the maintenance of the value of the underlying assets subject to the relevant Transaction Security). There shall not be any repetition or extension for clauses set out in the Senior Finance Documents such as those relating to cost and expenses, indemnities, stamp duty, tax gross up, distribution of proceeds, notices and release of security.
24. Guarantees and Security Documents relating to any Guarantor (other than the Original Guarantors) will (to the extent relevant) be in a form consistent with those previously agreed in relation to existing Guarantors to the extent possible under the applicable governing law and unless the Agreed Security Principles stipulate otherwise.
25. Subject to these Agreed Security Principles, all steps necessary to perfect, or legal formalities required to be carried out in connection with, any of the Transaction Security, will be completed as soon as practicable and, in any event, within the time periods which are customary or otherwise specified by applicable law.
26. Notwithstanding anything to the contrary in the Senior Finance Documents, if the Security Agent is not satisfied that it does not need to be resident, incorporated (including by way of a branch office), registered or authorised in any jurisdiction or deposit any funds in any jurisdiction where the Security Agent, at the time the relevant Transaction Security shall be granted, is not resident, incorporated (including by way of a branch office), registered or authorised in, the Security Agent shall have a right to (without consent from any Secured Party) waive the requirement in any Senior Finance Document to grant that Transaction Security. Satisfaction in this respect should either be through the inclusion of such statement in a legal opinion or by any other legal statement from a well reputable law firm which in form and substance is acceptable to the Security Agent (acting reasonably).
27. The Security Agent shall have a right to consult with and rely on the instruction of the Super Senior RCF Creditor and a local reputable legal counsel in a relevant jurisdiction in order to verify and confirm compliance with the Agreed Security Principles in relation to any Transaction Security and/or Guarantee. Any reasonable costs for such local legal counsel shall be borne or reimbursed by the Issuer against invoice and the Security Agent is not required to seek the Issuer's confirmation or approval prior to engaging such local legal counsel. However, the Security Agent shall, unless (in the Security Agent's sole opinion) prejudicial to the interests of the Bondholders, notify the Issuer in connection with such engagement.

28. Notwithstanding anything to the contrary in these Agreed Security Principles, Transaction Security will not be taken (whether under a separate security agreement or under a debenture, omnibus, all-asset or similar multi-asset security agreement if any separate perfection step is required in relation to such asset class) over intellectual property, intra-group loans (other than Material Intragroup Loans), hedging agreements, trade or customer receivables, bank accounts (other than the Escrow Account) or insurance policies.