



**ABAX Group AS**

relating to the listing of

up to NOK 1,500,000,000 Senior Secured Floating Rate Bonds due  
2025

ISIN: NO0010885312

Sole Bookrunner



Prospectus dated 14 December 2020 and valid until 14 December 2021

**ROSCHIER**

## IMPORTANT NOTICE:

This prospectus (the "**Prospectus**") has been prepared by ABAX Group AS (the "**Issuer**", or the "**Company**" or together with its direct and indirect subsidiaries unless otherwise indicated by the context, "**ABAX**" or the "**Group**"), a limited liability company incorporated in Norway, having its headquarters located at the address, Hammergata 20, 3264 Larvik, Norway, with reg. no. 918 965 556, in relation to the application for the listing of the senior secured floating rate bonds denominated in NOK (the "**Bonds**") on the corporate bond list on Oslo Børs ASA, reg. no. 983 268 633 ("**Oslo Børs**"). Skandinaviska Enskilda Banken AB (publ) has acted as sole bookrunner in connection with the issue of the Bonds (the "**Sole Bookrunner**"). This Prospectus has been prepared in accordance with the standards and requirements of the Norwegian Securities Trading Act of June 29, 2007 no. 75 (the "**Norwegian Securities Act**") and related regulations including the Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council (the "**Regulation**") and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 and repealing Commission Regulation (EC) No 809/2004 (the "**Delegated Regulation**"). The Regulation and the Delegated Regulation are jointly referred to as the "**Prospectus Regulations**".

This Prospectus has been reviewed and approved by the Norwegian Financial Supervisory Authority (No. *Finanstilsynet*) (the "**Norwegian FSA**") in accordance with sections 7-7 and 7-8, cf. section 7-3 of the Norwegian Securities Trading Act. The Norwegian FSA approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the bonds that are subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 37 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Company's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents incorporated by reference in, and any supplements to, this Prospectus. In this Prospectus, references to "**NOK**" refer to Norwegian krone and references to "**SEK**" refer to Swedish krona.

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

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

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

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

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

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

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## **RISK FACTORS**

*Risk factors deemed to be of importance for the Group's business, future development and ability to meet its obligations under the Terms and Conditions and risks relating to the Bonds are described below. The risk factors presented below are categorised as "RISKS RELATING TO THE GROUP" and "RISKS RELATING TO THE BONDS" on the basis of whether they pertain to the Group or to the Bonds. The risk factors categorised as "RISKS RELATING TO THE GROUP", are categorised as risk factors pertaining to the Group and not as risk factors pertaining to the Issuer, as the major part of the business operations in the Group are conducted by the Issuer's subsidiaries. The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of low, medium or high. The assessment of the materiality of the risk factors have been based on the probability of their occurrence and the expected magnitude of their negative impact.*

### **RISK RELATING TO THE GROUP**

#### **ECONOMIC AND MARKET SPECIFIC RISKS**

##### **Changes in technology (medium level risk)**

Technological changes will have an impact on the core processes of the Group, as it must continuously invest time and resources in order to stay up-to-date with the latest technologies and remain successfully competitive, which might affect the overall costs of the Group. If the Group is unsuccessful in doing so, it may affect the demand for the Group's products and consequently the market share of the Group, which could have a significant negative effect on the Group's business, results of operations and financial condition.

##### **Competitive landscape (medium level risk)**

The Group operates in several local markets, some of which have strong local competitors. The Group's future ability to compete is, among other things, dependent upon the Group's ability to anticipate future market changes and trends, and to rapidly react to existing and future market needs.

As an aftermarket provider of telematics solutions, the Group's products can be installed on vehicles or equipment produced by the original equipment manufacturers ("**OEMs**"). Should OEMs increasingly integrate proprietary telematics solutions into their vehicles or equipment at production, and should the Group be unable to successfully react and respond to such development, this may have adverse impact on the Group's sales and renewals.

Increased competition from existing and new market participants or from OEMs could have a material negative impact on the Group's business, results of operations and financial position.

##### **Cost-coverage risk (medium level risk)**

Misjudgment in pricing the products and services provided by the Group to its customers under subscription may, if cost-coverage is not achieved, affect the Group's turnover, financial position and earnings.

The Group is exposed to the risk of prices being increased by its suppliers, for instance, its licensors of critical IT software and hardware. If the Group is unable to pass any such increased costs onto its customers, or if the Group cannot increase sales volumes to offset rising purchasing costs, the Group's business, financial condition and results of operations would be adversely affected. Moreover, there is no guarantee that the Group will be able to keep its other operating costs at an appropriate level.

### **Coronavirus disease (COVID-19) risks (medium level risk)**

The 2019 novel coronavirus ("COVID-19") outbreak is currently having an indeterminable adverse impact on the world economy. COVID-19 was reportedly first discovered in Wuhan, Hubei Province, China, in 2019, and the World Health Organization declared COVID-19 a pandemic on 11 March 2020. The COVID-19 outbreak has become a widespread health crisis, which may in turn result in protracted volatility in international markets and/or result in a global recession as a consequence of disruptions to travel and retail segments, tourism, and manufacturing supply chains. In particular, in February to April 2020 the COVID-19 outbreak caused stock markets worldwide to lose significant value and impacted economic activity worldwide. The trading price of the Bonds may therefore be adversely affected by the economic uncertainty caused by COVID-19. Finally, mandatory and voluntary lock-downs and quarantines increases the number of people working from home, which can temporarily negatively impact demand for the Group's products. This, together with a potential financial effect on the Group's customers, may lead to a risk that the Group's customers' willingness and/or ability to purchase the Group's products or make new investments in the Group's products will be affected as a result of the ongoing pandemic. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

### **Reliance on certain third-party technology systems (low level risk)**

The Group's business depends on access to and the quality of certain technology systems for the functioning of its products, namely Global Positioning System ("GPS") and Global Navigation Satellite System ("GLONASS"). Both such technological systems are satellite-based and provides location and time information around the world. GPS is maintained and controlled by the US government, and GLONASS by the Russian government. Furthermore, the Group relies on Google for the provision of related mapping services. Any difficulties for the Group to access such positioning and mapping systems, or the incorrectness of the information of such systems, would have a severe adverse operational effect on the Group's products and service offering, which consequently would adversely affect the Group's business, financial condition and results of operations.

SIM cards supplied by third-party telecommunications companies are used in the Group's hardware products. The SIM cards transmit the products' positions and other information via cellular networks, enabling tracking by end-customers of their mobile assets through the Group's software platform. Any downtime in the cellular networks or the systems of the telecommunication companies would effectively result in subsequent downtime in the Group's ability to provide its tracking service which may severe customer satisfaction. Additionally, any failure by the Group to claim compensation from the SIM card provider for any damage suffered due to downtime, e.g. due to a force majeure event, would have an adverse effect on the Group's business, financial condition and results of operations.

### **Risks related to recent and future acquisitions (low level risk)**

From time to time, the Group evaluates potential acquisitions that are in line with the Group's strategic objectives and the Group has also made such acquisitions in the past, the latest being the acquisition of Fleetfinder Aps in 2017, the Automile group in October 2020 and RAM Track-and-Trace in August 2020. There might be unidentified risks in recently acquired companies which are currently unknown to the Issuer. If such unidentified risks materialise they might have an adverse effect on the Group's business, earnings or financial position.

There is a risk that future acquisition activities will present certain financial, managerial and operational risks, including difficulties when integrating or separating businesses from existing

operations and challenges presented by acquisitions which does not achieve sales levels and profitability that justify the investments made by the Group. If recent or future acquisitions are not successfully integrated, there is a risk that the Group's business, financial condition and results of operations will be adversely affected. Also, there is a risk that future acquisitions will result in the incurrence of debt, contingent liabilities, amortisation costs, impairment of goodwill or restructuring charges, any of which will have an adverse effect on the Group's business, earnings or financial position.

Future acquisitions may also include undertakings by the Group to pay additional purchase price to the relevant sellers. Such additional payments may have adverse effects on the financial position of the Issuer if no provisions are accounted for.

As the Group is actively seeking targets to acquire, it cannot be ruled out that the Group might be required to file merger control notifications with the relevant competition authorities or become subject to investigations and proceedings by competition authorities in the market that it operates, which in its turn could have a material negative impact on the Group's operations, earnings and financial position if fines or restrictive measures are imposed.

## **FINANCIAL RISKS**

### **Currency risk (low level risk)**

The Issuer Group presents its financial statements in NOK, which is also the Issuer's functional currency. As a result, the Issuer must translate the assets, liabilities, revenue and expenses of all of its operations with functional currencies other than NOK into NOK at then-applicable exchange rates. Items included in the financial statements of each Group entity are measured using the entity's functional currency, and is subsequently translated into NOK for the consolidated financial statements. Consequently, increases or decreases in the value of other currencies may affect the value of these items with respect to the Group's non-NOK businesses in its consolidated financial statements, even if their values have not changed in their original currency. These translations could significantly affect the comparability of the Group's results between financial periods or result in significant changes to the carrying value of the Group's assets, liabilities and equity.

The Group is exposed to the exchange rates of different currencies, mainly SEK, due to its multijurisdictional nature. According to a sensitivity analysis conducted by the Issuer based on the Group's unaudited consolidated financials for Q3 2020, if SEK had weakened/strengthened by 10 per cent. to NOK, this would have resulted in a negative/positive EBITDA effect of NOK 5,060,000 and a 9 per cent. lower/higher EBITDA for the Group for such financial year. As the exchange rates fluctuate, these fluctuations lead to a translation exposure as the transactions made in other currencies than the reporting currency need to be recalculated into the reporting currency. As of the date of this Prospectus, the Group does not hedge its currency exposure. There is a risk that such currency fluctuations and financial risks will have an adverse effect on the Group's business, earnings or financial position.

### **Borrowing by the Group and interest risks (low level risk)**

The Group has incurred, and may in compliance with the limits set out in the Terms and Conditions further incur, financial indebtedness to finance its business operations. Such financing may generate interest costs which may be higher than the gains produced by the investments made by the Group. Borrowing money to make investments will increase the Group's exposure to the loss of capital and higher interest expenses. The Group's debt arrangement includes a super senior revolving credit

facility (the "**Super Senior RCF**") and the terms and conditions for the Super Senior RCF contain restrictions, including *inter alia* negative pledge provisions, restrictions on acquisitions, disposals and mergers, and change of control provisions. Further, the Super Senior RCF contains a super senior leverage test, which tests the amounts drawn under the Super Senior RCF against EBITDA. The limitations presented by the covenant that the Group must comply with to avoid any default, is of a limiting nature and may have a possible negative financial impact on the Group and its result of operation.

Interests on the Group's borrowings from time to time are subject to fluctuations in the applicable interest rates. Interest rates are affected by a number of factors that are beyond the control of the Issuer, including but not limited to the interest rate policies of governments and central banks. The Group uses interest rate derivatives, primarily interest rate caps, to manage the interest-rate risk on its long-term debt portfolio. There is a risk that the increase in interest rates would entail an increase in the Group's interest obligations, which would have a negative effect on the Group's business, financial position and result of operation as well as the value on the Bonds held by the bondholders.

#### **Credit risks (low level risk)**

The Group is exposed to credit risks as it may suffer financial losses when counterparties fail to meet payment obligations, representing a loss on the Group's receivables and contract assets. As of the date of this Prospectus, the Group does not have any netting agreements in place for mitigation of such risk, and if such credit risk would materialise in an adverse manner, it could affect the Group's future results and financial position.

### **RISKS RELATED TO INTERNAL MANAGEMENT**

#### **Risks related to IT infrastructure (medium level risk)**

The Group is dependent on information technology to manage critical business processes, including administrative and financial functions for internal purposes as well as externally in relation to its suppliers and customers. The Group is established in the telematics industry as a developer and provider of GPS tracking solutions, electronic triplogs equipment and vehicle and control systems. The telematics industry is inherently subject to risks relating to IT infrastructure, such as extensive downtime of network servers, restrained access to the Group's headquarters, cyberattacks or other disruptions or failure of information technology systems. Should any of the above risks materialise, this could have a negative effect on the Group's operations, future result and financial position. Furthermore, failure in developing new IT systems (including the enhancement of its existing systems) required to respond to developments in technology and address the increasingly sophisticated needs of customers could adversely affect the Group's business, including its operations, earnings and financial position.

There is a risk that the Group's procedures in place in the event of a failure or disruption of, or damage to, the Group's communications or IT-systems, may not be sufficient to ensure that the Group is able to carry on its business in the ordinary course of business if such systems fail or are disrupted. Hence, the Group may not be able to anticipate, prevent or mitigate any material adverse effect resulting from such failure, disruption or damage, which could have an adverse effect on the Group's business, financial position and results.

#### **Intellectual property rights (medium level risk)**

The Group is dependent on its trademarks, design rights, copyright and domain names in the jurisdictions in which the Group operates. As per the financial quarter ended 30 September 2020, the Group's intangible assets amounted to approximately NOK 1,897,000,000 which accounts for approximately 93.68 per cent. of the Group's total assets. Therefore, the Group's intangible assets, such as trademarks, are material for the Group. Disputes and claims may arise if the Group is not successful in maintaining, obtaining and enforcing relevant intellectual property rights ("IPR") in all relevant markets in which the Group operates. The Group's ability to expand into new markets under current trademarks is also dependent upon that no third party asserts their prior right. If the Group's protection of its IPR is not sufficient or if the Group does infringe third party intellectual property rights, this may result in an adverse effect on the Group's ability to conduct its business in the ordinary course, which in its turn would affect the Group's net sales, earnings and financial position.

Moreover, the Group owns and develops its products in-house, covering both software and hardware. Would such ownership be contested by former employees or by third parties, provided that protection of such ownership should prove to be insufficient, this may result in an adverse effect on the Group's business.

#### **Data protection and privacy laws (low level risk)**

The Group acts as data controller in the processing of personal data in relation to e.g. its customers, for customer support, business administration and marketing purposes. One of the Group's products consists of an IT system which processes information on the driving behavior of the customers' employees, in which the Group acts as data processor on behalf of the customers (data controllers). Processing information about individuals' driving behavior could be considered as the processing of information on potential traffic violations (such as speeding), which is generally prohibited under the General Data Protection Regulation ("GDPR"). Should the Group's processing of information about individuals' driving behavior be deemed as processing of information on potential traffic violations and therefore as a breach of the rules and regulations under the GDPR, this could have an adverse effect on the Group's business, earnings or financial position.

Compliance with the GDPR is of great importance as a breach could result in fines amounting to a maximum of EUR 20,000,000 or 4 per cent. of the Group's global turnover (whichever is higher). Breach of data privacy legislation could also result in the Group, in its capacity as data controller, being subjected to claims from its customers as well as reputational damage which could have a material adverse effect on the Group's business, earnings or financial position.

#### **Insurance cover (low level risk)**

The operation of the Group's business, i.e. to develop and provide GPS tracking solutions, electronic triplogs equipment and vehicle and control systems, represents a potential risk of losses and liabilities caused by e.g. mechanical failures, human error, and other circumstances or events. An incident involving any of the Group's business segments could result in loss of revenue, fines or penalties, higher insurance costs and damage to the Group's reputation. In the event of accidents or other events, the Group will rely on its insurance policies with local insurance providers. There is a risk that the scope of the Group's insurance coverage will not cover all risks that can materialise within the Group's business resulting in the total amount of the Group's losses not being compensated by the Group's insurances in case of damages.

Further, certain types of losses are not insurable due to exclusions in the applicable insurance policy and will, thus, not be covered by the Group's insurance coverage, e.g. costs related to infringement of third-party patents, product recalls and reputational harm. There is also the possibility that, in the

future, the Group may be unable to procure similar adequate insurance coverage on favourable terms, or at all. Hence, there is a risk that the Group will have to bear certain losses, damages and liabilities that are not insurable, which in turn will have adverse effects on the Group's business, earnings or financial position.

## **RISK RELATING TO THE BONDS**

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

#### **Majority owner (medium level risk)**

Investcorp S.A. indirectly controls 80.24 per cent. of the shares in the Issuer. According to the Terms and Conditions, if a change of control event occurs, the bondholders have a right of prepayment of the Bonds (put option). Following any potential change of control in the Issuer, the Issuer may be controlled by a majority shareholder whose interests may conflict with those of the bondholders, particularly if the Group encounters difficulties or is unable to pay its debts as they fall due. A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the board of directors. Furthermore, a majority shareholder may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance the value of their equity investments although such transactions might involve risks to the bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a significant negative effect on the Group's operations, earnings and financial position. There is a risk that the Issuer does not have enough liquidity to repurchase the Bonds if the bondholders use its right of prepayment, see further under Section "*Put options*" below.

#### **Risks related to security**

#### **Risks related to intercreditor arrangement (medium level risk)**

The Group is able to incur debt under the Super Senior RCF which, in accordance with the terms of the Intercreditor Agreement (as defined below), ranks senior to the Bonds. Further, the Group may incur additional financial indebtedness which will rank *pari passu* with the Bonds. The relation between certain of the Group's secured creditors (jointly the "**Secured Creditors**"), subordinated creditors and the security agent (being, as at the date of this Prospectus, Nordic Trustee & Agency AB (publ) (the "**Security Agent**")) is governed by an intercreditor agreement (the "**Intercreditor Agreement**"). Although the obligations under the Bonds and certain other obligations of the Group towards the bondholders and the other Secured Creditors is secured by first priority security, there is a risk that the proceeds of any enforcement sale of the security assets will not be sufficient to satisfy all amounts then owed to the Secured Creditors. Furthermore, if the Issuer issues subsequent Bonds, the security position of the current bondholders may be impaired.

The Security Agent is in accordance with the Intercreditor Agreement in some cases take instructions from a super senior representative under the Super Senior RCF. There is a risk that the Security Agent and/or a super senior representative under the Super Senior RCF will act in a manner or give instructions not preferable to the bondholders. Further, in certain situations, the Security Agent may following an instruction from the super senior representative under the Super Senior RCF release the obligations owed by the Group to certain Secured Creditors (including the bondholders) in connection with an enforcement of the security assets or guarantees. In addition, the Security Agent will in some cases take instructions from a senior representative, being those senior creditors whose senior debt

at that time aggregate to more than 50 per cent. of the total senior debt. If the outstanding senior debt towards other senior creditors than the bondholders exceed the obligations under the Bonds, the bondholders will therefore not be in a position to control the enforcement procedure.

If the outstanding obligations of the Group towards other Secured Creditors than the bondholders increase, there is a risk that the security position of the bondholders is impaired. Furthermore, there is a risk that the security will not at all times cover the outstanding claims of the Secured Creditors.

The Intercreditor Agreement also contains provisions regarding the application of proceeds from an enforcement of security where any agent will receive payments first, secondly any creditor under any super senior debt (including liabilities under super senior hedges), thirdly any creditor pro rata under any senior debt (including the bondholders) and lastly any creditor under any shareholder, intercompany and subordinated debt. There is a risk that the enforcement proceeds will not be sufficient in order for the Issuer to satisfy the waterfall provisions above.

### **Limitations in providing security to the bondholders (low level risk)**

The transaction security is governed by Norwegian and Swedish law including, but not limited to, share pledge agreements, a business mortgage agreement, a receivables pledge agreement and a floating charge, and will be subject to certain limitations on enforcement and may be limited by applicable local laws or subject to defenses that may limit the validity of the transaction security. If a limited liability company provides security for another party's obligations without deriving sufficient corporate benefit therefrom, the granting of security requires the consent of all shareholders of the grantor and is only valid up to the amount the company could have distributed as dividend to its shareholders at the time the security was provided. If no corporate benefit is derived from the security provided, the security is limited in validity.

Furthermore, the Norwegian companies' ability to provide security are limited by the Norwegian Companies Act. E.g. Norwegian limited liability companies may only provide upstream loans, guarantees or security in favour of a legal entity which has decisive influence over such Norwegian company, or to a subsidiary of such legal person, provided that the granting of any such loan, guarantee and/or security, as applicable, is made for the purpose of serving the Group's financial interests.

Consequently, there is a risk that any security granted by a subsidiary of the Issuer could therefore be limited under Norwegian and/or Swedish law, which would have a negative effect on the bondholders' security position and on the likelihood of the bondholders receiving the amounts owed to them under the Bonds.

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

#### **The Issuer is dependent on its subsidiaries (medium level risk)**

The Issuer's operations are focused on managing its subsidiaries and a significant part of the Group's assets and revenues relate to the Issuer's subsidiaries, in particular ABAX AS, ABAX Sweden AB and Automile Holding AB. As the Issuer's operations are focused on managing its subsidiaries, the Issuer is dependent upon receipt of sufficient income and cash flow related to the operation and ownership of the subsidiaries to enable it to make payments under the Bonds. Consequently, the Issuer is dependent upon the subsidiaries' availability of cash and their legal ability to upstream funds through dividends and transfer pricing, which may from time to time be limited by corporate restrictions and law. The subsidiaries are further legally distinct from the Issuer and have no obligation to make

payments to the Issuer of any profits generated from their business. Should the Issuer not receive sufficient income from its subsidiaries, by way of dividends or value transfer from one or more subsidiary, there is a risk that the Issuer will be unable to service its payment obligations under the Bonds and subsequently adversely affect bondholders' ability to receive payment under the Bonds.

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

## THE BONDS IN BRIEF

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

Bonds issued under this Prospectus have NIBOR as interest rate. NIBOR constitutes a benchmark according to the regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

<b>Issuer</b> .....	ABAX Group AS.
<b>Bonds Offered</b> .....	The aggregate amount of the bond loan will be an amount of up to a maximum of NOK 1,500,000,000. The Issuer may choose not to issue the full amount of Bonds on the First Issue Date and may choose to issue the remaining amount of Bonds at one or more subsequent dates. At the date of this Prospectus, an aggregate amount of Bonds of NOK 1,000,000,000 had been issued on the First Issue Date.
<b>Number of Bonds</b> .....	Maximum of 1,200 Bonds. At the date of this Prospectus 800 Bonds had been issued on the First Issue Date.
<b>ISIN</b> .....	NO0010885312.
<b>First Issue Date</b> .....	23 June 2020.
<b>Issue Price</b> .....	All bonds issued on the First Issue Date have been issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount. The issue price of the Subsequent Bonds may be equal to, at a discount or at a premium compared to the Nominal Amount.
<b>Interest Rates</b> .....	Interest on the Bonds will be paid at a floating rate of three-month NIBOR plus 6.15 per cent. <i>per annum</i> .
<b>Use of benchmark</b> .....	Interest payable on the Bonds will be calculated by reference to NIBOR. As at the date of this Prospectus, the administrator, Global Rate Set Systems, of NIBOR is not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011.
<b>Interest Payment Dates</b> .....	3 March, 23 June, 23 September and 23 December of each year commencing on 23 September 2020. Interest will accrue from (and including) the First Issue Date.
<b>Yield</b>	The Bonds have a floating interest rate, therefore the yield paid out to the holders of the Bonds fluctuates from time to time. Consequently, it is not possible to provide an exact figure for the annual return for holders of the Bonds.

On 23 September 2020 the yield was indicated to 6.42 per cent. *per annum*.

**Nominal Amount .....** The Bonds will have a nominal amount of NOK 1,250,000 and the minimum permissible investment in the Bonds is NOK 1,250,000.

**Status of the Bonds .....** The Bonds are denominated in NOK and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with the Terms and Conditions.

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer, and:

- subject to the terms of the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except (A) those obligations which are mandatorily preferred by law and (B) the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement;
- are guaranteed by the Guarantors (as defined below);
- are effectively subordinated to any existing or future indebtedness or obligation of the Issuer and its subsidiaries that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness; and
- are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Issuer that are not Guarantors, including obligations to trade creditors.

**Guarantees .....** The Issuer's obligations under the Bonds are jointly and severally guaranteed (the "**Guarantee**") by each of:

- ABAX AS (reg. no. 993 098 736); and
- ABAX Sweden AB (reg. no. 556827-3600),

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

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

**Ranking of the Guarantees ..** The Guarantee of each Guarantor is a general obligation of such Guarantor and:

- ranks *pari passu* in right of payment with any existing and future indebtedness of such Guarantor that is not subordinated in right of payment to such Guarantee, including the indebtedness under the Super Senior RCF;
- ranks senior in right of payment to any existing and future indebtedness of such Guarantor that is expressly subordinated in right of payment to such Guarantee; and
- is effectively subordinated to any existing or future indebtedness or obligation of such Guarantor that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness.

The Guarantees are subject to certain limitations under local law.

**Security .....** The Bonds, together with obligations under the Super Senior RCF, are secured by security interests granted on an equal and rateable first-priority basis over the share capital of certain Group Companies and other assets of the Group. See the definition of "Security Documents" in Clause 1.1 (*Definitions*) of the Terms and Conditions.

The Security is subject to certain limitations under local law, including, but not limited to, Norwegian and Swedish law.

**Call Option.....** The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with Clause 9.3 (*Voluntary Total Redemption (call option)*) of the Terms and Conditions.

**Call Option Amount .....** Call Option Amount means:

- (a) if the Call Option is exercised on or after the First Issue Date to, but excluding, the date falling thirty-six (36) months after the First Issue Date, an amount per Bond equal to 103.075 per cent. of the Nominal Amount plus the remaining interest payments to, but excluding, the date falling thirty-six (36) months

after the First Issue Date, together with accrued but unpaid Interest;

- (b) if the Call Option is exercised on or after the date falling thirty-six (36) months after the First Issue Date to, but excluding, the date falling forty-two (42) months after the First Issue Date, an amount per Bond equal to 103.075 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) if the Call Option is exercised on or after the date falling forty-two (42) months after the First Issue Date to, but excluding, the date falling forty-eight (48) months after the First Issue Date, an amount per Bond equal to 101.574 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (d) if the Call Option is exercised on or after the date falling forty-eight (48) months after the First Issue Date to, but excluding, the date falling fifty-four (54) months after the First Issue Date, an amount per Bond equal to 100.769 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
- (e) if the Call Option is exercised on or after the date falling fifty-four (54) months after the First Issue Date to, but excluding, the Final Maturity Date, an amount per Bond equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

### **Redemption Clauses**

Upon the occurrence of a Change of Control Event up to (but excluding) the date falling 36 months after the First Issue Date, the Issuer may issue a notice of repayment of the Bonds in whole in accordance with Clause 9.4 (*Special Redemption*) of the Terms and Conditions. The Issuer shall no less than twenty (20) Business Days following such notice of repayment redeem the Bonds in whole at an amount per Bond equal to 105.0 per cent. of the Nominal Amount plus accrued but unpaid Interest on the repaid amount.

Upon the occurrence of a Change of Control Event, Listing Failure Event or Delisting, each bondholder shall have the right to request that all, or some only, of its Bonds be repurchased in accordance with Clause 9.5 (*Mandatory repurchase due to a Change of Control Event, Listing Failure Event or Delisting (put option)*) of the Terms and Conditions.

**Change of Control Event.....** means:

- (a) prior to an Equity Listing Event, the occurrence of an event or series of events whereby one or more Persons, not being the Main Shareholder (or an Affiliate of the Main Shareholder), acting together, 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; and
- (b) on or after an Equity Listing Event, the occurrence of an event or series of events whereby one or more Persons, not being the Main Shareholder (or an Affiliate of the Main Shareholder), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 30 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.

**Delisting** means, following an Equity Listing Event, the delisting of the shares in the Issuer from a Regulated Market.

**Listing Failure Event** means:

- (a) that the Initial Bonds have not been admitted to listing on Nasdaq First North or Frankfurt Open Market within sixty (60) days after the First Issue Date;
- (b) that the Initial Bonds have not been admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market) within twelve (12) months after the First Issue Date;
- (c) any Subsequent Bonds issued:
  - (i) prior to the admission to listing on Nasdaq Stockholm (or another Nordic Regulated Market) pursuant to item (b) above, have not been admitted to listing on Nasdaq First North or Frankfurt Open Market within twenty (20) days after the issuance of such Subsequent Bonds; or
  - (ii) after the admission to listing on Nasdaq Stockholm (or another Nordic Regulated Market) pursuant to item (b) above, have not

been admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market) within twenty (20) days after the issuance of such Subsequent Bonds;

- (d) in the case of a successful admission to listing:
- (i) that the Bonds cease to be admitted to listing on Nasdaq First North or Frankfurt Open Market, unless the Bonds has been successfully admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market); or

that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market) without being admitted to trading on another Nordic Regulated Market.

**Equity Listing Event**

Means an offering of shares in the Issuer or any of its holding companies whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

**Final Maturity Date .....** Means 23 June 2025.

**Certain Covenants .....** The Terms and Conditions contain a number of covenants which restrict the ability of the Issuer and other Group Companies, including, *inter alia*:

- restrictions on making any changes to the nature of their business;
- a negative pledge, restricting the granting of security on Financial Indebtedness (as defined in the Terms and Conditions);
- restrictions on the incurrence of Financial Indebtedness (as defined in the Terms and Conditions); and
- limitations on the making of distributions and disposal of assets.

Each of these covenants is subject to significant exceptions and qualifications, including, but not limited to (a) the possibility to provide, prolong and renew any Permitted Security and (b) the possibility for an Obligor to incur additional Financial Indebtedness if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence and (i) is incurred as a result of a Subsequent Bond Issue, or (ii) ranks *pari passu* or is

subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which all occur after the Final Maturity Date (each as defined in the Terms and Conditions). See the Terms and Conditions for further information and exceptions.

The Terms and Conditions contain incurrence covenants which govern the ability of the Issuer and the other Group Companies to incur additional debt and to make certain payments. The Incurrence Test is met if: (a) in connection with the incurrence of new Financial Indebtedness in accordance with items (k) and (l) of the definition of "Permitted Debt" in the Terms and Conditions or an acquisition funded by Acquisition Net Proceeds, the Leverage Ratio is below 3.75:1, (b) in connection with a Restricted Payment, the Leverage Ratio is below 2.0:1, and (c) no Event of Default is continuing or would occur upon the incurrence of Financial Indebtedness or distribution (as applicable) (each as defined in the Terms and Conditions).

**Use of Proceeds .....** The Issuer shall use the Net Proceeds from the Initial Bond Issue, towards (i) refinance the Refinancing Debt (amounting to approximately NOK 622,000,000), (ii) finance general corporate purposes of the Group (including investments and acquisitions) and (iii) finance Transaction Costs.

The Issuer shall use the Net Proceeds from any Subsequent Bond Issue, towards (i) finance general corporate purposes of the Group (including investments and acquisitions), (ii) make Restricted Payments (provided that such is permitted pursuant to Clause 13.2 (*Restricted Payments*)) of the Terms and Conditions and (iii) finance Transaction Costs.

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

**Listing.....** Application has been made to list the 800 Bonds, issued on the First Issue date, on Oslo Børs.

**Prescription** The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the

Bondholders' right to receive payment has been prescribed and has become void.

<b>Agent</b> .....	Nordic Trustee & Agency AB (publ), reg. no. 556882-1879.
<b>Security Agent</b> .....	Nordic Trustee & Agency AB (publ).
<b>Paying Agent</b>	Skandinaviska Enskilda Banken AB, Filial i Norge.
<b>Sponsor</b>	Investcorp S.A.
<b>Governing Law of the Bonds</b>	Swedish law.
<b>Governing Law of the Intercreditor Agreement</b> .....	Swedish law.
<b>Governing Law of the Guarantee and Adherence Agreement</b> .....	Swedish law.
<b>Risk Factors</b> .....	Investing in the Bonds involves substantial risks and prospective investors should refer to the section " <i>Risk Factors</i> " for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

## STATEMENT OF RESPONSIBILITY

The issuance of the Bonds was authorised by resolutions taken by the board of directors of the Issuer on 28 May 2020, and was subsequently issued by the Issuer on 23 June 2020. This Prospectus has been prepared in connection with the Issuer's application to list the Bonds on the corporate bond list of Oslo Børs, in accordance with the Norwegian Securities Trading Act of June 29, 2007 no. 75 and related regulations including the Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council.

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

After the expiration date of this Prospectus, being 14 December 2021, the obligation to provide additional information regarding new material circumstances, factual errors or material inaccuracies in this Prospectus ceases to apply.

The board of directors of the Issuer is responsible for the information set out in this Prospectus and declares that to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

14 December 2020

ABAX Group AS

*The board of directors*

## DESCRIPTION OF MATERIAL AGREEMENTS

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

### Super Senior Revolving Facility Agreement

The Issuer has entered into the Super Senior RCF as borrower, with Skandinaviska Enskilda Banken AB (publ) as original lender, arranger, original hedge counterparty and facility agent, dated 23 June 2020. The total commitment under the Super Senior RCF amounts to NOK 50,000,000. The Super Senior RCF has been provided to the Issuer to be applied to finance working capital requirements and general corporate purposes of the Group. The final termination date for the Super Senior RCF is six (6) months prior to the final maturity date of the Bonds.

### Guarantee and Adherence Agreement

The Issuer and the Guarantors have entered into a guarantee and adherence agreement with Nordic Trustee & Agency AB (publ) as security agent dated 23 June 2020 (the "**Guarantee and Adherence Agreement**"), pursuant to which the Guarantors have agreed to jointly and severally guarantee the Group's obligations as follows:

- the full and punctual payment and performance within applicable grace periods of all present and future Secured Obligations, including all payment of principal of, and premium, if any, and interest under the Senior Finance Documents when due, whether at maturity, by acceleration, by redemption or otherwise, and interest on any such obligation which is overdue, and of all other monetary obligations of the Guarantors to the Secured Parties under the Senior Finance Documents (each as defined in the Guarantee and Adherence Agreement);
- the full and punctual performance within applicable grace periods of all other obligations and liabilities of the Guarantors under the Senior Finance Documents (each as defined the Guarantee and Adherence Agreement); and
- the full and punctual performance of all obligations and liabilities of the Guarantors (as defined the Guarantee and Adherence Agreement) under any Transaction Security Document (as defined in the Intercreditor Agreement) to which it is a party.

The Guarantees (as defined the Guarantee and Adherence Agreement) are subject to the Intercreditor Agreement and certain limitations imposed by local law requirements in certain jurisdictions.

### Intercreditor Agreement

The Issuer as issuer, ABAX AS as original ssRCF borrower, ABAX Midco AS as shareholder creditor, certain entities as original ICA group companies, Skandinaviska Enskilda Banken AB (publ) as original facility agent, original super senior RCF creditor and original hedge counterparty and Nordic Trustee & Agency AB (publ) as original bonds agent and original security agent have entered into an intercreditor agreement dated 23 June 2020 (the "**Intercreditor Agreement**"). The terms of the Intercreditor Agreement provides for following rank of debt in respect of proceeds in right and priority of payment (i) following a Payment Block Event or (ii) an enforcement of Transaction Security, the Guarantees or which are otherwise payable to the Security Agent under the Intercreditor Agreement

for application in accordance with clause 16.1 (*Order of Application*) of the Intercreditor Agreement (each as defined in the Intercreditor Agreement) in respect of in the following order:

- (a) *first*, the Super Senior Debt (*pari passu* between all indebtedness under the Super Senior RCF and the Hedging Obligations) (each defined in the Intercreditor Agreement);
- (b) *secondly*, the Senior Debt (*pari passu* between all indebtedness under the Bonds and any New Debt) (each as defined in the Intercreditor Agreement);
- (c) *thirdly*, any liabilities raised in the form of Intercompany Debt (as defined in the Intercreditor Agreement);
- (d) *fourthly*, any liabilities raised in the form of Subordinated Debt (as defined in the Intercreditor Agreement); and
- (e) *fifthly*, any liabilities raised in the form of Shareholder Debt (as defined in the Intercreditor Agreement).

## DESCRIPTION OF THE GROUP

### History, development and business operations

The Company's legal and commercial name is ABAX Group AS and was incorporated on 25 April 2017 and is a Norwegian limited liability company operating under the laws of Norway and registered with the Norwegian register of business enterprises with reg. no. 918 965 556. The Issuer's legal entity identifier (LEI) code is 2138009KHLRO8GQUOL42.

The registered office of the Company is Hamnergata 24, 3264 Larvik, Norway and the Company's headquarters is located at Hamnergata 20, 3264 Larvik, Norway, with telephone number +47 22 22 22 99. The website of the Company is abax.com. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of the Company, adopted on 30 January 2018, the objects of the company are the purchase of businesses by way of purchase and sale of ownership interest and/or purchase and sale of assets, rights and obligations, as well as other activities related thereto, including the granting of loans or security related to such activities.

ABAX was founded in Norway in 2003 but the focus on GPS vehicle tracking first began after a collaboration with ETS (Electronic Tracking System) in 2009. ABAX is established in the telematics industry as a developer and provider of GPS tracking, electronic triplogs, equipment and vehicle control systems. The Group's products enable its customers to connect valuable assets and the collecting and utilisation of data via its telematics software-as-a-service (SaaS) solutions for vehicles, machines and tools. ABAX's product offering has a broad range of applications, mainly focused on vehicle tracking systems and equipment, plant and asset tracking systems.

The Group's products, ABAX Triplog and ABAX Equipment Control, are GPS tracking units which use self-installed proprietary telematics hardware linked to ABAX's software and accessible by ABAX's customers through the web browser and the Group's mobile application. The Group's products utilise the latest in GPS technology, which is designed and manufactured in Norway, and are self-installed by the Group's customers to ensure ease of use and connectivity to the customers value and real-time benefits. ABAX Triplog is used to track light commercial vehicles and utilises automated documentation of trips (e.g. fuel consumption, mileage and driving behavior) and, as at the date of this Prospectus, amounts to approximately 87 per cent. of the Group's sales. ABAX Equipment Control is used to track assets and fleets (mainly trailers, heavy equipment and power tools), which generates theft insurance savings and ensures that customers' vehicles and machinery are allocated to correct locations and, as at the date of this Prospectus, amounts to approximately 13 per cent. of the Group's sales. Furthermore, the Group's products, including software and hardware, are developed in-house, in order to account for fast changes and adaptations of the products according to customer's needs.

The majority of the Group's clients comprise companies with a fleet size of less than 100 vehicles and as per the date of this Prospectus, ABAX has more than 30,000 customers across a wide range of industries. Contracts with customers are generally entered into on a 36-month basis with fixed monthly fees.

In 2017, Investcorp acquired ABAX from the previous majority shareholder, Norvestor, and is per the date of this Prospectus the majority shareholder of ABAX. The Group continuously expands its business through acquisitions. In 2017, ABAX acquired Fleetfinder, a Denmark-based competitor in the same industry as the Group. In August 2020, ABAX acquired RAM Track-and-Trace, a telematics company headquartered in the Netherlands, which offers tracking for vehicles, employees and equipment in the construction sector through an all-in-one solution of software, hardware, installation

and mobile data communication. In October 2020, ABAX acquired the Automile group, which offers fleet tracking, mileage logging, fleet management, and asset tracking services to small-medium and large businesses. Through the above mentioned acquisitions of Fleetfinder, RAM Track-and-Trace and Automile, the Group has expanded its geographical coverage and largened the Group's customer network.

As of the date of this Prospectus, the Group has operations in Norway, Sweden, Denmark, Finland, the UK, the Netherlands, Belgium, Poland and the US. As of the date of this Prospectus, ABAX has approximately 300 employees divided amongst sales, customer services, marketing, quality, administration, finance and development departments.

### Share capital and ownership structure

The shares of the Company are denominated in NOK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Company had an issued share capital of NOK 14,319,683.78. The Company has issued a total of 1,431,968,378 shares.

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

<i>Shareholder</i>	<i>No. of shares</i>	<i>Share capital</i>	<i>Voting Rights</i>
ABAX Midco AS	1,431,968,378	100.00%	100.00%
<b>Total</b>	<b>1,431,968,378</b>	<b>100.00%</b>	<b>100.00%</b>

ABAX Midco AS is controlled, and the Company is consequently also controlled, by investment vehicles owned or managed directly or indirectly by the Sponsor.

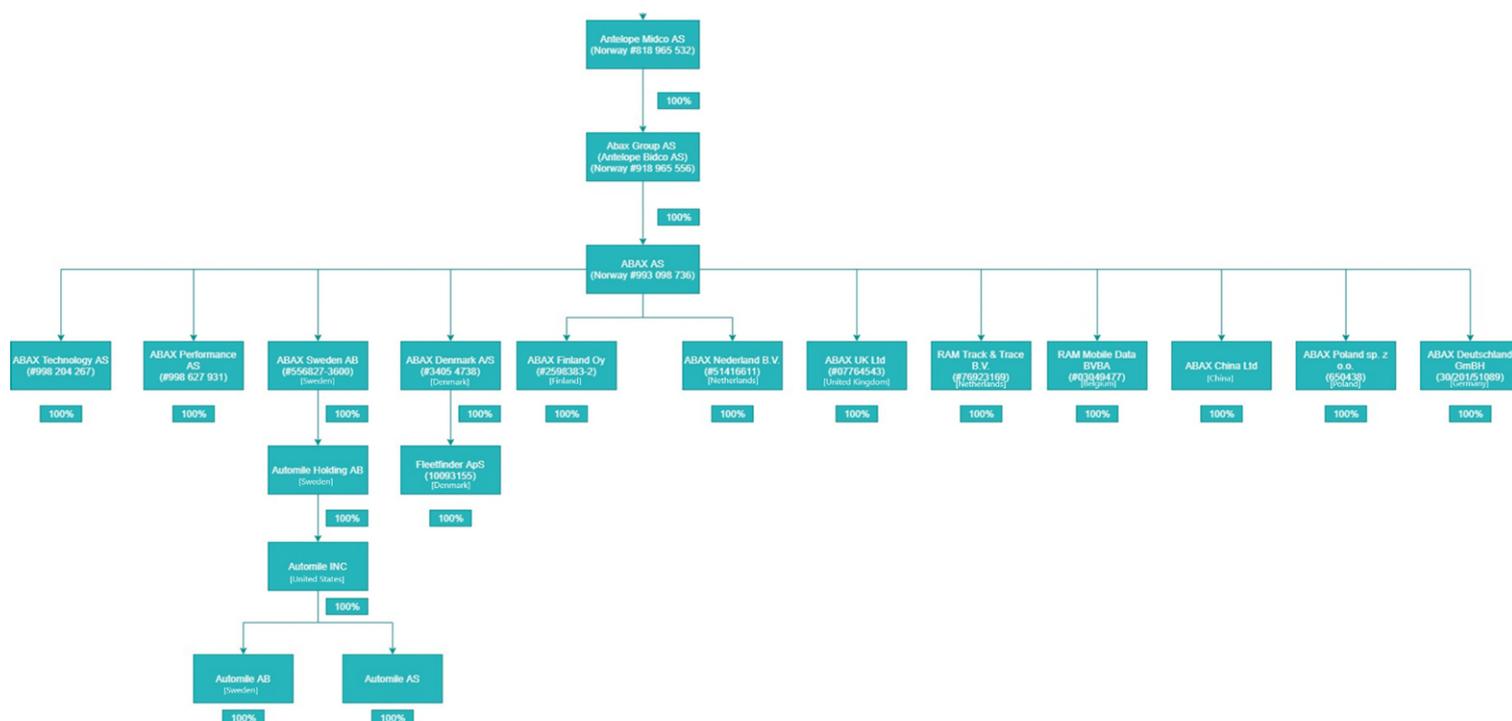
### Shareholders' agreements

The Company or the Guarantor's are not aware of the details of any provision in the arrangement between its respective shareholders, the operation of which may at a subsequent date result in a change in control of the Company or a Guarantor.

### Overview of Group structure

On the date of this Prospectus, the Company has, directly and indirectly, 18 wholly-owned subsidiaries.

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



## Recent events

Other than the acquisition of the Automile Group in October 2020 and RAM Track-and-trace in August 2020, there has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Issuer's solvency.

## Significant change and trend information

There has been no material adverse change in the prospects of the Group (including the Guarantors) since the date of publication of its last audited annual accounts, other than the acquisition of the Automile Group in October 2020 and RAM Track-and-Trace in August 2020, and no significant change in the financial or trading position of the Group (including the Guarantors) since the end of the last financial period for which interim financial information has been published.

## Legal, governmental and arbitration proceedings

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

## Credit rating

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

## BOARD OF DIRECTORS

### The Company

On the date of this Prospectus the board of directors of the Company consisted of five (5) members. The board of directors and the senior management can be contacted through the Company at its headquarters at Hammergata 20, 3264 Larvik, Norway. Further information on the members of the board of directors and the senior management is set forth below.

The below members of board of directors are not shareholders in the Company or any Guarantor.

#### ***Andrea Jayne Davis, chairman of the board since 2017.***

**Education:** Andrea holds a BSc in Computer Science and Electronics and an MBA from the London Business School.

**Current commitments:** Andrea serves on the board of directors of ABAX, Georg Jensen, the Danish jewellery and home business, the Italian luxury menswear brand Corneliani, the Italian protective gear maker Dainese and the Swedish ski helmet maker POC. Andrea is also a board member of Investcorp Ltd.

#### ***Morten Strand, member of the board since 2020.***

**Education:** BA from University of San Francisco.

**Current commitments:** Morten is a seasoned IT executive, with over 30 years of leadership experience. Morten was recently CEO at Cint in Sweden, and led the company to become a global leader in the market research space. Before that Morten served as COO at Visma Software, and helped the company to double both top and bottom lines through M&A and organic growth. Before joining Visma Morten spent 15 years at IBM in various leadership roles in Europe and the Nordics.

#### ***Bjørn Erik Brandsæter Helgeland, member of the board since 2018.***

**Education:** N/A

**Current commitments:** Bjørn Erik B. Helgeland is a co-founder of ABAX and has served the board since 2009. Since 2018 Bjørn is an advisor to the ABAX CEO and is Chairman of the board of Reen AS. Bjørn is also a distinguished speaker, performance coach and a writer.

#### ***Jürgen Heilmann, member of the board since 2020.***

**Education:** Diploma in Business Administration from Ludwig-Maximilians-Universität Munich and MBA from UCLA Anderson School of Management.

**Current commitments:** Jürgen serves on the board of directors of ABAX AS. Jürgen is also a director on the boards of Acura Zahnärzte GmbH, Agromillora, SPGPrints, and Vivaticket.

#### ***Yanlin Li, member of the board since 2017.***

**Education:** BSc from Bristol University.

**Current commitments:** Yanlin serves on the board of directors of ABAX AS.

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

### **The Guarantors**

The below members of the board of directors are not shareholders in the Company or any Guarantor.

#### **ABAX AS**

ABAX AS, is a Norwegian limited liability company operating under the laws of Norway and registered with the Norwegian register of business enterprises with reg.no. 993 098 736 with its registered office at Hammergata 20, 3264 Larvik, Norway. In accordance with the articles of association of ABAX AS, adopted on 4 October 2018, the objects of the company are to develop, manufacture, market and sell goods and services for tracking and retrieval of people, assets and equipment in Norway and other countries. The company may also invest in securities and real estate.

The shares of ABAX AS are denominated in NOK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, ABAX AS had an issued share capital of NOK 313,566,697.50. ABAX AS has issued a total of 17,918,097 shares.

Information on the members of the board of directors of ABAX AS is set forth below.

#### ***Andrea Jayne Davis, chairman of the board since 2017.***

See information in section "Board of Directors" subheading "The Company".

#### ***Morten Strand, member of the board since 2018.***

See information in section "Board of Directors" subheading "The Company".

#### ***Bjørn Erik Brandsæter Helgeland, member of the board since 2008.***

See information in section "Board of Directors" subheading "The Company".

#### ***Jürgen Heilmann, member of the board since 2019.***

See information in section "Board of Directors" subheading "The Company".

#### ***Yanlin Li, member of the board since 2017.***

See information in section "Board of Directors" subheading "The Company".

#### ***Sebastian Inger, member of the board since 2017.***

**Education:** BSc and MSc in Finance with a sub-degree in Japanese, from the University of Gothenburg School of Business, Economics and Law in Sweden, and Keio University in Tokyo.

**Current commitments:** Sebastian currently serves on the boards of Cambio Healthcare Systems AB, ABAX and Georg Jensen.

***Arild Ingebrigtsen, member of the board since 2018.***

**Education:** N/A

**Current commitments:** Arild has been working for ABAX since 2009 and is today a Senior Sales Manager working towards Strategic Accounts.

***Kjetil Lassen, member of the board since 2018.***

**Education:** Bachelor of Science from University of Southern Norway.

**Current commitments:** Kjetil has more than twelve years of professional developer experience and has been working for ABAX since 2015. Today Kjetil works as the director of S/W Engineering.

**ABAX Sweden AB**

ABAX Sweden AB, is a Swedish limited liability company operating under the laws of Sweden and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) with reg.no. 556827-3600 with its registered office at Varmvalsvägen 17, 721 30, Västerås, Sweden. In accordance with the articles of association of ABAX Sweden AB, adopted on 4 August 2017, the objects of the company are to provide tools for reporting of vehicle traffic.

The shares of ABAX Sweden AB are denominated in SEK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, ABAX Sweden AB had an issued share capital of SEK 10,000,000. ABAX Sweden AB has issued a total of 10,000,000 shares.

Information on the members of the board of directors of ABAX Sweden AB is set forth below.

***David Norton, chairman of the board since 2018.***

**Education:** MBA from University of Wales.

**Current commitments:** David joined ABAX in 2018 as CFO. David has more than 14 years of experience in Software as a Service (SaaS) businesses, ten of which in telematics with Fleetmatics. Before that, David worked in various finance roles with American and French multi-nationals. David's experience includes IPO, follow-on offerings, and acquisitions across the globe.

***Morten Strand, member of the board since 2018.***

See information in section "Board of Directors" subheading "The Company".

## MANAGEMENT OF THE COMPANY AND THE GUARANTORS

The below members of the management are not shareholders in the Company or any Guarantor.

***Morten Strand, CEO of ABAX Group AS, ABAX AS and ABAX Sweden AB, 2018.***

See information in section "Board of Directors" subheading "The Company".

***David Norton, CFO of ABAX Group AS, ABAX AS and ABAX Sweden AB, 2018.***

See information in section "Board of Directors" subheading "ABAX Sweden AB".

***Paul Walsh, Chief Technology Officer of ABAX Group AS, ABAX AS and ABAX Sweden AB, 2018.***

**Education:** Bachelor of Science in Applied Computing as well as an Executive Leadership Certificate from MIT Cambridge.

**Current commitments:** Paul joined ABAX in 2018 with 20 years of experience in the technology space focusing on the telematics sector. Paul worked as the Head of R&D at the Irish publicly listed telematics company Fleetmatics. Most recently, he worked in the private equity space on various large acquisitions focusing on due diligence as well as establishing efficient, results-driven technology teams.

***Atle Karlsen, Chief Performance Officer of ABAX Group AS, ABAX AS and ABAX Sweden AB, 2016***

**Education:** Master of Development Economics from UEA and MBA from Oslo School of Leadership Studies (BI).

**Current commitments:** Atle has 25 years of experience in international organisations leading large-scale operations in Asia, the US, Africa and Europe. Atle joined ABAX in 2016 and has led the Performance and Compliance section since 2016.

**Potential conflicts of interest within administrative, management and control bodies**

To the extent that can be reasonably verified by the Group, no potential conflict of interest exists regarding the private affairs, family relations, or any other kind, between members of the administrative and senior management bodies that might conflict with the Group's interests or prevent the aforementioned to faithfully execute their duties to the Group.

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

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

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

## HISTORICAL FINANCIAL INFORMATION

### Historical financial information

#### The Company and the Group

Specific information of the Group's consolidated financial statements for the financial years ended 31 December 2019 and 31 December 2018 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. All such information is available on the Company's website abax.com.

The Group's consolidated financial statements for the financial years ended 31 December 2019 and 31 December 2018 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU.

Other than the auditing of the Group's consolidated financial statements for the financial years ended 31 December 2019 and 31 December 2018, the Group's auditor has not audited or reviewed any part of this Prospectus.

The specific information set out below from the Group's consolidated financial statements for the financial year ended 31 December 2019 is incorporated into this Prospectus by reference. The other information set out in the Group's consolidated financial statements for the financial year ended 31 December 2019 is deemed to not be relevant for the purpose of the Prospectus Regulations.

- the audit report, page 2-3;
- consolidated income statement, page 11;
- consolidated balance sheet, page 12;
- consolidated statement of changes in equity, page 13;
- consolidated cash flow statement, page 14; and
- the notes, pages 15-44.

The specific information set out below from the Group's consolidated financial statements for the financial year ended 31 December 2018 is incorporated into this Prospectus by reference. The other information set out in the Group's consolidated financial statements for the financial year ended 31 December 2018 is deemed to not be relevant for the purpose of the Prospectus Regulations.

- consolidated income statement, page 7;
- consolidated balance sheet, page 8;
- consolidated cash flow statement, page 9;
- consolidated statement of changes in equity, page 10;
- the notes, pages 11-47; and
- the audit report, pages 48-50.

#### Auditing of the annual historical financial information

The Group's consolidated financial statements as at present and for the financial years ended 31 December 2019 and 31 December 2018 have been audited, as applicable, by KPMG AS, Sørkedalsveien 6, 0369 Oslo, Norway. KPMG AS has been the Group's auditor since 2010. Commencing on the financial year 2020, PRICEWATERHOUSECOOPERS AS, Dronning Eufemias gate 71, 0194 Oslo, Norway, will be the Group's auditor. Øyvind Skorgevik is the auditor who is responsible for the Group. Øyvind

Skorgevik is an authorised auditor and is a member of the Norwegian Institute of Public Accountants (Nw. *Den Norske Revisorforening*), the professional institute for the accountancy sector in Norway.

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

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

The most recent financial information has been taken from the consolidated financial statements for the financial year ended 31 December 2019, which was published on 16 November 2020 on the Company's website abax.com.

### **The Guarantors**

#### **ABAX AS**

Specific information of ABAX AS financial statements for the financial years ended 31 December 2019 and 31 December 2018 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. All such information is available on the Company's website abax.com.

ABAX AS financial statements for the financial years ended 31 December 2019 and 31 December 2018 have been prepared in accordance with Norwegian Generally Accepted Accounting Principles ("**Norwegian GAAP**").

Other than the auditing of ABAX AS financial statements for the financial years ended 31 December 2019 and 31 December 2018, ABAX AS auditor has not audited or reviewed any part of this Prospectus.

The specific information set out below from ABAX AS annual report for the financial year ended 31 December 2019 is incorporated into this Prospectus by reference. The other information set out in ABAX AS annual report for the financial year ended 31 December 2019 is deemed to not be relevant for the purpose of the Prospectus Regulations.

- income statement, page 2;
- balance sheet, pages 3-5;
- cash flow statement, page 7;
- the notes, pages 8-21; and
- the audit report, pages 28-30.

The specific information set out below from ABAX AS annual report for the financial year ended 31 December 2018 is incorporated into this Prospectus by reference. The other information set out in ABAX AS annual report for the financial year ended 31 December 2018 is deemed to not be relevant for the purpose of the Prospectus Regulations.

- income statement, page 7;
- balance sheet, pages 8-9;
- cash flow statement, page 10;
- the notes, pages 11-23; and
- the audit report, pages 24-26.

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

ABAX AS financial statements as at present and for the financial years ended 31 December 2019 and 31 December 2018 have been audited, as applicable, by KPMG AS, Sørkedalsveien 6, 0369 Oslo, Norway. KPMG AS has been the ABAX AS auditor since 2010. Commencing on the financial year 2020, PRICEWATERHOUSECOOPERS AS, Dronning Eufemias gate 71, 0194 Oslo, Norway, will be ABAX AS auditor. Thomas Alfheim is the auditor who is responsible for ABAX AS. Thomas Alfheim is an authorised auditor and is a member of the Norwegian Institute of Public Accountants (*Nw. Den Norske Revisorforening*), the professional institute for the accountancy sector in Norway.

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

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

The most recent financial information has been taken from the financial statements for the financial year ended 31 December 2019, which was published on 16 November 2020 on the Company's website abax.com.

### **ABAX Sweden AB**

Specific information of ABAX Sweden AB's financial statements for the financial years ended 31 December 2019 and 31 December 2018 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. All such information is available on the Company's website abax.com.

ABAX Sweden AB's financial statements for the financial years ended 31 December 2019 and 31 December 2018 have been prepared in accordance with Swedish Generally Accepted Accounting Principles.

Other than the auditing of ABAX Sweden AB's financial statements for the financial years ended 31 December 2019 and 31 December 2018, ABAX Sweden AB's auditor has not audited or reviewed any part of this Prospectus.

The specific information set out below from ABAX Sweden AB's annual report for the financial year ended 31 December 2019 is incorporated into this Prospectus by reference. The other information set out in ABAX Sweden AB's annual report for the financial year ended 31 December 2019 is deemed to not be relevant for the purpose of the Prospectus Regulations.

- income statement, page 6;
- balance sheet, pages 7-8;
- cash flow statement, page 9;
- the notes, pages 10-20; and
- the audit report, pages 21-22.

The specific information set out below from ABAX Sweden AB's annual report for the financial year ended 31 December 2018 is incorporated into this Prospectus by reference. The other information set out in ABAX Sweden AB's annual report for the financial year ended 31 December 2018 is deemed to not be relevant for the purpose of the Prospectus Regulations.

- income statement, page 6;
- balance sheet, pages 7-8;
- cash flow statement, page 9;
- the notes, pages 10-20; and
- the audit report, pages 22-23.

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

ABAX Sweden AB's financial statements as at present and for the financial years ended 31 December 2019 and 31 December 2018 have been audited, as applicable, by KPMG AB, Vasagatan 16, 111 20 Stockholm, Sweden. KPMG AB has been ABAX Sweden AB's auditor since 2010. Commencing on the financial year 2020, Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, Sweden, will be ABAX Sweden AB's auditor. Aleksander Lyckow is the auditor who is responsible for ABAX Sweden AB. Aleksander Lyckow is an authorised auditor and is a member of the professional body FAR, the professional institute for the accountancy sector in Sweden.

The auditing of the financial statements was conducted in accordance with international standards on auditing. The audit report in respect of ABAX Sweden AB's financial statements for the financial year ended 31 December 2019 contained a note that ABAX Sweden AB, on several occasions had not paid its taxes and fees on time and that and that the financial statements for the year 2019 had not been prepared in such a time that it was possible to, according to Chapter 7 Section 10 of the Swedish Companies Act, hold the annual general meeting within six months after the end of ABAX Sweden AB's financial year.

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

The most recent financial information has been taken from the financial statements for the financial year ended 31 December 2019, which was published on 16 November 2020 on the Company's website [abax.com](http://abax.com).

## OTHER INFORMATION

### Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of NOK 1,000,000,000 and the Company may, subject to certain conditions set out in the Terms and Conditions, issue additional Bonds in a maximum aggregate amount of NOK 1,500,000,000. Each Bond has a nominal amount of NOK 1,250,000. The ISIN for the Bonds is NO0010885312.

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

### Representation of the bondholders

The Terms and Conditions stipulates the provisions for the Agent's representation of the bondholders.

### The Guarantors

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

- ABAX AS is a limited liability company incorporated in Norway since 8 August 2008. It is registered with the Norwegian register of business enterprises, reg. no. 993 098 736. Its registered address is Hamnergata 20, 3264 Larvik, Norway.
- ABAX Sweden AB is a limited liability company incorporated in Sweden since 23 November 2010. It is registered with the Swedish Companies Registration Office, reg. no 556827-3600. Its registered address is Varmvalsvägen 17, 721 30 Västerås, Sweden.

### Material contracts

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

### Documents incorporated by reference

This Prospectus is, in addition to this document, comprised of information from the following documents which are incorporated by reference and available in electronic format on the Company's website at abax.com:

- pages 2-3, 11-12 and 14-44 from the Group's consolidated financial statements and audit report for the financial year ended 31 December 2019;
- pages 7-50 from the Group's consolidated financial statements and audit report for the financial year ended 31 December 2018;
- pages 2-5, 7-21 and 28-30 from ABAX AS financial statements and audit report for the financial year ended 31 December 2019;

- pages 7-26 from ABAX AS financial statements and audit report for the financial year ended 31 December 2018;
- pages 6-22 from ABAX Sweden AB's financial statements and audit report for the financial year ended 31 December 2019; and
- pages 6-20 and 22-23 from ABAX Sweden AB's financial statements and audit report for the financial year ended 31 December 2018.

### **Documents available for inspection**

The following documents are available at the Company's headquarters at Hamnergata 20, 3264 Larvik, Norway, on weekdays during the Company's regular office hours throughout the period of validity of this Prospectus and are also available in electronic form on the Company's website abax.com.

- the Company's articles of association and certificate of registration;
- ABAX AS articles of association and certificate of registration;
- ABAX Sweden AB's articles of association and certificate of registration;
- the Group's consolidated financial statements and audit report for the financial years ended 31 December 2019 and 31 December 2018;
- ABAX AS financial statements and the audit report for the financial years ended 31 December 2019 and 31 December 2018;
- ABAX Sweden AB's financial statements and audit report for the financial years ended 31 December 2019 and 31 December 2018;
- this Prospectus; and
- the Terms and Conditions.

### **Listing costs**

The aggregate cost for the Bonds' admission to trading is estimated not to exceed NOK 415,000.

## TERMS AND CONDITIONS OF THE BONDS

### 1. Definitions and Construction

#### 1.1 Definitions

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

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

"**Acquisition Net Proceeds**" means the Net Proceeds from the First Issue Date less (i) an amount equivalent to the Refinancing Debt (including, for the avoidance of doubt, any accrued but unpaid interest and any costs, fees or other amounts payable in connection with the refinancing of the Refinancing Debt), (ii) an amount equivalent to the Transaction Costs (unless already deducted), and (iii) an amount necessary to procure that the Group (on a consolidated basis) holds cash (calculated in accordance with the applicable accounting principles of the Group on the First Issue Date) in an amount of NOK 115,000,000.

"**Acquisition Net Proceeds Account**" means a bank account of the Issuer, into which the Acquisition Net Proceeds will be transferred and which has been pledged in favour of the Agent, the Bondholders (represented by the Agent) and the Secured Parties (as defined in the Intercreditor Agreement).

"**Acquisition Proceeds**" means the proceeds of a claim against a vendor (or any of its Affiliates) or against an adviser or provider of a due diligence report (in its capacity as such).

"**Additional Guarantor**" means each Group Company that has acceded to the Guarantee and Adherence Agreement pursuant to Clause 13.13 (*Additional Guarantors*).

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

"**Advance Purchase Agreements**" means an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are not longer than 90 days after or before (as applicable) the supply of assets or services.

"**Affiliate**" means any Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, "**control**" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing.

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

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

**"Bond"** means a debt instrument (*Sw. skuldförbindelse*) for the Nominal Amount and which are governed by and issued under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

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

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

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

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

**"Business Day Convention"** means the first following day that is a CSD 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 CSD Business Day.

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

**"Change of Control Event"** means:

- (a) prior to an Equity Listing Event, the occurrence of an event or series of events whereby one or more Persons, not being the Main Shareholder (or an Affiliate of the Main Shareholder), acting together, 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; and
- (b) on or after an Equity Listing Event, the occurrence of an event or series of events whereby one or more Persons, not being the Main Shareholder (or an Affiliate of the Main Shareholder), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 30 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.

**"Completion Date"** means the date of disbursements of the proceeds from the Proceeds Account.

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

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that an Event of Default is continuing, specifying the event and steps, if any, being taken to remedy it;

- (b) if the Compliance Certificate is provided in connection with an Incurrence Test, that the Incurrence Test is met (including figures in respect of the relevant financial tests and the basis on which they have been calculated) and, if required pursuant to "Nomination of Material Group Companies", the Material Group Companies; and
- (c) if the Compliance Certificate is provided in connection with the delivery of the audited annual financial statements, the Material Group Companies and any outstanding Material Intercompany Loans and Shareholder Loans.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Verdipapirsentralen ASA, Norwegian Reg. No. 985 140 421, Fred Olsens gate 1, NO-0152 Oslo, Norway.

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

"**Delisting**" means, following an Equity Listing Event, the delisting of the shares in the Issuer from a Regulated Market.

"**EBIT**" means, in respect of the Reference Period, the consolidated net income of the Group:

- (a) before any deduction of current and deferred corporation tax or other taxes on income or gains;
- (b) before any deduction of Net Finance Charges;
- (c) after deducting (to the extent otherwise included) the amount of interest accrued due to or, as the case may be, paid on cash balances of any member of the Group (other than by any other member of the Group) during the Reference Period (whether or not paid);
- (d) before any deductions for minority interests;
- (e) including income from associates only to the extent received in cash (including the proportionate consolidation of the earnings of entities in which the Group has joint control and the full consolidation of the earnings of entities controlled by the Group);
- (f) before deducting any fees, expenses or charges related to any equity financing, debt financing (including, without limitation interest rate and currency hedging costs and break costs), investments or acquisitions (whether or not successful) where such fees, expenses and charges have been paid or are payable;
- (g) after deducting (to the extent otherwise included) any gain over book value arising in favour of a member of the Group on the disposal of any asset (other than any disposals made in the ordinary course of trading) during that Reference Period and any gain arising on any revaluation of any fixed asset during that Reference Period;
- (h) after adding back (to the extent otherwise deducted) any loss against book value incurred by a member of the Group on the disposal of any asset (other than any disposals made in the ordinary course of trading) during that Reference Period and any loss arising on any revaluation of any fixed asset during that Reference Period;

- (i) before any deduction of management fees paid to the Sponsor and holding company costs paid in accordance with Clause 13.2 (*Restricted Payments*);
- (j) before deducting any Transaction Costs and any transaction cost relating to any acquisition of any target company;
- (k) before deducting capitalised interest on any Shareholder Loans or preference shares;
- (l) after adding back (to the extent otherwise deducted) any non-cash costs or provisions relating to any share option or management incentive schemes of the Group;
- (m) before taking into account any realised and unrealised exchange gains and losses including those arising on translation of currency debt;
- (n) excluding any items attributable to any fair value exercise carried out following any acquisition;
- (o) after deducting (to the extent not already deducted in the calculation of consolidated net income) payments made under any lease which pursuant to the terms of these Terms and Conditions are to be treated as an operating lease (or not as a Finance Lease); and
- (p) excluding any one-off costs and extraordinary items which are not in line with the ordinary course of business (for the avoidance of doubt, any cost savings, synergies or similar which could be included in EBITDA when adjusted in accordance with paragraph (d) of Clause 12.3 (*Calculation Adjustments*) does not qualify as costs under this paragraph (p)).

"**EBITDA**" means EBIT, in respect of the Reference Period, after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group during the Reference Period, to the extent deducted in calculating EBIT.

"**Equity Listing Event**" means an offering of shares in the Issuer or any of its holding companies whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

"**Event of Default**" means an event or circumstance specified in any of the Clauses 14.1 (*Non-payment*) to and including Clause 14.8 (*Continuation of the business*).

"**Final Maturity Date**" means 23 June 2025.

"**Finance Charges**" means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction Costs, any interest in respect of any loan owing to any member of the Group or capitalised interest in respect of any Shareholder Loans and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

"**Finance Documents**" means:

- (a) these Terms and Conditions;

- (b) the Agency Agreement;
- (c) the Proceeds Account Pledge Agreement;
- (d) the Security Documents;
- (e) the Guarantee and Adherence Agreement;
- (f) the Intercreditor Agreement; and
- (g) any other document designated to be a Finance Document by the Issuer and the Agent.

**"Finance Leases"** means any finance leases, to the extent the arrangement is or would have been treated as a finance or a capital lease in accordance with the accounting principles in force prior to 1 January 2019 (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the accounting principles in force prior to 1 January 2019 shall not, regardless of any subsequent changes or amendments of the accounting principles, be considered as a finance lease.

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

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

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

**"First Issue Date"** 23 June 2020.

**"Floating Rate Margin"** means 6.15 per cent. *per annum*.

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

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

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

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

"**Guarantors**" means each Original Guarantor and any Additional Guarantor.

"**Hedging Agreement**" shall have the meaning given to such term in the Intercreditor Agreement.

"**Incurrence Test**" means the incurrence test set out in Clause 12.1 (*Incurrence Test*).

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

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

"**Insolvent**" means that a person that:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its center of main interest as such term is understood pursuant to the regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May on insolvency proceedings (recast).

"**Intercreditor Agreement**" means the intercreditor agreement entered into between, amongst other, the Issuer, the Ultimate Parent, the Guarantors, the super senior RCF creditors under the Super Senior RCF, the facility agent under the Super Senior RCF, certain hedging counterparties and the Agent (representing the Bondholders).

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

"**Interest Payment Date**" means 23 March, 23 June, 23 September and 23 December each year. The first Interest Payment Date shall be 23 September 2020. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention.

"**Interest Period**" means:

- (a) in respect of the first Interest Period, the period from (and including) the First Issue Date to (but excluding) the first Interest Payment Date; and

- (b) in respect of subsequent Interest Periods, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant).

**"Interest Rate"** means NIBOR plus the Floating Rate Margin.

**"Issuer"** means Abax Group AS, a limited liability company incorporated in Norway with reg. no. 918 965 556.

**"Legal Reservations"** means the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors.

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

**"Listing Failure Event"** means:

- (a) that the Initial Bonds have not been admitted to listing on Nasdaq First North or Frankfurt Open Market within sixty (60) days after the First Issue Date;
- (b) that the Initial Bonds have not been admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market) within twelve (12) months after the First Issue Date;
- (c) any Subsequent Bonds issued:
- (i) prior to the admission to listing on Nasdaq Stockholm (or another Nordic Regulated Market) pursuant to item (b) above, have not been admitted to listing on Nasdaq First North or Frankfurt Open Market within twenty (20) days after the issuance of such Subsequent Bonds; or
  - (ii) after the admission to listing on Nasdaq Stockholm (or another Nordic Regulated Market) pursuant to item (b) above, have not been admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market) within twenty (20) days after the issuance of such Subsequent Bonds;
- (d) in the case of a successful admission to listing:
- (i) that the Bonds cease to be admitted to listing on Nasdaq First North or Frankfurt Open Market, unless the Bonds has been successfully admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market); or
  - (ii) that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Nordic Regulated Market) without being admitted to trading on another Nordic Regulated Market.

**"Main Shareholders"** means the Sponsor (and/or any other investment vehicles owned or managed directly or indirectly by the Sponsor).

**"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 ability of the Obligors taken as whole to comply with their obligations under the Finance Documents; or
- (c) subject to the Legal Reservations, the validity or enforceability of the Finance Documents.

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

- (a) the Issuer;
- (b) each Guarantor; or
- (c) any Group Company which is nominated as such by the Issuer in accordance with Clause 13.11 (*Nomination of Material Group Companies*).

**"Material Intercompany Loan"** means:

- (a) any intercompany loans provided by the Issuer to Abax AS; and
- (b) any intercompany loans provided by any Group Company to any other Group Company where:
  - (i) the term of the intercompany loan is at least 6 months; and
  - (ii) the aggregate principal amount of intercompany loans between two Group Companies is at least in an amount exceeding NOK 15,000,000.

For the avoidance of doubt, intercompany balances arising in the ordinary course of trading between the Group Companies shall not be treated as a Material Intercompany Loan for the purpose of paragraph (b) above.

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

**"Net Interest Bearing Debt"** means the aggregate interest bearing Financial Indebtedness less cash and cash equivalents (for the avoidance of doubt, including any Acquisition Net Proceeds standing to the credit of the Acquisition Net Proceeds Account) of the Group in accordance with the applicable accounting principles of the Group from time to time (for the avoidance of doubt, excluding guarantees that does not constitute Financial Indebtedness, counter indemnities for bank guarantees, Shareholder Loans, Subordinated Debt (as defined in the Intercreditor Agreement) and any other claims subordinated to the Secured Parties (as defined in the Intercreditor Agreement) pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing Financial Indebtedness borrowed from any Group Company).

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

**"New Debt"** shall have the meaning given to such term in the Intercreditor Agreement.

**"NIBOR"** means:

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12.00 (Oslo time) on the Quotation Day; or
- (b) if no screen rate is available for the relevant Interest Period;
  - (i) the linear interpolation between the two closes relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
  - (ii) a rate for deposits in NOK for the relevant Interest Period as supplied to the Agent at its request quoted by a sufficient number of commercial banks reasonably selected by the Agent; or
- (c) if no quotation is available under paragraph (b), the interest rate which according to the reasonable assessment of the Agent and the Issuer best reflects the interest rate for deposits in NOK offered for the relevant Interest Period; and

if any such rate is below zero (0), NIBOR will be deemed to be zero (0).

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

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

**"Original Guarantors"** means the Issuer, Abax AS (reg. no. 993 098 736) and Abax Sweden AB (reg. no. 556827-3600).

**"Paying Agent"** means Skandinaviska Enskilda Banken AB, Filial i Norge, or another party replacing it, as Paying Agent, in accordance with these Terms and Conditions.

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

- (a) incurred under the Bonds (other than Subsequent Bonds);
- (b) incurred under a Super Senior RCF in an amount not exceeding the Super Senior Headroom (as defined in the Intercreditor Agreement);
- (c) to the extent covered by a letter of credit, guarantee or indemnity issued under the Super Senior RCF or any ancillary facility relating thereto;
- (d) incurred under any Super Senior Hedges;
- (e) incurred under the Refinancing Debt until the Completion Date;
- (f) of the Group incurred pursuant to any Finance Leases incurred in the ordinary course of the Group's business in an aggregate maximum amount of NOK 20,000,000;

- (g) of the Group under any guarantee issued by a Group Company in relation to office space or other premises leased by the Group or in the ordinary course of business
- (h) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions or the Super Senior RCF, but not any transaction for investment or speculative purposes;
- (i) incurred by a Group Company from another Group Company (including any cash pool arrangements);
- (j) incurred under any Shareholder Loans;
- (k) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence, and
  - (i) is incurred as a result of a Subsequent Bond Issue; or
  - (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which all occur after the Final Maturity Date;
- (l) incurred by an entity acquired by any Group Company after the First Issue Date which entity already had incurred the Financial Indebtedness, but not incurred or increased or having its maturity date extended in contemplation of, or since that acquisition, provided that:
  - (i) the Incurrence Test is met on a *pro forma* basis if tested immediately after the making of that acquisition, and
  - (ii) such Financial Indebtedness is:
    - (A) repaid in full within six (6) months of completion of such acquisition; or
    - (B) refinanced in full within six (6) months of completion of such acquisition with Permitted Debt;
- (m) incurred under any Advance Purchase Agreement;
- (n) incurred under any pension and tax liabilities in the ordinary course of business by any Group Company;
- (o) arising under any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company which is not in respect of Financial Indebtedness;
- (p) 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;

- (q) constituting deferred purchase price provided that:
  - (i) the aggregate amount outstanding does not exceed NOK 100,000,000 at any time (calculated in aggregate with any Financial Indebtedness outstanding pursuant to paragraph (s) below));
  - (ii) it is subordinated to the obligations of the Issuer under the Finance Documents as Subordinated Debt pursuant to and as defined in the Intercreditor Agreement (the "**Subordinated Debt**");
- (r) under any credit card or BACS facility or business internet banking facility relating to daily payment settlement limits entered into in the ordinary course of business; and
- (s) not covered under paragraphs (a)-(r) above in an aggregate maximum amount of NOK 30,000,000 (or its equivalent in local currencies).

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

- (a) the transferee Group Company shall be or become a Guarantor if the transferor Group Company is a Guarantor;
- (b) any transferor Group Company which shares are subject to the Transaction Security may only be merged (or involved in analogous proceedings having a similar effect) with a transferee Group Company which shares are, or will be, subject to Security in favour of the Secured Parties; and
- (c) following the merger the Transaction Security granted to the Secured Parties is the same or equivalent following the merger, except if such Transaction Security constitutes Security over intra-group loans granted between the Group Companies that are to be merged in which case the merger shall be permitted notwithstanding that such Transaction Security will not remain following the merger provided that the Agent (acting in its sole discretion) have given its consent thereto.

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

- (a) provided under the Senior Finance Documents and otherwise permitted pursuant to the Intercreditor Agreement;
- (b) under the Refinancing Debt, up until the Completion Date;
- (c) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (d) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;

- (e) provided in relation to any lease agreement entered into by a Group Company in the ordinary course of business and on normal commercial terms;
- (f) provided over any assets being subject to a Financial Lease, permitted pursuant to paragraph (f) of the definition of "Permitted Debt";
- (g) 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 Debt", provided that such security is discharged and released in full upon the refinancing or repayment of such Financial Indebtedness as set out therein;
- (h) affecting any asset acquired by any Group Company after the First Issue Date, provided that such security is discharged and released in full within ninety (90) days of such acquisition;
- (i) any Security created for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided always that any perfection requirements in relation thereto are satisfied 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 debt);
- (j) provided for any guarantees issued by a Group Company in the ordinary course of business;
- (k) provided for bank guarantees in the form of cash Security in an aggregate maximum amount not exceeding NOK 11,000,000 at any time;
- (l) any security provided by or over a Group Company to secure any Permitted Debt referred to in paragraphs (b), (c), (d), (h) and (n) of the definition "Permitted Debt"; or
- (m) not covered under (a)-(l) above securing an aggregate maximum amount of NOK 30,000,000.

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

**"Proceeds Account"** means a bank account of the Issuer, into which the Net Proceeds will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Proceeds Account Pledge Agreement.

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

**"Quotation Day"** means, in relation to any period for which an interest rate is to be determined, two (2) CSD Business Days before the first day of that period.

**"Record Date"** means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 16 (*Decisions by Bondholders*), the date falling on the immediate preceding CSD Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Agent.

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

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

**"Refinancing Debt"** means the senior facilities agreement originally dated 25 May 2017 (as amended from time to time) between, amongst others, Abax Group AS as parent, Abax Group AS as company and original borrower, the entities named therein as original guarantors, Skandinaviska Enskilda Banken AB (publ) as arranger, agent and security agent and the financial institutions named therein as original lenders and any Hedging Agreement as defined therein.

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

**"Restricted Payment"** shall have the meaning given to such term in Clause 13.2 (*Restricted Payments*).

**"Secured Obligations"** shall have the meaning given to such term in the Intercreditor Agreement.

**"Secured Parties"** shall have the meaning given to such term in the Intercreditor Agreement.

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

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

**"Security Agent"** means the security agent, appointed by the Secured Parties pursuant to the Intercreditor Agreement, holding the Transaction Security on behalf of the Secured Parties, being Nordic Trustee & Agency AB (publ) on the First Issue Date.

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

**"Senior Finance Documents"** shall have the meaning given thereto in the Intercreditor Agreement.

**"Shareholder Loans"** means any shareholder loan made by the Ultimate Parent to the Issuer as debtor, if such loan:

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

**"Sole Bookrunner"** means Skandinaviska Enskilda Banken AB (publ).

**"Sponsor"** means Investcorp S.A.

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

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

**"Subsidiary"** means, a company or corporation, in which a company or corporation directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners; or
- (c) 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"** shall have the meaning given to such term in the Intercreditor Agreement.

**"Super Senior Hedges"** means hedging transactions entered into by a Group Company in respect of payments to be made under the Bonds or for hedging exposures (including hedging exposures in relation to fluctuation in currency rates) arising in the ordinary course of business, but not for speculative or investment purposes, to the extent the hedging counterparty has acceded to the Intercreditor Agreement.

**"Super Senior RCF"** shall have the meaning given to such term in the Intercreditor Agreement.

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

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

**"Transaction Costs"** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with:

- (a) a Bond Issue;
- (b) the Super Senior RCF; and

- (c) the listing of the Bonds.

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

- (a) a Norwegian law governed share pledge over all the shares in the Issuer granted by the Ultimate Parent;
- (b) a Norwegian law share governed pledge over all the shares in Abax AS granted by the Issuer;
- (c) a Swedish law governed share pledge over all the shares in Abax Sweden AB granted by Abax AS;
- (d) a Norwegian law governed floating charge in respect of its (i) operating assets (Nw. *driftstilbehør*), (ii) inventory (Nw. *varelager*) and (iii) trade receivables (Nw. *kundefordringer*) by each Material Group Company incorporated in Norway amounting to no less than 120 per cent. of the Secured Obligations from time to time (initially, NOK 2,000,000,000);
- (e) a Swedish law governed business mortgage over the business mortgage issued in Abax Sweden AB's business in an amount of SEK 5,000,000 with best priority;
- (f) a Norwegian law governed receivables pledge over hedging claims granted by the Issuer;
- (g) a Norwegian law governed pledge over the Acquisition Net Proceeds Account granted by the Issuer;
- (h) an intercompany loan pledge over any current intercompany loans made by the Issuer or an Original Guarantor to an Original Guarantor;
- (i) an intercompany loan pledge over any current intercompany loans not arising in the ordinary course of trading, exceeding NOK 15,000,000 and made by the Original Guarantors to another Group Company; and
- (j) pledge over any current Shareholder Loans.

"**Ultimate Parent**" means Abax Midco AS, a limited liability company incorporated in Norway with reg. no. 818 965 532.

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

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "assets" includes present and future properties, revenues and rights of every description;

- (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (iv) an Event of Default is continuing if it has not been remedied or waived;
  - (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in Norwegian Kroner has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Norwegian Kroner for the previous CSD Business Day, as published by the Norwegian Central Bank (No. *Norges Bank*) on its website ([www.norges-bank.no](http://www.norges-bank.no)). If no such rate is available, the most recently published rate shall be used instead.
  - (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
  - (d) No delay or omission of the Agent, the Security Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The Bonds are denominated in Norwegian Kroner and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Initial Bond is NOK 1,250,000 (the "**Nominal Amount**"). The maximum total nominal amount of the Initial Bonds is NOK 1,000,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100) per cent. of the Initial Nominal Amount.
- (d) The minimum permissible investment in a Bond Issue is NOK 1,250,000.
- (e) Provided that the Incurrence Test (calculated *pro forma* including such Subsequent Bond Issue) is met, the Issuer may, at one or several occasions after the First Issue Date, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds.

The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed NOK 1,500,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16(d). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.

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

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

- (a) The Issuer shall use the Net Proceeds from the Initial Bond Issue, towards (i) refinance the Refinancing Debt, (ii) finance general corporate purposes of the Group (including investments and acquisitions) and (iii) finance Transaction Costs.
- (b) The Issuer shall use the Net Proceeds from any Subsequent Bond Issue, towards (i) finance general corporate purposes of the Group (including investments and acquisitions), (ii) make Restricted Payments (provided that such is permitted pursuant to Clause 13.2 (*Restricted Payments*)) and (iii) finance Transaction Costs.

### **4. Conditions Precedent**

- (a) The payment of the Net Proceeds from the Initial Bond Issue to the Proceeds Account is subject to the Agent having received documents and evidence of the Proceeds Account Pledge Agreement being duly executed and perfected.
- (b) The Issuer shall provide, or procure the provision of, to the satisfaction of the Agent:
  - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer and each other party to a Finance Document (other than the Agent), together constituting evidence that the Finance Documents have been duly executed;
  - (ii) copies of the Finance Documents, duly executed;

- (iii) evidence by way of a release letter that the security existing in favour of the Refinancing Debt will be released and discharged upon repayment of the Refinancing Debt;
  - (iv) evidence that the Transaction Security either has been or will, immediately following disbursement from the Proceeds Account, be perfected in accordance with the terms of the Security Documents;
  - (v) an agreed form Compliance Certificate;
  - (vi) a list of the Material Group Companies as per the First Issue Date;
  - (vii) a certificate confirming the Acquisition Net Proceeds on the Completion Date (including calculations);
  - (viii) evidence, by way of a transfer instruction, that the Acquisition Net Proceeds will be transferred to the Acquisition Net Proceeds Account immediately following disbursement from the Proceeds Account;
  - (ix) legal opinion(s) on the capacity and due execution, in respect of any non-Swedish entity being party to a Finance Document issued by a reputable law firm; and
  - (x) legal opinion(s) on the validity and enforceability of any Finance Document not governed by Swedish law issued by a reputable law firm.
- (c) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4(b) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4(b) above from a legal or commercial perspective of the Bondholders.
- (d) When the conditions precedent for disbursement set out in Clause 4(b) have been received to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Proceeds Account) to transfer the funds from the Proceeds Account for the purpose set out in Clause 3 (*Use of Proceeds*), and the Agent shall thereafter or in connection therewith release the pledge over the Proceeds Account.
- (e) If the conditions precedent for disbursement set out in Clause 4(b) have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within sixty (60) Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to one hundred (100) per cent. of the Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with the Proceeds Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4(e). Any shortfall shall be covered by the Issuer. The repurchase date shall occur on a CSD Business Day and fall no later than thirty (30) Business Days after the ending of the sixty (60) Business Days period referred to above.

## **5. Bonds in Book-Entry Form**

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD Registration requests relating to the Bonds shall be directed to Paying Agent or an Account Operator.
- (b) In order to carry out its functions and obligations under these Terms and Conditions, the Agent will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD (subject to applicable law).
- (c) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds (subject to applicable law).

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

- (a) If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.
- (b) A Bondholder may issue one or several powers of attorney or other authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

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

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Bondholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the bank account nominated by the Bondholder in connection with its securities account in the CSD. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are

registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.

- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue without any default interest in accordance with Clause 8(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## **8. Interest**

- (a) Each Initial Bond carries Interest at the Interest Rate from (and including) the First Issue Date up to (but excluding) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (and including) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (but excluding) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent, the CSD or the Paying Agent, in which case the Interest Rate shall apply instead.

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

### **9.1 Redemption at maturity**

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

## 9.2 Issuer's purchase of Bonds

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer may at the Issuer's discretion be retained or sold, but not cancelled (other than in connection with a redemption in full).

## 9.3 Voluntary total redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full:
- (i) any time from and including the First Issue Date to, but excluding, the date falling thirty-six (36) months after the First Issue Date at an amount per Bond equal to 103.075 per cent. of the Nominal Amount plus the remaining interest payments to, but excluding, the date falling thirty-six (36) months after the First Issue Date, together with accrued but unpaid Interest;
  - (ii) any time from and including the date falling thirty-six (36) months after the First Issue Date to, but excluding, the date falling forty-two (42) months after the First Issue Date at an amount per Bond equal to 103.075 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iii) any time from and including the date falling forty-two (42) months after the First Issue Date to, but excluding, the date falling forty-eight (48) months after the First Issue Date at an amount per Bond equal to 101.574 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iv) any time from and including the date falling forty-eight (48) months after the First Issue Date to, but excluding, the date falling fifty-four (54) months after the First Issue Date at an amount per Bond equal to 100.769 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
  - (v) any time from and including the date falling fifty-four (54) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Upon receipt of such notice, the Agent shall inform the Paying Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.
- (c) For the purpose of calculating the remaining interest payments pursuant to Clause 1.1.1(a) it shall be assumed that the Interest Rate for the period from the relevant Record Date to the date falling thirty-six (36) 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, the Agent and the Paying Agent in connection with such repayment.

#### 9.4 Special Redemption

Following the occurrence of a Change of Control Event, the Issuer may, subject to the conditions below, on any CSD Business Day occurring from (but excluding) the First Issue Date up to (but excluding) the date falling thirty-six (36) months after the First Issue Date and no later than fifteen (15) Business Days from the Change of Control Event issue a notice of repayment to the Bondholders and the Agent. The Issuer shall no less than twenty (20) Business Days following such notice of repayment redeem the Bonds in whole at an amount per Bond equal to 105.0 per cent. of the Nominal Amount plus accrued but unpaid Interest on the repaid amount (the "**Special Redemption Option**"), provided that:

- (a) the Issuer may only exercise the Special Redemption Option if the related call option notice includes a statement of the Issuer's decision to exercise the Special Redemption Option;
- (b) such redemption shall take place within thirty-five (35) Business Days from the date of the occurrence of a Change of Control Event.

#### 9.5 Mandatory repurchase due to a Change of Control Event, Listing Failure Event or Delisting (put option)

- (a) Upon the occurrence of a Change of Control Event, a Listing Failure Event or a Delisting, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to one hundred and one (101) per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event, the Listing Failure Event or the Delisting (as applicable) pursuant to Clause 11.1(c) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event, Listing Failure Event or Delisting (as applicable).
- (b) The notice from the Issuer pursuant to Clause 11.1(c) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to this Clause 9.5(b) The repurchase date must fall no later than forty-five (45) Business Days after the end of the period referred to in this Clause 9.5(b).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.
- (d) The put option right set out in this Clause 9.5 shall not apply if the Issuer has issued an irrevocable notice to redeem the Bonds pursuant to Clause 9.4 (*Special Redemption*).

- (e) Any Bonds repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained or sold, but not cancelled.

## 10. Transaction Security and Guarantees

- (a) Subject to the Intercreditor Agreement, as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Ultimate Parent, the Issuer and the relevant Group Companies being party to any Security Document grants the Transaction Security to the Bondholders (as represented by the Agent), the Agent and the other Secured Parties on the terms set out in the Security Documents (to the fullest extent permitted under applicable laws).
- (b) Subject to the Intercreditor Agreement, each Guarantor will irrevocably and unconditionally, jointly and severally, as principal obligor, pursuant to a Guarantee and Adherence Agreement guarantee the punctual performance of any Obligor's obligations under the Senior Finance Documents (to the fullest extent permitted under applicable laws).
- (c) The Security Agent shall hold the Transaction Security and the Guarantees on behalf of the Secured Parties in accordance with the Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement (as applicable).
- (d) The Agent shall be entitled to give instructions (on behalf of the Bondholders) relating to the Transaction Security and the Guarantees to the Security Agent in accordance with the Intercreditor Agreement.
- (e) Unless and until the Security Agent has received instructions to the contrary in accordance with the Intercreditor Agreement or, if no Intercreditor Agreement has been entered into, from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders', the super senior RCF creditors' under the Super Senior RCF, the creditors' under any New Debt, the hedge counterparties' under the Hedging Agreement or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Senior Finance Documents and provided that such agreements or actions are not detrimental to the interests of the Bondholders.
- (f) Subject to the Intercreditor Agreement, the Security Agent may, acting on instructions of the Secured Parties, or if in accordance with the Intercreditor Agreement, the Instructing Party (as defined in the Intercreditor Agreement), release Transaction Security and Guarantees in accordance with the terms of the Senior Finance Documents. For the avoidance of doubt, any Transaction Security or Guarantee will always be released in such way which does not affect the sharing between the Bondholders, the super senior RCF creditors under the Super Senior RCF, the creditors under any New Debt, and the hedge counterparties under the Hedging Agreement of the remaining Transaction Security and Guarantee and/or the ranking and priority of the Bondholders, the super senior RCF creditors under the Super Senior RCF, the creditors under any New Debt and the hedge counterparties under the Hedging Agreement as specified in the Intercreditor Agreement.

- (g) The Issuer shall have a right to withdraw Acquisition Net Proceeds standing to the credit of the Acquisition Net Proceeds Account provided that the Issuer has delivered a duly signed certificate to the Agent (with a copy to the facility agent under the Super Senior RCF), confirming that that proceeds shall be applied towards an acquisition of the majority part of shares or participations in an entity or a business or undertaking carried on as a going concern and that:
- (i) the acquired entity, business or undertaking is incorporated or established, and carries on its principal business, in one or more of any member state of the European Union, the European Economic Area or the United Kingdom and is engaged in a business substantially the same as, or is related to, that carried on by the Group;
  - (ii) the consolidated EBITDA (calculated on the same basis as EBITDA) of the entity, business or undertaking that is to be acquired for the last twelve months is positive (taking into account costs savings and synergies as a result of the acquisition provided that such are likely to be obtained within twelve (12) months from the acquisition);
  - (iii) the Incurrence Test (calculated *pro forma* including the relevant acquisition) is met; and
  - (iv) the relevant acquisition is permitted or consented to under the Super Senior RCF.

Notwithstanding the above, the Issuer may apply any Acquisition Net Proceeds standing to the credit to the Acquisition Net Proceeds Account towards a redemption or repurchase of Bonds, provided that such redemption or repurchase is made in connection with a redemption of the Bonds in full and that the Issuer confirms that such redemption or repurchase is permitted or consented to under the Super Senior RCF.

## **11. Information to Bondholders**

### **11.1 Information from the Issuer**

- (a) The Issuer shall make the following information available in the English language by publication on the website of the Group or on another relevant information platform:
- (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly interim unaudited consolidated reports or the year end report (Sw. *bokslutskommuniké*) (as applicable) of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;

- (iii) any other information required by the Swedish Securities Markets act (*Sw. lag (2007:528) om värdepappersmarknaden*) (if applicable), the Norwegian Securities Trading Act of 2007 no.75 (if applicable) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading; and
    - (iv) promptly following an acquisition or disposal of Bonds by a Group Company, the aggregate Nominal Amount held by Group Companies.
  - (b) When the Bonds have been listed on a Regulated Market:
    - (i) the information set out in Clause 11.1(a) shall also be made available by way of press release; and
    - (ii) the reports referred to in Clause 11.1(a)(i) and Clause 11.1(a)(ii) shall be prepared in accordance with IFRS.
  - (c) The Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event, a Listing Failure Event or a Delisting, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
  - (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
  - (e) The Issuer shall submit a duly executed Compliance Certificate to the Agent:
    - (i) in connection with the testing of the Incurrence Test; and
    - (ii) in connection with the delivery of the annual financial statements.
  - (f) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered to it pursuant to paragraph (e) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
  - (g) The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
  - (h) The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would

exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.

## **11.2 Information from the Agent**

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

## **11.3 Publication of Finance Documents**

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

## **12. Financial Undertakings**

### **12.1 Incurrence Test**

The Incurrence Test is met if:

- (a) in connection with the incurrence of new Financial Indebtedness in accordance with items (k) and (l) of the definition of "Permitted Debt" or an acquisition funded by Acquisition Net Proceeds, the Leverage Ratio is below 3.75:1;
- (b) in connection with a Restricted Payment, the Leverage Ratio is below 2.0:1; and
- (c) no Event of Default is continuing or would occur upon the incurrence of Financial Indebtedness or distribution (as applicable).

### **12.2 Testing of the Incurrence Test**

The Leverage Ratio shall be calculated as follows:

- (a) the calculation shall be made as per a testing date determined by the Issuer, falling no more than one (1) month prior to the incurrence of the new Financial Indebtedness, the Restricted Payment or the acquisition (as applicable) and not before the testing date for any other Incurrence Test already made; and
- (b) the amount of Net Interest Bearing Debt shall be measured on the relevant testing date so determined, *pro forma* for the new Restricted Payment, new Financial Indebtedness or new acquisition (as applicable), but exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred (however, any cash balance resulting from the incurrence of any new Financial Indebtedness shall not reduce the Net Interest Bearing Debt).

### 12.3 Calculation Adjustments

The figures for EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:

- (a) any changes relating to the incorporation of amended revenue recognition made on 1 January 2020 shall be applied, *pro forma*, for the entire Reference Period (and for each Reference Period thereafter);
- (b) entities acquired or disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period;
- (c) any entity to be acquired with Acquisition Net Proceeds or proceeds from the new Financial Indebtedness (as applicable) shall be included, *pro forma*, for the entire Reference Period; and
- (d) the net cost savings and synergies as a result of acquisitions and/or disposals of entities referred to in paragraph (b) and (c) above shall be included provided that the CFO has certified that:
  - (i) they are projected to be likely to be obtained within twelve (12) months after the relevant event; and
  - (ii) do not result in increasing the EBITDA for the applicable Reference Period by greater than ten (10) per cent. in aggregate.

## 13. General Undertakings

### 13.1 General

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

### 13.2 Restricted Payments

- (a) No Obligor shall, and shall procure that no Group Company will:
  - (i) pay any dividend in respect of its shares;

- (ii) repurchase or redeem any of its own shares;
- (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
- (iv) repay any Shareholder Loans or pay any interest thereon;
- (v) repay any Subordinated Debt or pay any interest thereon;
- (vi) make any prepayments or repayments under any long-term debt ranking junior to the Bonds;
- (vii) make any payments of fees to any direct or indirect shareholder of the Issuer, except for management fees not in excess of NOK 2,500,000 in aggregate in each financial year;
- (viii) make distributions to any direct or indirect holding company of the Issuer in excess of NOK 5,000,000 in aggregate in any financial year, provided that such payments are made to cover the administrative costs and costs to management and board of directors of such direct or indirect holding company of the Issuer;
- (ix) grant any loans except:
  - (A) loans to third parties in an aggregate outstanding amount not exceeding NOK 15,000,000 at any time;
  - (B) loans to shareholders or shareholder employees for the purpose of acquiring shares within the management incentive program in an aggregate outstanding amount not exceeding NOK 5,000,000 at any time; and
  - (C) loans to the Ultimate Parent to cover tax payments to be made by the Ultimate Parent in relation to the Group; or
- (x) make any other similar distribution or transfers of value to the Issuer's, or the Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders,

(paragraphs (i) - (x) above are together and/or individually referred to as a "**Restricted Payment**").

- (b) Notwithstanding the above, a Restricted Payment may be made:
  - (i) if made 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; and/or
  - (ii) if:
    - (A) the Incurrence Test is met (calculated on a *pro forma* basis including the relevant Restricted Payment); and

- (B) at the time of the payment, the aggregate amount of all Restricted Payments of the Group (other than payments permitted under paragraph (i) above) in any financial year (including the Restricted Payment in question) does not exceed 50 per cent. of the Group's consolidated net profit for the previous financial year; and/or
- (iii) if:
  - (A) the Incurrence Test is met (calculated on a pro forma basis including the relevant Restricted Payment); and
  - (B) such Permitted Payment is funded by, and amount to not more than, the aggregate amount received by a Group Company as insurance proceeds under a warranty and indemnity insurance or Acquisition Proceeds relating to the acquisition of Fleetfinder ApS and Abax AS.

### **13.3 Nature of Business**

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

### **13.4 Financial Indebtedness**

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

### **13.5 Disposal of Assets**

- (a) Subject to the terms of the Intercreditor Agreement, no Obligor shall, and shall procure that none of its Subsidiaries will, sell or otherwise dispose of shares in any Material Group Company or of all or substantially all of its or that Material Group Company's assets, or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction:
  - (i) is carried out at fair market value and on arm's length terms; and
  - (ii) does not have a Material Adverse Effect.
- (b) No asset that is subject to Transaction Security may be disposed of other than in accordance with the terms of the Intercreditor Agreement. Any asset subject to a business mortgage may for the avoidance of doubt be disposed of in the ordinary course of business.

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

Each Obligor shall, and shall procure that its Subsidiaries will, conduct all dealings with any Person (other than Group Companies) at arm's length terms.

### **13.7 Negative Pledge**

No Obligor shall, and shall procure that none of its Subsidiaries will, provide, prolong or renew any security over any of its and/or their assets (present or future), other than any Permitted Security.

### **13.8 Mergers and demergers**

- (a) Subject to the terms of the Intercreditor Agreement, the Issuer shall not enter into a merger where the Issuer is not the surviving entity and the Issuer shall not enter into a demerger.
- (b) Subject to the paragraph (a) above, no Obligor shall, and shall procure that none of its Subsidiaries will, enter into a merger or demerger unless:
  - (i) such merger constitutes a Permitted Merger; or
  - (ii) such merger or demerger is not likely to have a Material Adverse Effect.

### **13.9 Holding company**

The Issuer shall not trade, carry on any business, own any assets or incur any liabilities except for:

- (a) the provision of administrative services (excluding treasury services) to other members of the Group of a type customarily provided by a holding company to its Subsidiaries;
- (b) ownership of shares in Abax AS, intra-Group debit and credit balances towards Abax AS, provided that such balances are subject to Transaction Security, and other credit balances in bank accounts and cash equivalents, provided that the amount of cash held by the Issuer (other than Acquisition Net Proceeds standing to the credit of the Acquisition Net Proceeds Account) may not exceed NOK 40,000,000 (or the equivalent in any other currency) at any time; and
- (c) any liabilities under any Shareholder Loans or the Senior Finance Documents to which it is a party, payment of tax and professional fees and administration costs in the ordinary course of business as a holding company.

### **13.10 Compliance with laws and authorisations**

Each Obligor shall, and shall make sure that its Subsidiaries will:

- (a) comply with all laws and regulations applicable from time to time; and
- (b) obtain, maintain and comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company,

in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

### 13.11 Nomination of Material Group Companies

At:

- (a) the First Issue Date and thereafter once every year (starting in 2021) (simultaneously with the publication by the Issuer of the audited annual financial statements of the Group); and
- (b) the date of acquisition of any assets by a Group Company financed (in whole or in part) by (i) Financial Indebtedness incurred pursuant to items (k) and (l) of the definition of Permitted Debt for a consideration in excess of 5 per cent. of EBITDA or turnover of the Group (calculated on a consolidated basis) or (ii) Acquisition Net Proceeds,

the Issuer shall ensure that:

- (c) each wholly-owned Group Company which (on a consolidated basis in the case of a wholly-owned Group Company which itself has Subsidiaries) has EBITDA representing 5 per cent. or more of EBITDA of the Group or turnover representing 5 per cent. or more of the turnover of the Group; and
- (d) such wholly-owned Group Companies as are necessary to ensure that the Issuer and the Material Group Companies in aggregate account for at least 85 per cent. of EBITDA and turnover of the Group (in each case calculated on an unconsolidated basis and excluding all goodwill, intra-group items and investments in Subsidiaries of any Group Company),

in each case, determined by reference to the most recent audited annual financial statements, are listed as Material Group Companies in the relevant Compliance Certificate delivered in connection thereto.

### 13.12 Additional Security over Material Group Companies

Each Obligor shall procure that Security over the shares of each Material Group Company is granted no later than sixty (60) Business Days after its nomination in accordance with Clause 13.11 (*Nomination of Material Group Companies*) and in connection therewith provide to the Agent:

- (a) constitutional documents and corporate resolutions (approving the relevant Security Document and authorising a signatory/-ies to execute that Security Document) for the relevant security provider and each other party to that Security Document (other than the Security Agent);
- (b) copies of the relevant Security Documents duly executed;
- (c) evidence that the relevant Transaction Security either has been or will be perfected in accordance with the terms of the relevant Security Documents;
- (d) any legal opinion on the capacity and due execution in respect of any entity being party to the relevant Security Document, unless it is incorporated in Sweden, issued by a reputable law firm; and

- (e) any legal opinion on the validity and enforceability in respect of the relevant Security Document, unless it is governed by Swedish law, which, if requested by the Agent, shall also include customary opinions regarding the role of the Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds), issued by a reputable law firm.

### 13.13 Additional Guarantors

Each Obligor shall procure that each Material Group Company accedes to the Guarantee and Adherence Agreement no later than sixty (60) Business Days after its nomination in accordance with Clause 13.11 (*Nomination of Material Group Companies*) and in connection therewith provide to the Agent:

- (a) Security pursuant to the terms of these Terms and Conditions and the Intercreditor Agreement;
- (b) duly executed accession letter to the Intercreditor Agreement;
- (c) the documents and other evidence listed in schedule 3 (*Conditions Precedent*) of the Guarantee and Adherence Agreement.

### 13.14 Additional Security Material Intercompany Loans

- (a) Each Obligor shall, and shall procure that each Group Company will, upon the incurrence of a Material Intercompany Loan, procure that the intragroup creditor of such Material Intercompany Loan grants a pledge over that Material Intercompany Loan as Security for all amounts outstanding under the Senior Finance Documents and simultaneously therewith deliver to the Agent (unless previously provided):
  - (i) constitutional documents and corporate resolutions (approving the relevant Security Documents and authorising a signatory/-ies to execute the relevant Security Document) for the relevant security provider, and each other party to that Security Document (other than the Security Agent);
  - (ii) a legal opinion on the capacity and due execution, in respect of any entity being party to the relevant Security Document, unless it is incorporated in Sweden, issued by a reputable law firm; and
  - (iii) any legal opinion on the validity and enforceability in respect of the relevant Security Document, unless it is governed by Swedish law, which, if requested by the Agent, shall also include customary opinions regarding the role of the Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds), issued by a reputable law firm.
- (b) The Security shall, to the extent required by law, be subject to customary financial assistance and corporate benefit limitations.
- (c) Provided that no Event of Default has occurred and is continuing:
  - (i) payment of principal under Material Intercompany Loans made for the purpose of making payments under the Senior Finance Documents; and
  - (ii) payment of interest under Material Intercompany Loans shall be permitted.

Notwithstanding the above, payment of principal under Material Intercompany Loans where the Transaction Security will remain valid and perfected shall be permitted.

### **13.15 Additional Security Shareholder Loans**

- (a) The Issuer shall, upon the incurrence of a Shareholder Loan, procure that the shareholder creditor of such Shareholder Loan grants a pledge over that Shareholder Loan as Security for all amounts outstanding under the Senior Finance Documents and simultaneously therewith deliver to the Agent (unless previously provided):
  - (i) constitutional documents and corporate resolutions (approving the relevant Security Documents and authorising a signatory/-ies to execute the relevant Security Document) for the relevant security provider, and each other party to that Security Document (other than the Security Agent);
  - (ii) a legal opinion on the capacity and due execution, in respect of any entity being party to the relevant Security Document, unless it is incorporated in Sweden, issued by a reputable law firm; and
  - (iii) any legal opinion on the validity and enforceability in respect of the relevant Security Document, unless it is governed by Swedish law, which, if requested by the Agent, shall also include customary opinions regarding the role of the Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds), issued by a reputable law firm.
- (b) The security shall, to the extent required by law, be subject to customary financial assistance and corporate benefit limitations.
- (c) Payment of interest and principal on pledged Shareholder Loans shall be allowed if such payments are permitted in accordance with Clause 13.2 (*Restricted Payments*).

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

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.9 (*Acceleration of the Bonds*)) is an Event of Default.

### **14.1 Non-payment**

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

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

### **14.2 Other obligations**

A party (other than the Agent, the Super Senior RCF Creditor, the Hedge Counterparty, the Facility Agent and any New Debt Creditor, each as defined in the Intercreditor Agreement) fails to comply with the Finance Documents to which it is a party, in any other way than as set out under Clause 14.1 (*Non-payment*) above, provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen

(15) Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

### 14.3 Cross payment default and cross-acceleration

Any Financial Indebtedness of a Group Company is:

- (a) not paid when due as extended by any originally applicable grace period (if there is one); or
- (b) declared to be due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur under this Clause 14.3 (*Cross payment default and cross-acceleration*) if (i) the aggregate amount of Financial Indebtedness that has fallen due is less than NOK 10,000,000 or (ii) it is owed to a Group Company.

### 14.4 Insolvency

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

### 14.5 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 ninety (90) days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries of the Issuer, solvent liquidations) in relation to:

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

### 14.6 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding NOK 10,000,000 and is not discharged within ninety (90) days.

#### 14.7 Impossibility or illegality

It is or becomes impossible or unlawful for any Obligor to fulfill or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable (subject to the Legal Reservations).

#### 14.8 Continuation of the business

The Issuer or any other Group Company ceases to carry on its business (other than (a) following a Permitted Merger, (b) a solvent liquidation permitted pursuant to Clause 14.5 (*Insolvency proceedings*) or (c) a disposal permitted under the Finance Documents) if such discontinuation is likely to have a Material Adverse Effect.

#### 14.9 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing but subject to the terms of the Intercreditor Agreement, the Agent is entitled to, and shall following an instruction given pursuant to Clause 14.9(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 14.9(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) Subject to the Intercreditor Agreement, in the event of an acceleration of the Bonds in accordance with this Clause 14.9 the Issuer shall up to, but excluding, the date falling thirty-six (36) months after the First Issue Date redeem all Bonds at an amount

per Bond equal to the Call Option Amount set out in Clause 1.1.1(a) and thereafter, as applicable considering when the acceleration occurs, redeem all Bonds at an amount per Bond equal to the Call Option Amount for the relevant period.

## 15. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent such proceeds can be applied towards satisfaction of the Secured Obligations) shall be distributed in accordance with the Intercreditor Agreement.
- (b) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantees constitute escrow funds (*Sw. redovisningsmedel*) and must be promptly turned over to the Security Agent to be applied in accordance with the Intercreditor Agreement.
- (c) If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply.

## 16. Decisions by Bondholders

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the CSD Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a person who is registered as a Bondholder, or a person who has been provided with a power of attorney pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*)

or another evidence thereof acceptable to the Agent, or a person proven to the Agent's satisfaction to be the beneficial owner of the Bond:

- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (ii) on the CSD Business Day specified in the communication pursuant to Clause 18(c), in respect of a Written Procedure,

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

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

- (i) the issue of any Subsequent Bonds if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, NOK 1,500,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
- (ii) a change to the terms of any of Clause 2(a) and Clauses 2(f) to 2(g);
- (iii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);
- (iv) a change to the Interest Rate or the Nominal Amount;
- (v) waive a breach of or amend an undertaking set out in Clause 13 (*General Undertakings*);
- (vi) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of Proceeds*);
- (vii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16;
- (viii) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
- (ix) subject to the Intercreditor Agreement, a release of the Transaction Security or the Guarantees, except in accordance with the terms of the Security Documents and/or the Guarantee and Adherence Agreement (as applicable);
- (x) a mandatory exchange of the Bonds for other securities; and
- (xi) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

- (f) Any matter not covered by Clause 16(d) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19(a)(i) or 19(a)(ii)), an acceleration of the Bonds or the enforcement of any Transaction Security or Guarantees.
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16(d), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- If a quorum exists for some, but not all, of the matters to be dealt with at a Bondholder's Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.

- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Group and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **17. Bondholders' Meeting**

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) CSD Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 20.4(c), the Issuer shall no later than five (5) CSD Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17(a).
- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **18. Written Procedure**

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically) no later than five (5) CSD Business Days after receipt of a request from the Issuer or

the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the CSD Business Day prior to the date on which the communication is sent.

- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 18(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Record Date, being the CSD Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 18(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16(d) and 16(e)(i) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(d) or 16(e)(i), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 19. Amendments and Waivers

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

*Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible in accordance with the rules of the relevant CSD.

- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

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

### **20.1 Appointment of Agent**

- (a) By subscribing for Bonds, each initial Bondholder:
  - (i) appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder; and
  - (ii) confirms the appointment under the Intercreditor Agreement of the Security Agent to act as its agent in all matters relating to the Transaction Security, the Security Documents, the Guarantees and the Guarantee and Adherence Agreement, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees and acknowledges and agrees that the rights, obligations, role of and limitations of liability for the Security Agent is further regulated in the Intercreditor Agreement.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation of the Agent and the Security Agent to act on its behalf, as set forth in this Clause 20.1 (*Appointment of Agent*).
- (c) Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is not under any obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

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

## 20.2 Duties of the Agent

- (a) The Agent shall represent the Bondholders subject to and in accordance with the Finance Documents. The Agent is not responsible for the content, valid execution, legal validity or enforceability of the Finance Documents.
- (b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.
- (d) The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in these Terms and Conditions and the other Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) The Agent is entitled to delegate its duties to other professional parties (without having to first obtain any consent from the Issuer or the Bondholders), but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- (f) The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- (g) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Issuer and the Agent. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).

- (h) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (j) Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 20.2(i).

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

- (a) The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- (d) The Agent shall have no liability to the Bondholders for damage caused by the Agent when acting in accordance with instructions of the Bondholders given to the Agent in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other Person.

## 20.4 Replacement of the Agent

- (a) Subject to Clause 20.4(f), the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 20.4(f), if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the CSD Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- (d) If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (f) The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- (g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- (h) In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agrees

otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

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

- (a) The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD regulations and the other regulations applicable to the Bonds.
- (b) The CSD may retire from its assignment or be dismissed by the Issuer provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder.

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

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

## **23. No Direct Actions by Bondholders**

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security or the Guarantees to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 23(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take such actions (however, any action taken by a Bondholder must always be permitted under the Intercreditor Agreement) (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1(c)), within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 20.2(i), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2(k) before a Bondholder may take any action referred to in Clause 23(a).
- (c) The provisions of Clause 23(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event, Listing Failure Event or Delisting (put*

*option*)) or other payments which are due by the Issuer to some but not all Bondholders.

## 24. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- (b) If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## 25. Notices and Press Releases

### 25.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
  - (ii) if to the Issuer, shall be given at the address registered with the Norwegian Companies Registration Office on the Business Day prior to dispatch or if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
  - (iii) if to the Bondholders, shall:
    - (A) if made by the Agent, be sent to the Bondholders via the CSD with a copy to the Issuer. Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD; or
    - (B) if made by the Issuer, be sent to the Bondholders via the Agent or through the CSD with a copy to the Agent.
- (b) Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or if between the Issuer and the Agent, by email, and will only be effective:

- (i) in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1(a);
  - (ii) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1(a); or
  - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.
- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

## 25.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Special Redemption*), 9.5 (*Mandatory repurchase due to a Change of Control Event, Listing Failure Event or Delisting (put option)*), 11.1(c), 11.1(e), 14.9(c), 16(o), 17(a), 18(a) and 19(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause 25.2(a), if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## 26. Force Majeure and Limitation of Liability

- (a) Neither the Agent nor the Paying Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Paying Agent itself takes such measures, or is subject to such measures.
- (b) The Paying Agent shall have no liability to the Bondholders if it has observed reasonable care. The Paying Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent or the Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the applicable securities registration legislation which provisions shall take precedence.

**27. Governing Law and Jurisdiction**

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- (b) The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

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