

This prospectus was approved by the Swedish Financial Supervisory Authority on 26 January 2022. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.



Storskogen Group AB (publ)

PROSPECTUS REGARDING THE ADMISSION TO TRADING OF

SEK 3,000,000,000

SENIOR UNSECURED CALLABLE FLOATING RATE BONDS

2021/2025

ISIN: SE0017084650

26 January 2022

IMPORTANT INFORMATION

This prospectus (the “Prospectus”) has been prepared by Storskogen Group AB (publ), Swedish reg. no. 559223-8694 (“Storskogen”, the “Company” or the “Issuer” or together with its direct and indirect subsidiaries (each a “Group Company”), unless otherwise indicated by the context, the “Group”), in relation to the application for admission for trading of the Issuer’s SEK 3,000,000,000 senior unsecured callable floating rate bonds 2021/2025 with ISIN SE0017084650 (the “Bonds”), issued under a framework of SEK 5,000,000,000, of which SEK 2,000,000,000 was issued on 1 December 2021 (the “First Issue Date”) and SEK 1,000,000,000 was issued on 26 January 2022, in accordance with the terms and conditions for the Bonds (the “Terms and Conditions” and the “Bond Issue”, respectively), on the corporate bond list on Nasdaq Stockholm Aktiebolag (“Nasdaq Stockholm”). Concepts and terms defined in Section “Terms and Conditions for the Bonds” are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus. The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issues equals SEK 5,000,000,000. Only Bonds that have been issued as of the date of approval of the Prospectus may be admitted to trading based on the Prospectus.

This Prospectus has been prepared by the Company and approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “Prospectus Regulation”). Furthermore, Annexes 7 and 15 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the content of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the Swedish Financial Supervisory Authority that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of admitting the Bonds to trading on Nasdaq Stockholm. This Prospectus may not be distributed in the US, Australia, Hong Kong, Japan, Canada, Switzerland, Singapore, South Africa or New Zealand or in any other jurisdiction where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or any U.S. state securities laws and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act).

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. In this Prospectus, any references to “SEK” refer to Swedish Kronor.

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 Issuer’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 Issuer believes that the forecasts or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting the Group’s operations. Such factors of a significant nature are mentioned in Section “Risk factors” below.

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

This Prospectus has been prepared in English only and is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the Swedish Financial Supervisory Authority’s website (www.fi.se) and the Issuer’s website (www.storskogen.com).

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RISK FACTORS

In this section, a number of risk factors are illustrated, including risks pertaining to the Issuer and the Group's business risks, financial risks, legal, regulatory and social risks as well risks relating to the Bonds. The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Bonds in order to make an informed investment decision. Each of the risk factors set forth below describes risks which, in the meaning of Regulation (EU) 2017/1129, are material and specific to the Issuer and/or the Bonds.

The risk factors are included herein based on the Issuer's assessment of the probability of its occurrence and the expected magnitude of its negative impact if it would. Irrespective of the probability or magnitude of the negative impact stated in relation to each risk factor, all risk factors included below have been assessed by the Issuer to be material and specific to the Issuer and the Bonds in the meaning of Regulation (EU) 2017/1129.

The risk factors are organised in several categories and the most material risk factor in each category is presented first in each category. Subsequent risk factors in the same category are not purported to be ranked in order of materiality or probability of occurrence.

RISKS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

Risks relating to Storskogen's business and industry

Storskogen is subject to risks relating to decreased market demand and other macroeconomic factors that are beyond Storskogen's control

The Group has three business areas, Services, Industry and Trade, and operates primarily in Sweden (82 per cent of net sales in 2020), but also in various other countries, such as Norway, Denmark, Switzerland, Germany and the United Kingdom. The Group depends on the products produced and the services rendered by the Group Companies being in demand by consumers and industrial purchasers, which in turn depends on factors such as functionality, price, design, and general market demand. The market demand is largely affected by macroeconomic factors outside the Group's control, including the macroeconomic conditions in Sweden, Norway, Denmark, Switzerland, Germany, the United Kingdom and other countries where the Group operates as well as macroeconomic conditions in countries and regions in which the Group does not have Group Companies. Conditions in the global capital market and the economy in general, such as consumption, business investment, public investment, the volatility and strength of the capital market, inflation or deflation, affect the Group's operations and the performance of each of the Group and the Group Companies. In the Trade business area, for example, the distributors and producers of products for the construction sector (e.g., Skidstahus, a wooden house manufacturer, SGD, a flooring distributor, Rivicra, an awnings and blinds producer) have historically demonstrated sensitivity to a deteriorating economic climate because of the often related decrease in construction activity and hence in the demand of related products. In the Services business area, for example, the Engineering Services, Construction and Infrastructure as well as Installation verticals have historically demonstrated sensitivity to a deteriorating economic climate when less infrastructure projects and less housing projects are initiated on a national basis. In the Industry business area, for example, the business unit Berco and the Industrial Technology vertical, which generate significant revenue from the automotive industry, have historically demonstrated a high sensitivity to a deteriorating economic climate because these parts of the Group generate significant revenue from customers that are particularly focused on cost-cutting and continuous improvements. The spread of the Coronavirus 2019-nCov (including variants thereof, together referred to as "COVID-19") affected these companies as demand for the products of these verticals disappeared.

In the Trade business area, for example, the haircare businesses within the vertical Distributors as well as Imazo (which sells pet care products) have historically demonstrated a lower sensitivity to a deteriorating economic climate. In the Services business area, for example, the HR and Competence vertical has historically demonstrated a lower sensitivity to a deteriorating economic climate due to the countercyclical nature of its business. In the Industry business area, for example, the business unit ARAT and the Automation vertical have historically demonstrated a lower sensitivity to a deteriorating economic climate because their production is knowledge-based and less dependent on labour cost. ARAT, for example, has not been severely affected by the COVID-19 pandemic given that there has been an even stronger macroeconomic factor affecting ARAT's business, namely price and demand increases for wood.

There is a risk that previous consumer patterns change in the future, and that those business areas that currently have been or presently are subject to less cyclical influences show greater economic fluctuations in the future. For example, if Swedish households' disposable income significantly declined, the organic growth in the Services business area in Sweden would likely decline. Similarly, demand for the products of the Industry business area may decline if the willingness of companies to invest and access to financing are disrupted as may be the case during global or local financial crises. For example, at the outset of the COVID-19 pandemic, when global markets were exposed to particular stress, many projects of industrial purchasers were temporarily put on hold, which led to a decline in the organic net sales of the Industry business area during the second and third quarter of 2020. In addition, protracted declines in customer demand caused by uncertain economic conditions in one or more of the Group's markets or the deterioration of the financial condition of the Group Companies' customers could have a material adverse effect on the net sales of the Group Companies which in turn could entail lower dividends to the Company, which would decrease the Issuer's cash flow and liquidity and thus its ability to make payments under the Bonds. A decrease in the net sales of the Group Companies could also entail a decline in the market value of the Company's direct and indirect holdings which could force the Company into write-downs, causing a corresponding cost in the profit and loss account, which could have a material adverse effect on the Group's profits and financial condition.

COVID-19 may have an adverse impact on Storskogen's operations and profits

The spread of COVID-19 has had disruptive effects on the global economy, including increased volatility and disruptions in financial markets. In response to COVID-19, governments have imposed a number of measures designed to contain the outbreak of COVID-19, such as business closures, travel restrictions, quarantines and cancellations of gatherings and events, in all the markets in which the Group operates. If COVID-19 is prolonged, or further diseases emerge that give rise to similar effects, or if the measures to prevent the negative impact of COVID-19 prove to be insufficient, the adverse impact on the global economy could deepen and result in further declines in the real economy and in financial markets which could negatively affect demand for the Group's products and services, decreasing the Group's earnings, cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Some of the Group's businesses have been negatively affected by the measures imposed by governments. In the Industry business area, for example, some of the Group Companies within the Industrial Technology and Products verticals (including suppliers to the automobile and furniture industries) were significantly impacted by the initial COVID-19 lockdowns. They experienced a decreased number of orders and lower demand given that the customers of these Group Companies, in many cases, stopped production and relied on government aid. In the Trade business area, Group Companies within the Brands and Producers verticals were negatively affected due to supply chain disruptions and delays of deliveries from suppliers based elsewhere in Europe or in Asia and due to generally lower demand. For example, one of the business units that crafts engagement and wedding rings was severely affected by the postponement of many wedding plans during COVID-19. Other companies were severely affected by the significant drop in footfall due to restrictions and social distancing requirements or strict lockdowns and store closures in European markets that are particularly important to them. The impact of prolonged and/or further restrictions on these and other Group Companies could have a material adverse effect on the Group's sales, hence reducing the Issuer's cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

If the COVID-19 pandemic continues, or further diseases emerge that give rise to similar effects, or if the measures to prevent the negative impact of COVID-19 prove to be insufficient, the health risks associated therewith may result in increased unavailability of staff and/or suppliers adversely impacting the quality and continuity of the Group's services and the reputation of the Group. Some of the Group Companies took part in government sponsored furlough schemes during the initial outbreak of COVID-19 and the employees could return to work over the summer of 2020. There is no guarantee that the Group Companies will be able to take part in government sponsored furlough schemes in the future and as a result the Group's operations may be subject to disruptions in case parts of the Group's workforce have to be made redundant due to the effects of COVID-19 or similar outbreaks of other diseases.

COVID-19 may also result in a disruption to the Group's businesses and/or to the suppliers of goods and services to the Group's businesses. As a result, the Group's businesses, the products and services, the results of operations, reputation and financial condition of the Group could be adversely impacted for a substantial period of time. There is also a risk that consumer habits change as a direct or indirect result of the COVID-19 pandemic, and that those verticals and business units that have been or presently are subject to strong or consistent demand will show less demand or be subject to greater fluctuations in demand due to changing habits. As a result, such changes in demand may have an adverse impact on the Group's sales and cash flow and the Issuer's ability to make payments under the Bonds.

Storskogen's acquisition strategy is associated with risks and there are no guarantees that Storskogen will be able to carry out acquisitions as planned, with favourable conditions or at all

An essential part of the Group's business and growth strategy is to expand the Group's existing business through acquisitions of SMEs, which are intended to be owned on a long-term basis without any predefined ownership horizon. The Group works on the basis of an active acquisition strategy and a large part of the Group's growth is also in the future expected to consist of both strategic and other types of acquisitions which appear to be profitable, inter alia, to expand the current business and enter new markets in Sweden and other countries. Since 2012, the Group has acquired business units¹ and numerous add-ons to existing business units, resulting in a Group consisting of 109 business units, within twelve verticals and in three segments.² Since 1 January 2021, 80 businesses (whereof 51 business units (where the acquisition of Artum is considered as eight acquisitions and the acquisitions of Ashe Invest and On Target are considered as one acquisition) and 29 add-ons) have been added to the Group through acquisitions, entered into or completed, in Sweden, Norway, Denmark, the United Kingdom, Switzerland and Germany.³ There is a risk that the Group's acquisition strategy will not have the desired effect or outcome which may have a material adverse effect on the Group's operations, which in turn could negatively affect the Group's financial position and earnings. The Group's exposure to such risks is further increased as the Group grows and carries out larger and more costly acquisitions that entail larger financial commitments. If the above risk were to materialise, it could have a material adverse effect on the Group's operations and future prospects in terms of revenue from dividends and capital gains, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Risks can also include difficulties in finding suitable target companies, including due to difficult market conditions caused by COVID-19, which may lead to fewer companies meeting the Group's investment criteria. Once a target company has been identified, there is a risk that it is not possible to acquire such target company at favourable terms and conditions or at all and the Group may in these cases also incur extensive advisor costs even though the acquisition process does not lead to the identified target company being acquired. In addition, there is also a risk

1) A business unit is a business, which may consist of several Group Companies, that forms a stand-alone unit within one of the business areas and which is managed by the Group. By contrast, an add-on acquisition is a Company that is acquired by one of the business units and hence will be managed by the management team of the acquiring business unit.

2) As of 18 January 2022.

3) As of 18 January 2022.

that the Group makes incorrect commercial assessments in connection with acquisition processes and possible expansions in new geographical markets and/or business areas. This in turn may lead to the Group losing out on potentially favourable acquisitions, acquiring companies that do not live up to the Group's expectations and/or the Group expanding its operations in new geographies or business areas that do not lead to the positive effects that the Group intends to achieve with such expansion. Incorrect commercial assessments in connection with acquisitions or expansion may also result in increased costs that the Group cannot compensate for if the expected positive effects of such acquisitions or expansion do not materialise in whole or in part, which may have a material adverse effect on the Group's financial profits which could lead to a decrease in dividends being paid to the Issuer, thus having a material adverse effect on the Issuer's ability to make payments under the Bonds. Acquisitions are at times large and complex and involve substantial costs for, inter alia, financing as well as financial, legal and other advisors, a large part of which is incurred by the Group as the bidder. There is a risk that the Group may incur costs even if the relevant acquisition, for various reasons, cannot be completed. The Group may also be unable to receive compensation from the sellers for such costs, for example, due to contractual or legal limitations. Such net increases in the costs of the Group could entail a decrease in the cash flow and liquidity of the Group, thus having a material adverse effect on the Issuer's ability to make payments under the Bonds.

In connection with acquisitions, it has been common practice for the Group to either enter into agreements regarding contingent considerations or leave a minority interest with the management of the acquired company. The terms and size of the contingent considerations are dependent on the performance of the relevant acquisition target and in some cases these contingent considerations do not have a set limit. Normally the contingent considerations are based on the average EBITA for the two to three years following the acquisition. The Group may therefore have to pay contingent considerations to the sellers of an acquisition target that are unexpectedly high, may not have been adequately provided for or may not be in line with the financial performance or the valuation of the relevant business. Similarly, the Group regularly grants put options to sellers regarding their remaining ownership in the acquisition target. Such put options give the seller in question the right to call upon the Group to purchase the minority shareholders' remaining shares in the Group Company (these put options are referred to as minority options within the Group). The terms of the minority options are most often dependent on the performance of the relevant acquisition target. Granting minority options, however, implies that the Group may have to buy a seller's (remaining) stake in an acquisition target at an unexpectedly high purchase price that may not have been adequately provided for or may not be in line with the financial performance or the valuation of the relevant business. If any of the above risks were to materialise, it could entail that the Group acquire companies at too high prices resulting in lower returns on investments over time and a decreased future cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to unknown circumstances or inadequate handling of such circumstances in connection with due diligence of acquisition targets

There is a risk that potential problems with a target company, such as required investments, outstanding commitments or future losses, are not detected in the course of the Group's financial, legal, organisational, ESG and operational review of the target company, for example due to fraud or incorrect information. Further, certain purchase agreements may lack sufficient warranties with respect to the identified and unidentified risks in connection with the acquisition. When conducting a due diligence review of a target company, reliance may be placed on public information, which often includes information provided by the target company itself. Public information or third-party sources may, however, be limited and could be inaccurate and/or misleading. Risks identified and considered prior to each acquisition can also be misjudged and have an adverse impact as regards the value and prospects as well as cause unexpected costs. Hence, a target company may suffer from customer losses, regulatory problems, unforeseen costs or other unforeseen issues following the acquisition, such as a low order intake, unprofitable projects or low margins, or may have greater obligations or liabilities than originally estimated, which in turn may lead to the Group being forced to make additional capital contributions, may require that the relevant business unit in one way or another must limit or restructure its operations or management and may cause reputational damage to the Group. For example, at the beginning of 2020, misleading information was provided to the Group in connection with the acquisition of Svenska Tungdykargruppen, which had significant shortcomings in its financial reporting, which led to a negative effect of around SEK 30 million to net financial items regarding the full year 2020.

Further, if due diligence reviews are carried out incorrectly or only with limited scope, the Group could acquire a company that does not meet its sustainability standards, which can cause additional costs in form of administrative penalties or fines, increased costs or harm the Group's reputation, especially given that the ambition of the Group is to acquire companies with a long-term sustainable business model. Deficiencies in acquired companies or failed integration attempts due to, for example, a misleading due diligence review can further lead to the entire Group's reputation being damaged. Any such damage to the Group's reputation could result in decreased revenue for the Group Companies due to customers actively opting to make their purchases from the Group's competitors, which in turn could decrease the amount of dividends distributable to the Company, thereby harming the Issuer's ability to make payments under the Bonds. Damage to the Group's reputation may also make owners of potential target companies reluctant to sell their company to the Group at all, or only at an extra premium, which could be detrimental to the Group's future prospects and results of operations or lower the Group's return on investments, all of which could have a material adverse effect on the Group's cash flow and liquidity as well as the Issuer's ability to make payments under the Bonds.

Storskogen's growth and geographic expansion may not materialise or fail

Since its inception, the Group has been growing rapidly through acquisitions, having an average annual net sales growth of 75.3 per cent during the past three financial years. Integrating newly acquired businesses has required and will continue to require continued development of the Group's financial systems and management information control systems as well as internal processes. Information control systems are complex systems that require continuous development reflecting the business needs of the Group and the risks inherent to the Group's business.

When Storskogen acquires new companies, including in connection with so called add on acquisitions where Storskogen integrates the target companies with one of the existing operations, it is important that Storskogen succeeds in retaining and attracting a qualified management as

well as continuing to train and supervise the employees of the acquired company. Group Companies, in particular when newly acquired, may fail in complying with the internal reporting requirements of the Group and the Group may need to invest significant time and resources to ensure the integrity of its control environment, including compliance with its reporting requirements. If the Group is unable to maintain adequate financial and management information control systems, internal processes and/or the integrity of its control environment, the Group's governance, financial position, earnings, cash flow and liquidity may be negatively affected, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

A target company may also require significant executive management attention and resources and may therefore prevent the management from carrying out other measures required to manage the Group, which may ultimately lead to an inability of the Group to carry out further acquisitions or lead to a deterioration of the Group management's ability to effectively oversee the Group's other businesses. In the case of add-on acquisitions to existing businesses, there is also a risk that expected synergy and efficiency effects do not materialise to the extent that has been anticipated, or at all, having negative effects on the Group's financial position, earnings, cash flow and liquidity, which could have material adverse effect on the Issuer's ability to make payments under the Bonds.

There is a risk that the Group's growth strategy does not leave sufficient resources or time to develop the Group's internal control systems and processes in the way that will be necessary for these to handle the Group's further growth and the risks associated with such growth. Failure to manage such growth risks could lead to increased operating costs and to Group Companies not meeting their respective strategic and financial targets, which could entail lower revenues and cash flows and may require the additional allocation of management resources and may therefore have a material adverse effect on the financial position and results of operation of the Group, which could have material adverse effect on the Issuer's ability to make payments under the Bonds. The continued growth of the Group may also require the implementation of new internal systems and formal procedures which may change the internal culture of the Group and may include a weakening of the entrepreneurial spirit within the Group.

The Group's short to medium-term growth strategy involves geographic expansion, mainly within the Nordic region, the United Kingdom and the DACH region (Germany, Austria and Switzerland). In addition, Storskogen is evaluating potential future focus areas, for example the United States, Asia and the Benelux countries. Acquisitions carried out in new geographies are subject to more extensive due diligence reviews since there are additional risks and uncertainties related thereto, such as lacking knowledge of market conditions, a growing number of legal and regulatory requirements, as well as higher financial, legal and tax advisor costs arising from exposure to additional jurisdictions. Due to a more geographically dispersed portfolio, synergies between the Group Companies may decrease and best practices within the Group may not be fully implemented. Further, the Group's geographical expansion may expose the Group to new risks, such as trade restrictions, tariffs, quotas and other restrictions, as well as increase existing risks that could have material adverse effects on the Group. Any failure with respect to launching new initiatives or geographical expansions may entail that the Group does not reach its financial targets.

Due to the fact that the Group has acquired companies mainly within the Nordic region, it is difficult to predict the outcome of expansion or new initiatives outside the Nordic region. The risk of the Group making incorrect commercial assessments increases in conjunction with geographical expansion and new initiatives in new markets due to it being more difficult for the Group to analyse new markets that the Group has less experience of and knowledge about. It is also not certain that the Group is able to achieve its goals or a similar deal flow outside the Nordic region. For example, during the most recent acquisition processes which the Group carried out outside Sweden, it was more difficult for the Group to achieve exclusivity during the acquisition process, which can lead to fewer and more costly transactions. In addition, in these processes, the Group could not rely on its standardised processes and agreements, which in some cases prolonged the acquisition processes and made them more costly, for example, SGS in the United Kingdom and PerfectHair.ch in Switzerland. It was also more difficult for the Group to integrate the targets, for example, due to that the targets were applying other accounting principles and that the transition from these accounting principles to IFRS took longer than anticipated. The abovementioned risks could cause higher costs than necessary and result in a decreased cash flow and liquidity for the Group, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

There is also a risk that the United Kingdom's exit from the European Union ("EU") will result in uncertainties and/or other consequences that make it more difficult, take longer, or require more resources than expected, to continue to expand and operate within the United Kingdom in accordance with the Group's growth strategy, which may have a material adverse effect on the Group's growth and geographical expansion, future cash flows and liquidity, thus having a material adverse effect on the Issuer's ability to make payments under the Bonds.

In addition, the Group's geographical expansion may affect the Group's brand and reputation negatively as it will deviate from its past profile as a group with strong ties to local Swedish communities. This could make owners of prospective target companies reluctant to sell their companies to the Group, or may incentivise them to sell such potential targets at a higher price, thus negatively affecting the Group's future cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is exposed to deficiencies related to its internal control and decentralised organisation which may have an adverse effect on Storskogen's operations

The Group applies a decentralised organisational model, which means that the Group Companies are largely responsible for and conduct the business independently, and that the number of collaborations within the Group is limited. The Group's management governs, controls and monitors the activities of the Group Companies mainly by appointing the CEOs (or similar position) of the Group Companies and by continually monitoring the development based on, inter alia, a few key ratios and procedures for financial reporting. Storskogen is represented on the boards of all business units through the head of each respective business area or through Investment Directors and Investment Managers. The CEO of each business unit reports directly to Investment Directors and/or the head of each respective business area and the board of each

business unit can make decisions on its own to a large extent and controls, together with the business unit's senior management, operations and responsibility for customers, sales, personnel and results. The Group is therefore dependent on the CEOs and management at the Group Company level and there is a risk that a decentralised organisation leads to shortcomings in the implementation and/or compliance with policies, guidelines and new initiatives and in reliable and efficient management, risk management and quality control of the production units. For example, production disturbances in the Group's businesses due to mismanagement and non-compliance with policies and guidelines for internal control could have a negative impact on the Group's operations, financial position and profits, all of having a negative effect on the amount of dividends being paid to the Issuer, which in turn may have a material adverse effect on the Issuer's ability to make payments under the Bonds. There is also a risk that a lack of specific expertise in the various Group Companies, in areas such as law and finance, may lead to incomplete, slow or inaccurate business decisions, which entails a reputational risk for the Group.

Corporate governance in a decentralised organisation such as the Group's sets high requirements for financial reporting and follow-up. The Group Companies use various accounting systems and each Group Company reports its data to the Company separately. There is a risk that data is not provided at all, not provided in a timely manner or is provided incompletely or inaccurately, or any combination of these, which in each case could have significant negative consequences for the Group's operations, financial position, profits and cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

It may be difficult to establish effective and sufficient internal controls in a decentralised organisation. If the Group fails to maintain, or in newly acquired entities establish, adequate corporate governance and internal control, it may not be able to put its resources to their most efficient use and therefore incur higher cost than necessary, resulting in a decreased cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds. Deficiencies in the Group's internal control may also lead to irregularities in individual Group Companies not being detected which, inter alia, could lead to legal proceedings and costly investigations. Such deficiencies may also have a material adverse effect on the Group's ability to comply with financial covenants in its financing agreements. In addition, there is a risk that inadequate internal control will cause investors and lenders to lose confidence in the Group and its reported financial information, which could have a material adverse effect on the Group's ability to raise capital on reasonable terms, which could reduce the Issuer's ability to make payments under the Bonds.

In line with the Group's growth strategy, the Group will become increasingly dependent on effective routines for corporate governance (including management of the execution of power of attorney and authorisation rules), accounting, finance, data processing and internal controls in each Group Company for the Group to deliver, correct and reliable information on its operations and also to be able to prevent fraud embezzlement or other illegal utilisation of the Group operations and resources from employees of the Group Companies. Regardless of these routines, the Group is exposed to the risk that staff act fraudulently or embezzling. For example, breaches of such routines occurred in connection with Storskogen's acquisition of Svenska Tungdykargruppen, when power of attorney and authorisation rules were abused immediately following Storskogen's succession. The Group policy is to report to the police any suspected cases of fraud or embezzlement, but such events and circumstances may result in damages, such as erroneous costs, which could result in financial loss, potential reputational damage and a material adverse effect on the Group's operations and the Issuer's ability to make payments under the Bonds. There can be no assurance that the Group will be able to maintain its routines or that all acquired companies will implement the routines correctly. Therefore there is a risk that the Group's decentralised organisation model proves unsuitable to meet future market challenges and that the Group's competitiveness and market position thus will be weakened. A weakened market position may result in sales losses for the Group, which would have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Notwithstanding the fact that the Group applies a decentralised organisational model with independent Group Companies, in some cases shortcomings in individual Group Companies may have a material adverse effect on the Group as a whole. This may for example occur if risks materialise in relation to several Group Companies at the same time, or if an individual Group Company acts in a way that has a detrimental effect on the entire Group. For example, an individual Group Company's violation of the GDPR or competition law rules may result in sanctions that are based on and aimed at the entire Group's revenue for a given year. In some cases, the Company has also entered into parent company guarantees for individual Group Companies. If the relevant Group Companies fail to meet their obligations, the Company may have to fulfil the parent company guarantees, which may lead to significant negative effects for the entire Group. In addition, the Company's financing agreements are subject to certain restrictions, prohibiting certain transactions with persons who are connected to certain jurisdictions or are otherwise subject to sanctions. If an individual Group Company does not comply with these restrictions, it may result in the Company's lenders being entitled to terminate the Group's financing agreements, which may result in a material adverse effect on the Group. If any of the above risks materialise, it may have a material adverse effect on the Group's financial position and liquidity as well as on the Group's reputation, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Competition for suitable acquisition targets may lead to Storskogen not being able to carry out acquisitions at a reasonable cost or at all

The Group has carried out 167 acquisitions of businesses and groups (109 business units and 58 add-ons) since its founding (where the acquisition of Artum is considered as eight acquisitions and the acquisitions of Ashe Invest and On Target are considered as one acquisition).⁴ Given that a fundamental part of the Group's business and growth strategy is to expand the Group's current operations through additional acquisitions, it is central for the Group to be able to continue to acquire suitable acquisition targets at a reasonable cost. The Group is experiencing an increase in competition for suitable acquisition targets in Sweden from other investment companies, industrial players, private equity and family offices, primarily due to the relatively easy access to funding in Sweden. If such competition was to increase further, there

⁴ As of 18 January 2022.

is a risk that the Group will be unable to acquire target companies at acceptable prices in its main market or that the number of potential acquisition targets decreases, which would have a material adverse effect on the Group's continued growth and prospects. Increased competition can also lead to increased costs compared to historical acquisitions and may result in inflated prices of acquisition targets. If the Group is not able to carry out acquisitions at all, to the desired extent or at favourable terms as a result of increased competition, it could have an adverse effect on the Group's profits, future profitability and growth, which could lower the Group's returns on investments and future cash flow, thus having a material adverse effect on the Issuer's ability to make payments under the Bonds.

Competition for the Group Companies may have an adverse effect on Storskogen's operations and profits

The majority of the Group Companies operate in sectors with significant competition from local, national as well as international operators, such as, for example the Group Companies Berco, Albin and Alfa (which produce for the automotive industry) Ullmax and Delikatesskungen (which sell products through school classes and associations) as well as Skidstahus (which manufacture wooden houses). Moreover, for example, in the Services business area, specifically in the Installation vertical and the Engineering Services vertical, Group Companies may be exposed to high price pressure due to low entrance barriers and the availability of foreign labour in local markets. In some cases, the Group Companies compete with operators who can offer a more complete range of products and services, are larger and have better access to financing, as well as greater financial, technical, marketing and personnel resources. The future competitiveness of each Group Company depends, inter alia, on their ability to meet current and future market needs. There is a risk that the Group's competitors will engage in price competition, for example, by merging with other competitors or by implementing new initiatives, or that they will develop more competitive services and products than those of the Group which could result in decreases in the overall sales numbers for the Group's services and products. For example, companies within the Industry business area in the Industrial Technology vertical are currently exposed to increased competitive pressure as the price of steel is increasing worldwide, customers are looking for cheaper alternatives and certain competitors may be able to offer lower prices by hiring cheap labour from other parts of Europe. There is a risk that the Group will not be able to develop or offer new competitive products and services successfully or that adaption to the new competitive situation requires costly investments, restructurings and/or price cuts. If the competition from existing and new operators increases or if the Group Companies are unable to meet demands for their products and services, it could have a negative impact on the respective Group Company's sales numbers, entailing lower revenues and a decreased cash flow, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

There is also a risk that the Group Companies' customers undergo structural changes, for example, by way of merging with other customers, and thereby obtaining a better negotiation position towards the Group. Such consolidation may lead to increased price pressure, Group Companies being forced to lower their prices or suffer decreased sales volumes and revenue, lost market shares and lowered margins for the Group which, if the competition would increase or if the customers would consolidate in relation to multiple Group Companies at once or during a short period of time, could have a material adverse effect on the Group's future revenue and financial position, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

There are no guarantees that Storskogen is able to retain and recruit key personnel and other employees to meet current or future needs at all or at a reasonable cost

The Group is dependent on the work, management, knowledge, experience and commitment among key individuals as well as other employees. The Group is sensitive to the loss of key personnel. When hiring new employees, the Group's experience has been that there is a shortage of qualified personnel with, for example, project and management skills or with accounting, IT and quality control management skills. There is a risk that such shortage may result in increased salary demands and therefore increased salary costs, which would decrease the Group's cash flow and have a material adverse effect on the Issuer's ability to make payments under the Bonds. There is also a risk that the Group, including Group Companies, fail to identify or attract the right people or that these cannot be retained in the future. Key employees may start working for competing companies or start their own competing businesses.

The Group is also dependent on senior management at the level of the Company and in many cases also at the level of the Group Companies, in each case including the relevant CEOs. The current management of the Group and of many Group Companies possesses extensive expertise and knowledge about the relevant business sectors as well as the operative businesses of the Group and the Group Companies.

There is a risk that the Group is unable to retain or attract CEOs for Group Companies. When acquiring a target, there is a risk that the Group has to offer high retention bonuses to ensure the current management of the target continues to manage the newly acquired Group Company. There is also a risk that the Group may have to offer other financial incentives, potentially unfavourable to the Group, to ensure that the existing management of a newly acquired Group Company remains in place. When unwinding a seller's involvement in the management of a Group Company, there is a risk that the Group is not able to attract a suitable successor, especially when Group Companies are located outside attractive metropolitan areas. The ability to recruit and retain qualified personnel is crucial for the future success and growth of the Group and its Group Companies. The Group's current projects and other development plans could be disrupted if the Group or certain of its Group Companies were to lose and not be able to replace its key employees.

Moreover, the loss of some key employees, especially in times of rapid expansion, can lead to an unsustainable workload for certain other key individuals, which in turn could lead to underperformance of the Group as a whole and that a need arises for costly short time recruitments, both of which could have a material adverse effect on the Group's operations and profits. If the Group or its Group Companies fail to identify, attract and retain competent personnel, this could have an adverse effect on the Group's or the relevant Group Companies' businesses, financial position and profits. As the Group is in the midst of a rapid expansion, the Group will have an enlarged recruitment need going forward. A

large number of new hires in a short period of time to facilitate growth or to replace key employees that leave the Group or the Group Companies may dilute the Group's corporate culture or the values held and endorsed by the Group.

Storskogen is subject to risks relating to workplace accidents and claims for compensation as a consequence of compliance deficiencies

Some of the Group's businesses, such as for example, CS Riv & Håltagning, which provides demolition services ranging from bridges to entire buildings, or Swedstyle, which produces and sells smart office furniture, are subject to extensive laws and regulations regarding work environment and are exposed to the risks that are naturally occurring in industry, trade, technical installation and service. This entails that the employees of such businesses must comply with strict safety regulations. During 2020, a total of seven serious (but non-fatal) workplace incidents were reported by the Group to the Swedish work environment authority (Sw. Arbetsmiljöverket). If the Group, its employees, its subcontractors or other third parties, fail to comply with applicable health and environmental standards, this can cause personal injury, death, damage to property and equipment, business interruption, and similar consequences which in turn can lead to claims for damages and, in certain extreme cases, criminal liability. These risks and other labour protection, health and safety risks entail responsibility exposures that may have an adverse effect on the Group's future margins, cash flow and liquidity, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to partly owned Group Companies

Certain Group Companies are not, directly or indirectly, wholly owned by the Group, but one or several other shareholders hold shares to a smaller extent. For example, the Group holds 90.1 per cent of the shares in Arat AB, 91.0 per cent of the shares in Båstad-Gruppen AB and 94.8 per cent of the shares in Måla i Sverige AB. The Group has in such cases entered into shareholders' agreements or similar arrangements with the relevant minority shareholder(s) through which the shareholders' internal relationships are governed. Under exceptional circumstances, such shareholders' agreements may contain provisions that entitle the minority shareholder to a fixed amount dividend. In addition, minority shareholders may exercise various statutory minority rights, for example, the right to dividends and mandatory buy-out. Under certain circumstances, the rights of minority shareholders may mean that the Group cannot exercise the level of control over a Group Company that would be desirable, for example in relation to changes in the operations due to new market conditions, or to raise new capital. There is thus a risk that the relevant Group Company's financial position and earnings and cash flow are adversely affected, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Moreover, shareholders' agreements and similar arrangements may sometimes be difficult to enforce, specifically abroad. Although the Group regularly engages local legal counsel in connection with such agreements and arrangements, there is a risk that one or more provisions therein may be deemed invalid by a local court or authority, which could have an adverse effect on the Group's financial position and earnings if several shareholders' agreements are challenged and local courts and/or authorities do not find in favour of the Group. There is also a risk that the Group cannot control to what extent such Group Companies pay dividends and whether the Group may be obligated to make further contributions into such Group Companies. There is thus a risk that such Group Companies negatively affect the Group's profits, cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risk relating to its information technology ("IT") systems, financial, accounting and other data processing systems

The Group is exposed to certain risks attributable to the Group's IT systems. Any interruptions or errors in internal IT systems that are critical to the Group's operations could cause a significant decrease in the ability of the Group to carry out its operations. Further there is a risk of information security intrusion, such as cyber-attacks or fraud, in the Group's IT systems, including in external IT systems and websites. Such security intrusion could disrupt the Group's business and lead to leakage of confidential or sensitive information, including but not limited to trade secrets, financial and operative data or sensitive customer/supplier information. If information on, inter alia, the Group's financial development or trade secrets is unlawfully disclosed or distributed, there is a risk that the Group could be subject to liability, loss of business, litigation, government investigations or other losses. If the Group fails to maintain and develop the functionality and operation of its business-critical IT systems, the Group may not be able to use its financial, accounting or other data processing systems, which could have a material adverse effect on the Group's operations, financial position and cash flow, all of which could have a material adverse effect the Issuer's ability to make payments under the Bonds.

The Group relies on financial, accounting and other data processing IT systems. If any of these systems does not operate properly or is disabled, the Group could be unable to perform its bookkeeping, accounting, reporting and/or consolidation functions or, suffer financial loss. This may also lead to disruptions of the Group businesses, regulatory intervention or reputational damage. If several of the Group Companies' business systems, such as electronic communications, IT systems or other services are subject to disruptions at the same time, the Group as a whole could be materially affected. The Group's reporting system, the only common Group system into which all Group Companies report, may be particularly vulnerable to any disruptions. The Group does not have a common disaster recovery programme, and may therefore experience difficulties in mitigating the negative effects of any disruption. Insurance and other safeguards might also not be able to reimburse or protect the Group for its losses at all or only to some extent. In addition, the Group operates in businesses that are highly dependent on information systems and technology. For example, the e-commerce companies SGS, PerfectHair.ch and Vårdväskan as well as IVEO, Bombayworks and Agio within the vertical Digital Services would suffer significant harm in case of a complete shutdown, considering the nature of their businesses, which could result in sales decreases and/or higher costs than necessary, resulting in a decreased cash flow and liquidity in the Group, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

The Group's information systems and technology may not be able to continue to accommodate the Group's growth, and the cost of maintaining such systems may increase from its current level. Such failure to accommodate growth, or an increase in costs related to information systems, could negatively affect the Group's ability to carry on its operations as well as have a material adverse effect on the results of operations, cash flow and liquidity of the Group, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to suppliers and customers

In order to manufacture, sell and deliver goods and services, the Group Companies depend on external suppliers' availability, production, quality assurance and delivery. Incorrect or delayed deliveries, low quality deliveries that do not meet the Group Companies' expectations or non-deliveries from various suppliers could entail that the Group's deliveries in turn are delayed, incomplete or incorrect or that they have to be discontinued, which could result in reduced sales and an adverse impact on the Group's customer relations, which in turn could negatively affect the Group's financial position and earnings. For example, the products offered within the Trade business area, including in the verticals Distributors, Brands and Producers, such as haircare products, flooring products, mini cranes, pet accessories, decorations, or coffee and ice cream machines, are usually ordered with a particular timeframe in mind and the business area's customers expect to have these products available at the delivery time agreed or are otherwise likely to incur losses or inconveniences. Moreover, there is a risk that defective or delayed deliveries or loss of one or several suppliers of such products can have negative consequences for the Group Companies' operations, financial position and earnings, which in turn could negatively affect the Group's cash flows and liquidity and the Issuer's ability to make payments under the Bonds. There is also a risk that suppliers do not comply with laws or other rules or their contractual obligations towards the Group, which could affect the Group in terms of its reputation and could lead to customers choosing to purchase products and/or services from other suppliers and providers as well as result in decreased sales for the Group. In the same way, certain Group Companies may be, or may in the future become, dependent on individual customer relationships, the loss of which could entail reduced sales volumes and revenues for the Group Companies affected. If losses of such material customers were to occur in relation to multiple Group Companies at once or within a short period of time, it could have a material adverse effect on the Group's profits as the amount distributable to the Company could decrease, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

If one or more Group Companies are unable to deliver products or perform services in the condition and within the time agreed, e.g. as a result of delayed deliveries from suppliers, this may result in such Group Companies (and, in cases where there are parent company guarantees, also other Group Companies) having to pay fines and/or damages, entailing higher costs and a decreased cash flow, which in turn may have an adverse impact on the Issuer's ability to make payments under the Bonds.

Furthermore, several larger companies are customers of multiple Group Companies in relation to different products and services. Such larger customers are often aware that the Group Companies belong to the Group and may view such Group Companies as the same entity for all intents and purposes. There is thus a risk that a delivery of a deficient product or the poor performance of a service by one Group Company will impair other Group Companies' relation with the customer which could lead to the customer ceasing doing business with the Group. Such occurrence could decrease the Group's sales and cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen's insurance coverage may not cover all potential losses and there are no guarantees that Storskogen is able to retain its current insurance coverage at a reasonable cost or at all

The Company has taken out a liability insurance for the board of directors and senior executives in the Company and the Group Companies. In addition, each Group Company is responsible for insuring its operations and property to the extent deemed necessary by the CEO of each respective Group Company. Given the Group's broad and diversified business, there is a risk that the Group's current insurance coverage scope is insufficient and/or that the Group's current insurance coverage is not sufficient for potential future needs, including but not limited to board of directors' liability insurance, property insurance and consequential loss insurance, and that the Group will not be able to maintain the existing insurance coverage at a reasonable cost, or at all, in the future. The coverage that the Group receives through the insurances can also be limited due to, for instance, amount limitations and requirements for excess payment. It can also be difficult and time-consuming to receive reimbursement from insurance companies concerning losses that are covered by the Group's insurances. Further, it is not certain that the Group can receive the entire lost amount from the insurance company. There is thus a risk that the Group's insurance coverage does not cover all potential losses, regardless the cause, or that relevant insurance coverage is not always available at an acceptable cost, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

If Storskogen fails in complying with applicable data protection regulations, Storskogen's compliance costs may increase and in the event of compliance deficiencies, Storskogen may become subject to significant fines and liable for damages

The Group handles personal data that primarily involves employees, customers, suppliers, shareholders, investors and job candidates, which means that the Group is required to comply with applicable privacy legislation regarding the collection and processing of such personal data. For example, in connection with share issues, the Company has collected and processed personal data of its investors, such as personal identification numbers and individual account numbers. In connection with due diligence reviews of potential acquisition targets, the Company may take part of the data the seller provides to the Company and the Company may therefore take part of a broad variety of personal data of the target company's employees, including sensitive personal data such as personal identification numbers and health issues. The Company at times uses services of third-party suppliers that may have offices outside of the EU, for example in the United States. There is a risk that suppliers, under the U.S. Cloud Act, are obligated to provide data to US authorities which could include personal data regarding, for example, the Group's employees or shareholders. Since 25 May 2018, the Regulation (EU) 2016/679 of the European Parliament and of the Council of

27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (the “GDPR”) has been applicable in all EU member states and has as such replaced previous national personal data legislation. The GDPR entails extensive changes to the EU personal data regulation, with a strengthening of individual rights, stricter requirements on companies handling personal data and stricter sanctions with considerable administrative fines. The adherence to GDPR is of vital importance and deficiencies in compliance may lead to substantial fines. Such fines could amount to 4 per cent of the Group’s total turnover. As an illustrative example, 4 per cent of the Group’s total turnover equalled approximately SEK 360 million during 2020. In addition to this, Group Companies may also be liable to pay damages to individuals. Since most of the companies acquired by the Group are SMEs within the business to business market segment, compliance with data protection regulations has often not been a matter of priority for the previous owners. This means that required routines, systems and control functions may need to be implemented, which may be time consuming. There is therefore a risk that the Group is unable to efficiently implement such routines, systems and control functions that are needed to comply with legislation regarding privacy and handling of personal data, which could lead to increased compliance costs, fines, obligations to pay damages and reputational damage to the Group which may have an adverse effect on the Group’s cash flow and liquidity as well as the Issuer’s ability to make payments under the Bonds.

Potential divestments of Group Companies may give rise to Storskogen becoming subject to risks and costs

Despite the Group’s intention to hold the Group Companies on a long-term basis, the business units and Group Companies that are not performing as expected or that do not fit into the Group’s other operations may be divested. Divestments may give rise to risks for costs and unforeseen events. In connection with divestments of Group Companies, the Group may be required to provide certain warranties to the purchaser in respect of the divested company’s legal and financial position and development. Hence, there is a risk that the Group may need to compensate a purchaser for costs and losses incurred in the divested company, which could have a material adverse effect on the Group’s profits and cash flow and the Issuer’s ability to make payments under the Bonds.

Moreover, the brand and reputation of the Group may be hurt if the Group had to sell one or several Group Companies or businesses despite having publicly announced that the time horizon for the Group’s holdings is in general long-term. If the Group does elect to divest a business or a Group Company and fails to sell all or parts of its holdings at a time desirable from a financial perspective, or that the selling price – if a divestment can be realised – is lower than the estimated maximum value, it may give rise to adverse effects on the Group’s profits, cash flows and liquidity, which could have a material adverse effect on the Issuer’s ability to make payments under the Bonds.

Risks relating to the Group’s legal and regulatory environment

Storskogen is subject to risks relating to compliance with laws, regulations and standards

The Group’s operations are subject to various regional, national and local laws and regulations, including competition and trade restriction regulations, environmental laws and standards, employment laws, anti-corruption laws, anti-money laundering, anti-dumping and accounting regulations. These regulations are complex and frequently changed, and they have tended to become more extensive over time. The passing of new or amended laws or regulations, could require the Group to adopt more stringent standards, restrict its operational or strategic flexibility as well as require significant costs and investments, resulting in a decreased cash flow and a reduced liquidity for the Group, which could have a material adverse effect on the Issuer’s ability to make payments under the Bonds.

The Group’s operations are subject to various environmental laws and permits, with which the Group must comply and in connection with which the Group may incur capital and operating costs in its efforts to comply. In the Trade business area, for example, Swedfarm requires permits for poultry breeding and environmental permits for the handling of the manure the animals produce and Imazo requires permits for the handling of pets. There can be no assurance that all Group Companies will at all times be able to retain and/or obtain the licenses and permits required to conduct their business activities. Moreover, there can be no assurance that all Group Companies will at all times be compliant with the applicable environmental laws, regulations and standards. In the Industry business area, for example, Berco, a company that produces superstructures on light trucks, is affected by the WLTP rules within the automotive industry. For example, deliveries from manufacturers of WLTP systems (which are systems for measuring fuel consumption) were severely delayed due to the implementation of the adjustment rules, which led to Berco not being able to produce and deliver its own products on time. There are more adjustment rules to be adopted and implemented in the automotive industry, which may affect the Group adversely. Non-compliance with any environmental laws and standards may harm the Group’s reputation, in particular given that the Group has built its brand recognition around conducting its business in an environmentally conscious and sustainable manner. There can be no assurance that the requirements of environmental laws and regulations and the associated cost of compliance will not increase in the future. Adapting operations to such changes may require the Group to incur costs that are difficult to anticipate, which, in turn, could decrease the Group’s cash flow and liquidity, which in turn could have a material adverse effect on the Issuer’s ability to make payments under the Bonds.

The Group’s operations are subject to various employment laws and regulations, including but not limited with respect to anti-discrimination, health and safety and labour laws and regulations. If the Group’s employees, distributors or suppliers, violate any of the applicable laws and regulations, the Group could experience increased costs or delays in the delivery of its products, be subject to fines, damages or penalties as well as orders and sanctions imposed by supervisory authorities and courts, thus reducing the Group’s cash flow and liquidity, which could have a material adverse effect on the Issuer’s ability to make payments under the Bonds. The employees of targets within the Industry or Services business areas may typically be unionised. The Group may therefore be subject to disputes with labour unions. The Group may also suffer reputational harm due to violations of labour regulations, which could reduce demand for its products and have a material adverse effect on the Group’s operations and revenues and the Issuer’s ability to make payments under the Bonds.

The Group is also required to comply with the provisions of anti-corruption laws, anti-money laundering and sanctions laws in jurisdictions in which it operates. There can be no assurance that the Group's current and past policies and control systems have been or will be able to detect or prevent all potential instances of illicit conduct, or that such policies have been or will be fully and consistently applied throughout the Group's organisation. While the Group seeks to exercise best practices in compliance with applicable laws, there can be no assurance that the Group's past and current policies and control systems have been, or are, able to detect or prevent all potential instances of illicit conduct. Any non-compliance with the provisions of anti-corruption laws, anti-money laundering and sanctions laws by the Group could result in decreased sales numbers and increased costs for the Group, both of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to intellectual property

The Group's success also depends on its ability and the ability of the Group Companies to protect its and their intellectual property rights. The Group and the Group Companies have taken active measures to obtain protection of its and their respective intellectual property by obtaining patents and trademarks, which are usually held at the Group Company level, and by monitoring activities in its major markets. In addition to its patent and trademark portfolio, the Group relies on, inter alia, trade secrets, know-how, development of new products and technological development in combination with non-disclosure and other agreements to protect such intellectual property rights. However, the measures that the Group takes to protect its intellectual property may not effectively deter competitors or others from improper use of the Group's intellectual property. The Group may also need to expend significant resources in order to prevent infringement of its intellectual property or to litigate in order to protect its intellectual property rights. Any failure by the Group to establish its rights to, or manage and protect its intellectual property could lead to an increase of costs and a decrease in cash flow for the Group, both of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to disputes and other legal proceedings that may be time consuming and costly

The Group Companies' operations are associated with a risk for disputes with, inter alia, customers, potential partners, suppliers, employees, authorities and potential company sellers that may assert that the Group has not fulfilled its legal, contractual or other obligations and may direct claims against the Group. There is a risk that a dispute or process of material nature may arise in the future which may have significant adverse effects on the Group's financial position and profits. The exposure to disputes, fines and other obligations that may be imposed by relevant authorities can also affect the Group's reputation, although the financial effects may not be substantial. Litigation procedures may also be time-consuming for the Group's management and be associated with costs related to legal advisers. As an example, the Group has identified a number of serious deficiencies in total estimated amount of approximately SEK 66 million in the historical accounting of Svenska Tungdykargruppen acquired in 2020, which may cause such processes. The deficiencies were not detected during the due diligence review of the acquired company due to misrepresentations made by or on behalf of the seller. In addition thereto, the business area Services, especially in relation to larger tender contracts, is exposed to risk for alleged wrongful performed services and damages in relation thereto. As an example, in September 2021, a Group Company received a claim for damages of SEK 40 million for alleged wrongful clearing of trees in connection with certain construction work. The claim will be contested by the Group Company, but procedures like this are often time consuming, may be costly to defend and may damage the Group and its Group Company's reputation and brand. If any such risk were to materialise it could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Further, some of the Group Companies develop, produce and/or sell products of various kinds. Such Group Companies may be exposed to product liability in the event that the use of the relevant Group Companies' products do not meet the required standards and/or cause or can be feared to cause injuries to persons, animal or property. Such consequences can lead to the Group being subject to legal claims and to significant financial commitments as well as negative publicity, which could lead to higher costs, lower sales volumes and a reduced cash flow and liquidity, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to tax risks and Storskogen's current tax situation may be subject to negative changes

The Group Companies are subject to taxation in Sweden and other jurisdictions, inter alia, Switzerland, Germany and the United Kingdom. During the financial years 2020, 2019 and 2018, respectively, Storskogen's reported tax expenses (as it affected the profit for the period) amounted to SEK 100 million, SEK 87 million and SEK 56 million, respectively. Due to Storskogen's international expansion, tax rates going forward might be somewhat higher as, for example German taxes are generally higher than taxes elsewhere in Europe. As of 18 January 2022, Storskogen is present in 21 countries with 109 business units and over 300 portfolio companies. Depending on operations and jurisdiction, each portfolio company is subject to different tax regulations, which adds complexity from a tax point of view and this entails a risk that the complexity results in errors in the Group Companies' tax management.

If Group Companies make mistakes in their tax management, it can lead to additional tax expenses for the Group and to tax surcharges, which may have a negative impact on the Group's profits. For example, one of the Group Companies has misjudged its VAT-status which has resulted in the Group Company incorrectly deducting input VAT to an amount of approximately SEK 90 million (the Group Company's suppliers should have invoiced the company without VAT in accordance with the rules regarding reverse charge). The Group Company has initiated a dialogue with the Swedish Tax Agency regarding a suitable solution. If the Swedish Tax Agency demands that the Group Company refunds the incorrectly deducted input VAT, the Group Company will try and recover the corresponding VAT from their suppliers. Similar errors in the tax management of the Group Companies may be attributable to before the Group's acquisition of the relevant Group Company. If the Group makes mistakes in its tax management it could lead to further tax costs for the Group as well as tax surcharges, which could adversely

affect the Group's profits, cash flow and liquidity, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Further, there is a risk that tax authorities do not agree with the Group's perception and interpretation of laws, tax treaties, regulations and practices. The Group's current tax situation may therefore be subject to negative change. In connection with past, current or future acquisitions, the Group may also be exposed to liability for transfer taxes, including stamp tax, real estate transfer tax and/or levies for the formal registration of a transfer of title. In addition, the Group can be subject to retroactive adjustments that may have a negative impact on the Group's previously estimated tax. This may have an adverse effect on the Group's business, financial position and results. It is not possible to predict whether the Group will be subject to any new or changed tax regulations, or if the Group's perception and interpretation of such new or changed regulations will be correct. In addition, in the event of further geographical expansion, the Group may become exposed to additional tax regulations in additional jurisdictions, which may lead to increased compliance costs and increased tax rates, thus reducing the Group's cash flow. Any failure in compliance can, inter alia, lead to the payment of additional taxes and/or fees, which could have a material adverse effect on the Group's cash flow and liquidity and the Issuer's ability to make payments under the Bonds.

Risks relating to the Group's financial situation

There are no guarantees that Storskogen can meet its financing needs for the day-to-day operations and future investments at a reasonable cost or at all

The Group is dependent on receiving financing from lenders and investors. The Group's financial needs include both the continuing operations as well as readiness for future investments. The access to financing is affected by factors such as the general access to capital and the Group's creditworthiness.

The Group may not at all times be able to obtain the funding necessary to pursue its acquisition and growth strategy; this may have a negative impact on the Group's operations, financial position and earnings. Moreover, if the Group's development departs from the existing strategic direction, this may lead to a situation where the Group needs to obtain more funds than expected. If the Group, under such circumstances, fails to raise enough funds on favourable terms, or at all, this may have a negative impact on future growth of the Group's operations and its ability to fulfil its financial obligations entailing reduced future cash flows and a decreased future liquidity, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

The Company is party to an unsecured EUR 1,000,000,000 multicurrency revolving credit facility agreement with AB Svensk Exportkredit (publ), BNP Paribas SA, Bankfilial Sverige, Danske Bank A/S, Danmark, Sverige Filial, DNB Sweden AB, Goldman Sachs Bank Europe SE, J.P. Morgan AG, National Westminster Bank Plc, Nordea Bank Abp, filial i Sverige, Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ), entered into on 24 September 2021 (the "Facility Agreement"). Pursuant to the terms of the Facility Agreement, there is a general restriction, subject to customary exceptions, on incurring or permitting to subsist financial indebtedness as well as certain other customary covenants. As the Group is in the midst of an expansion phase, it is imperative for the Group to have ready access to debt financing with access to increasing amounts in order to finance acquisitions of companies and to fund the expanding central organisation of the Group. It is possible that the Group, from time to time, will need to supplement and/or refinance its loan facilities by way of new debt in order to support the growth strategy and achieve a higher overall access to debt financing, the incurrence of which is also restricted under the Facility Agreement. There is a risk that the Company is unable to obtain adequate debt funding in order to supplement the Facility Agreement, in which case the Group would be forced to refinance the its loan facilities with equity funding, which may prove impossible to raise at a reasonable price or at all. Both the Facility Agreement contain certain restrictive commitments and financial covenants, and if the Company does not fulfil these the lenders can demand prepayment in full. Prepayment in full can also be demanded in connection with other grounds for termination for the lenders (for example a sanctions event or a certain type of ownership change in the Company). If the above risk were to materialise, it could hinder the Group's financing of new acquisitions during the time until the Group's loan facilities are terminated, which in turn would have a material adverse effect on the Group's financial position and growth prospects during such period.

Any impairment of goodwill, other intangible assets or property, plant and equipment could have a material adverse effect on Storskogen's financial position and operating results

In connection with acquisitions, the Company carries out a purchase price analysis and values the acquired entity's identifiable assets and liabilities at fair value. If there is a discrepancy between the asset value and the purchase price paid by the Company, the Company reports the difference as goodwill. As of 30 September 2021, the Group had SEK 9,785 million of goodwill, SEK 2,379 million of other intangible assets, such as customer relationships, patents, trademarks and technology-related intangible assets, and SEK 2,932 million of property, plant and equipment in its balance sheet. Goodwill is subject to impairment reviews in accordance with IFRS. Any impairment charge on goodwill, other non-tangible assets or property, plant and equipment will be reported as a cost and have a negative impact on operating profit. For the year ended 31 December 2020, the Group incurred SEK 5 million of impairment losses.

Storskogen is subject to risks relating to currency fluctuations and exchange rate differences

Currency risk means the risk of exchange rate fluctuations affecting the Group's financial position negatively. Exchange rate differences decreased the Group's Operating profit for the year ended 31 December 2020 by SEK 6 million and the Group's net financial items by SEK 1 million, as compared to SEK 3 million and SEK 0 million, respectively, for the year ended 31 December 2019. The business area Trade has significant exposure to the U.S. dollar and euro as well as some exposure to Japanese yen when it comes to purchasing. Foreign exchange exposure related to sales are limited and include euro, Norwegian krone and Danish krone. The Group hedges its exposure to currency risk at the Group level and in the Group Companies. Every Group Company has an individual foreign exchange policy, set by the Group Company's

board. Larger Group Companies with larger foreign exchange risks, such as Båstad-Gruppen and Kranlyft, hedge approximately 25 per cent of their purchasing volumes to counteract large fluctuations. Several Group Companies do not use any structured products given that they set the selling price based on the purchase price. The total amount of the Group's outstanding hedging arrangements amounted to SEK 273 million at 31 December 2020. The currency risk of the Group may increase as the Group expands internationally. In 2021, the Group will also be exposed to foreign exchange risk related to the Swiss franc. Given the rapid rate of acquisitions, there is a risk that the risks associated with the hedging arrangements of newly acquired companies are not immediately identified and negatively affect the Group.

Currency risk can be divided into transaction exposure and translation exposure. Transaction exposure arises as a result of companies within the Group carrying out transactions in a different currency than the local currency, for instance by importing products for sale on the domestic market and/or by selling products in foreign currency. Translation exposure arises as the Group, through its foreign Group Companies, has net investments in foreign currencies. The Group can be exposed to negative effects when recounting the net result and net assets in such foreign Group Companies to the Group's reporting currency SEK.

Thus, significant reductions in the value of any foreign currency in relation to SEK may have negative effects on the Group's earnings, financial position and cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to increased interest rates

The Group's interest rate levels are affected by underlying market rates which have historically fluctuated due to, and are in the future likely to be affected by, a number of different factors such as macroeconomic conditions, inflation expectations and monetary policies. As the Group's loans mainly accrue interest at floating rates, changes in interest rates can lead to increased interest expenses for the Group, and in turn a material adverse effect on the Group's cash flow, which could have a material adverse effect on the Group's ability to make payments on its debts, including the Bonds. By way of an example, if the 3-month STIBOR increased by 100 bps, the Group's interest expenses on interest bearing loans and capital markets instruments as at 31 December 2020 would increase by approximately SEK 34 million annually. In addition, if the Group's creditworthiness were to decrease in the future, potential lenders might demand an additional credit risk premium on the interest rates charged to the Group. As of 30 September 2021, the Group's total interest-bearing liabilities amounted to SEK 10.725 billion with an average interest rate of 2.16 per cent. If the interest rate were to increase by 100 bps to 3.16 per cent, interest costs would increase by SEK 101 million annually.

Storskogen is subject to risks relating to increased prices of raw materials and disrupted supply chains

Certain Group Companies within the Group are dependent on purchases of raw materials such as wood, steel, gold and diamonds. The global market price for different raw materials sometimes fluctuates heavily and it is difficult to foresee the price development. The Group does not use any derivative instruments or similar to secure raw material prices. There is thus a risk that the Group's financial position and profits may be adversely affected, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds, if the price of one or more raw materials that are needed in the Group's operations increases. Even if the Group uses derivative instruments to hedge raw material prices, there is a risk that the measures taken fail at mitigating the risks related to the Group's financial position and earnings.

Several of the raw materials and components that the Group Companies use in their operations also need to be transported from other geographical areas to the respective Group Companies. If there are disruptions in the supply chain, e.g. due to logistical difficulties, lack of raw materials and components or general delays, it may result in the Group Companies not being able to produce and deliver their products on time or at all. It can also result in the prices of, and the costs of transporting, such raw materials and components increasing. These factors can in turn have an adverse effect on the Group Companies', and thus the Group's, financial position and profits (see also the risk factor "*Storskogen is subject to risks relating to suppliers and customers*" above). An increase in costs could negatively affect the Group's cash flow and liquidity, which could result in a negative adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to credit risks

Credit risk or counterparty risk means the risk of a counterparty in a financial transaction not fulfilling its obligations on the relevant day of maturity or at all. The Group's credit risk mainly includes claims on customers and advance payments to suppliers (commercial credit risk), but a certain credit risk also exists concerning the allocation of cash (financial credit risk). Despite the Group's finance policy stipulating that cash is only to be deposited with banks with good credit ratings, the Group faces financial credit risk. If the financial conditions of one or more of the Group's counterparties change negatively and it results in the counterparty not being able to fulfil its obligations towards the Group in time or at all, entailing major credit losses for the Group, it may have an adverse effect on the Group's cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS

Risks related to the nature of the Bonds

Ability to service debt and credit risk

The Issuer's ability to service its debt under the Bonds will depend on the Issuer's ability to have liquid funds in order to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, some of which have been mentioned above, such as prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control.

If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling of assets, restructuring or refinancing of its debt or seeking additional equity capital.

The risk that the Group cannot service its debt obligations under the Bonds also implies a credit risk for investors in the Bonds. An increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds, as it may cause the Issuer's credit profile to decrease, and consequently affect the Issuer's ability to repay the Bonds at maturity, as set out below under "*Refinancing risk*".

Refinancing risk

The Group finances its business, by way of equity and bank financing. As of 30 September 2021, the Issuer's equity amounted to approximately SEK 9,287 million whereas the total balance sheet liabilities amounted to approximately SEK 16,821 million. Consequently, the Group may be required to refinance its outstanding debt, including the Bonds, from time to time.

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations and access to additional debt and equity financing. In addition, restrictions in relation to the Group's debt financing arrangements as well as adverse developments in the credit markets and other future adverse developments, such as the deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow funds as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at all and consequently, there can be no assurance that the Group will be able to refinance the Bonds when they mature.

Holding company risk

The Issuer is the ultimate parent company in the Group and does not carry out any income generating business operations of its own. This means that the Issuer's ability to make required payments on the Bonds and its other debts and funding (as well as financing its costs in general) is directly affected by the ability of its subsidiaries to transfer available cash resources to it. Such transfers of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the subsidiaries from time to time, which may increase as a result of the Group's expansion into new jurisdictions with differing legal requirements. There is also a risk that limitations or restrictions on the transfer of funds between companies within the Group, becomes more restrictive in the event that the Group experiences difficulties with respect to liquidity and its financial position. If this risk was to materialise it would have a material adverse effect on the Issuer's ability to make payments under the Bonds and other financings as they fall due.

Interest rate risks and benchmarks

The Bonds' value depends on several factors, one of the more significant over time being the level of market interest. The Bonds bear a floating rate interest of STIBOR plus a margin per annum and the interest rate is therefore adjusted for changes in the level of the general interest rate. Hence, there is a risk that changes in the general interest rate levels significantly affect the market value of the Bonds.

The determining interest rate benchmarks, such as STIBOR has been subject to regulatory changes such as the Benchmarks Regulation (Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds) (the "BMR"). The implementation of the BMR will lead to that certain previously used benchmarks, such as LIBOR will be discontinued, leading to that, among others, existing financing arrangements will have to be renegotiated or terminated. There is a risk that also STIBOR will be discontinued, or that alternative benchmark rates will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Bonds. Increased or altered regulatory requirements and risks associated with the BMR (as amended) involve inherent risks, as the effects cannot be fully assessed at this point in time. There is a risk that developments in relation to STIBOR cause volatility in STIBOR, which would affect the interest rate for the Bonds. Should STIBOR be discontinued, the Terms and Conditions provides for an alternative calculation of the interest rate for the Bonds. There is a risk that such alternative calculation results in interest payments less advantageous for the bondholders or that such interest payment do not meet market interest rate expectations.

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

Risks related to admission to trading and liquidity

The Issuer has undertaken to ensure that the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within a certain time period as stipulated in the Terms and Conditions (or if such admission to trading is not possible to obtain or maintain, admitted to trading on another regulated market). However, there is a risk that the Bonds will not be admitted to trading.

Further, even if securities, including the Bonds, are admitted to trading on the relevant market, there is not always active trading in the securities. Hence, and considering that the nominal amount of each bond is relatively high (SEK 1,250,000), there is an intermediate risk that the market for trading in the Bonds will be illiquid even if the Bonds are admitted to trading. In addition, as the Bonds are traded over-the-counter (OTC) there is a risk for smaller volume of trades in the Bonds. The above risks may result in that the Bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if they are admitted for trading.

It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

Risks related to the Bondholders' rights and representation

Financing, priority rights and unsecured obligations

Subject to the provisions set out in the Terms and Conditions, the Issuer and its subsidiaries may maintain and incur additional financing and retain, provide or renew security over its current or future assets to secure such financing. Any such secured financing will rank senior to the Bonds and the security interests provided therefor will normally constitute a preferential claim on the borrower. Furthermore, if the Issuer's subsidiaries incur debt, the right to payment under the Bonds will be structurally subordinated to the right of payment relating to debt incurred by subsidiaries of the Issuer.

The Bonds constitute unsecured debt obligations of the Issuer and no present or future shareholder or subsidiary of the Issuer will guarantee the Issuer's obligations under the Bonds. If the Issuer becomes subject to any foreclosure, dissolution, winding-up, liquidation, bankruptcy or other insolvency proceedings, the Bondholders normally receive payment after any prioritised creditors, including those which are mandatorily preferred by law, have been paid in full. Furthermore, following prioritised creditors receiving payment in full, the Bondholders will have an unsecured claim against the Issuer for the amounts due under or in respect of the Bonds, which means that the Bondholders normally would receive payment pro rata with other unsecured creditors.

All of the above could have a negative impact on the Bondholders' recovery under the Bonds and there is a risk that a Bondholder loses the entire or parts of its investment in the event of the Issuer's liquidation, bankruptcy or company reorganisation.

Structural subordination and insolvency of subsidiaries

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. Defaults by, or the insolvency of, certain subsidiaries or other associates of the Issuer may result in the obligation of the Issuer to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Issuer and its assets would not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise.

THE BONDS IN BRIEF

This section contains a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference, and the full Terms and Conditions for the Bonds included under Section “*Terms and Conditions for the Bonds*”, before a decision is made to invest in the Bonds.

General

Issuer	Storskogen Group AB (publ), Swedish reg. no. 559223-8694.
Resolutions, authorisations and approvals	The Issuer’s board of directors resolved to issue the Bonds on 17 November 2021 and 18 January 2022.
The Bonds offered	SEK 3,000,000,000 in an aggregate principal amount of senior unsecured callable floating rate bonds due 1 December 2025.
Nature of the Bonds	The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i>), each of the type set forth in Chapter 1, Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i>).
Number of Bonds	As of the date of this Prospectus, 2,400 Bonds have been issued. A maximum of 4,000 Bonds may be issued under the Terms and Condition. Only Bonds that have been issued at the date of approval of the Prospectus may be admitted to trading based on the Prospectus.
ISIN	SE0017084650.
Issue Date	1 December 2021 and 26 January 2022.
Price	The SEK 2,000,000,000 Bonds issued on 1 December 2021 were issued at an issue price of 100.00 per cent. of the Nominal Amount and the SEK 1,000,000,000 Bonds issued on 26 January 2022 were issued at an issue price 99.75 per cent. of the Nominal Amount.
Interest Rate	Interest on the Bonds is paid at a rate equal to the sum of (i) the Base Rate, initially three (3) months STIBOR, plus (ii) 3.00 per cent. <i>per annum</i> , as adjusted by any application of Clause 20 (<i>Base Rate Replacement</i>) in the Terms and Conditions. Interest will accrue from, but excluding, the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Use of benchmark	Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR. As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) does not appear in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the regulation (EU) 2016/1011 (the Benchmark Regulation).
Interest Payment Dates	Quarterly in arrears on 1 March, 1 June, 1 September and 1 December each year (with the first Interest Payment Date being on 1 March 2022 and the last Interest Payment Date being 1 December 2025 or the last relevant Redemption Date).
Final Redemption Date	1 December 2025.
Nominal Amount	The initial nominal amount of each Bond is SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds was SEK 1,250,000.
Denomination	The Bonds are denominated in SEK.
Status of the Bonds	The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among them and at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.
Use of Proceeds	The Net Proceeds of the Initial Bond Issue and any Subsequent Bond Issue shall be used for general corporate purposes of the Group, including acquisitions, investments in companies and repayment of existing debt incurred for such purposes, including any Permitted Issuer Financing.

Call Option

Call Option	<p>The Issuer may redeem all of the Bonds in full on any Business Day falling on or after the First Issue Date (being 1 December 2021) at the applicable Call Option Amount together with accrued but unpaid Interest, in accordance with Clause 11.3 (<i>Early voluntary total redemption (call option)</i>) of the Terms and Conditions, the Call Option Amount being:</p> <ul style="list-style-type: none"> (a) an amount equivalent to the sum of (i) one hundred one and five tenths (101.50) per cent. of the Nominal Amount and (ii) the remaining interest payments up until (but not including) the First Call Date, if the call option is exercised on or after the First Issue Date up to (but not including) the First Call Date; (b) one hundred one and five tenths (101.50) per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but not including) the date falling thirty-six (36) months after the First Issue Date; (c) subject to paragraph (d) below, one hundred and seventy-five hundredths (100.75) per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty-six (36) months after the First Issue Date up to (but not including) the Final Redemption Date; or (d) one hundred (100.00) per cent. of the Nominal Amount if, the call option is exercised on or after the date falling forty-five (45) months after the First Issue Date up to (but not including) the Final Redemption Date, provided that such early redemption is financed in part or in full by way of the Issuer issuing Market Loan(s) in one or several issues.
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For the purpose of calculating the remaining interest payments pursuant to (a) above it shall be assumed that the Interest Rate for the period from the relevant Redemption Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders.

Put Option

Put Option	<p>Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of 30 calendar days following a notice from the Issuer relevant event, in accordance with Clause 11.4 (<i>Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)</i>) of the Terms and Conditions.</p>
Change of Control	<p>A Change of Control means the occurrence of an event or series of events whereby: one or more Persons (other than a Main Shareholder) acting together, acquire control over the Issuer and where "control" means (i) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.</p>
De-listing	<p>A De-listing means a situation where (i) the Issuer's shares cease to be listed or admitted to trading on Nasdaq Stockholm or any other Regulated Market or trading of the Issuer's shares on the relevant Regulated Market is suspended for a period of 15 consecutive Business Days or (ii) once the Bonds are admitted to trading or listed on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).</p>
Listing Failure	<p>A Listing Failure means a situation where (i) the Initial Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date; or (ii) any Subsequent Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the relevant Issue Date,</p>

in each case, with an intention to complete such admission to trading within thirty (30) calendar days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations).

Undertakings

Certain undertakings	<p>The Terms and Conditions contain a number of undertakings that restrict the ability of the Issuer and other Group Companies, including, among others:</p> <ul style="list-style-type: none"> • restrictions on making distributions; • undertaking to have the Initial Bonds admitted to trading within 12 months after the First Issue Date; • restrictions in relation to incurring Financial Indebtedness and providing security or guarantees; • restrictions in relation issuance of Market Loans; • restrictions on disposals of assets; • restrictions on providing loans to entities outside of the Group; • restrictions on mergers and demergers; • restrictions on making any substantial changes to the general nature of the business carried out by the Group; and • restrictions on dealings with related parties. <p>Each of these covenants is subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for more information.</p>
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Miscellaneous

Transfer restrictions	<p>The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which such Bondholder may be subject (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). The Bonds have not been, and will not be, registered under the US 1933 Securities Act.</p>
Credit rating	<p>No credit rating has been assigned to the Bonds.</p>
Admission to trading	<p>Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in connection with the Swedish Financial Supervisory Authority's approval of this Prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 28 January 2022. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 250,000. Only Bonds that have been issued as of the date of approval of the Prospectus may be admitted to trading based on the Prospectus.</p>
Representation of the Bondholders	<p>Nordic Trustee & Agency AB (publ), Swedish reg. no. 556882-1879, is acting as Agent for the Bondholders in relation to the Bonds and any other matter within its authority or duty in accordance with the Terms and Conditions.</p> <p>By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the Agent, set out in the Terms and Conditions. The Terms and Conditions are available at the Agent's office address, Norrlandsgatan 23, SE-111 43 Stockholm, Sweden, during normal business hours as well as at the Agent's website, www.nordictrustee.com.</p>
Governing law	<p>The Bonds are governed by Swedish law.</p>
Time-bar	<p>The right to receive repayment of the principal of the Bonds shall be time-barred and become void 10 years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three years from the relevant due date for payment.</p>
Clearing and settlement	<p>The Bonds are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. <i>VP-konto</i>). No physical</p>

Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.

Risk factors.....

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

DESCRIPTION OF THE ISSUER AND THE GROUP

Overview of the Issuer

Legal and commercial name	Storskogen Group AB (publ)
Corporate reg. no.....	559223-8694
LEI-code	549300DL3K4HLJ41KD24
Date and place of registration	24 October 2019, Sweden, with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i>)
Date of incorporation	20 August 2019
Legal form	Swedish public limited liability company
Jurisdiction and laws.....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i>) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen (1995:1554)</i>)
Registered office	Stockholm
Head office and visiting address	Hovslagargatan 3, SE-111 48 Stockholm, Sweden
Website	www.storskogen.com (the information provided at the Issuer's website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)

History and development

Storskogen Industrier AB was founded in 2012 by Ronnie Bergström, Alexander Murad Bjärgård and Daniel Kaplan with an ambition to acquire profitable and stable small and medium-sized enterprises. Storskogen's business concept arose from the founders' observation that fundamentally profitable and well-managed privately owned companies for various reasons found it difficult to find a buyer for their business. These difficulties could, for example, stem from the fact that the companies were located far from metropolitan areas or industrial hubs or be due to the size of the companies, i.e., a company could be too small for an industrial or private equity buyer or too large for a local buyer.

Alexander Murad Bjärgård suggested the name "Storskogen" because it reflected the original concept of buying Swedish companies from north to south, and evoked something permanent, natural and real.

By 2014, Storskogen had completed six acquisitions and its M&A operations expanded into companies within trade and services. By 2016, Storskogen had completed 14 acquisitions. In 2016, the business areas of Trade, Industry and Services were formed.

In 2017, Storskogen changed its capital raising strategy, carrying out larger share issues in order to finance several acquisitions and to enable faster M&A processes.

In 2019, the Company was established through the combination of Storskogen Industrier, Storskogen Utveckling and Storskogen 3 Invest to form a unified corporate structure. By this point, Storskogen had completed 60 acquisitions in total since its founding.

In 2020, Storskogen carried out its first international acquisition in Norway (Frends AS) and established local presences in Germany, Switzerland and the United Kingdom to identify and pursue opportunities in those countries.

As of 18 January 2022, Storskogen had carried out 167 acquisitions of businesses and groups (109 business units and 58 add-ons) (where the acquisition of Artum is considered as eight acquisitions and the acquisitions of Ashe Invest and On Target are considered as one acquisition), and had an annual net sales of SEK 23.3 billion and had an annual adjusted EBITA of SEK 2.7 billion. These include, *inter alia*, two acquisitions in Denmark, three in Norway and one acquisition in Finland as well as Storskogen's first acquisitions outside the Nordic region in Germany, Switzerland and the United Kingdom.

Business and operations

Storskogen is a fast-growing owner of SMEs (*i.e.* Small and medium-sized enterprises) and has a track record of successful acquisitions, having carried out over 150 acquisitions of businesses and groups since its founding (where the acquisition of Artum is considered as eight acquisitions and the acquisitions of Ashe Invest and On Target are considered as one acquisition). The Group has an experienced and entrepreneurial management which has established an efficient M&A process and organisation.

Storskogen's vision is to be the best owner of SMEs within a broad field of industries and geographies as well as based on Storskogen's robust investment criteria. The Company has a long-term and sustainable perspective when acquiring and managing its companies, which are intended to be owned on a long-term basis without any predefined ownership horizon. As of the date of this Prospectus, Storskogen has not divested or

closed down operations in any of its Group Companies. All members of the Group share a common focus on profitability, stable cash flows and obtaining and maintaining a strong market position.

The Group Companies are organised into three business areas, and then into verticals in each business area, as follows:

Business Area	Description	Vertical	Share of Net sales ⁵
Services	<ul style="list-style-type: none"> Focus on stable service companies with a clear niche and strong positions in their markets. Mainly B2B companies aimed at the public and private sectors. 45 business units and approximately 3,331 employees as of 30 September 2021. 	<ul style="list-style-type: none"> Construction and Infrastructure Installation Digital Services Engineering Services Logistics HR and Competence 	34%
Trade	<ul style="list-style-type: none"> Focus on trading companies with strong brands within their niches. Mainly distributors and wholesalers with both their own and external brands. 23 business units and approximately 1,430 employees as of 30 September 2021. 	<ul style="list-style-type: none"> Distributors Brands Producers 	32%
Industry	<ul style="list-style-type: none"> Industrial companies (B2B) operating within automation systems, industrial technology and products. A new Green Solutions vertical is currently under development. 26 business units and approximately 2,190 employees as of 30 September 2021. 	<ul style="list-style-type: none"> Automation Industrial Technology Products 	34%

Storskogen's vision in brief

Storskogen's vision is to be the best owner of SMEs within a broad field of industries and geographies as well as based on Storskogen's robust investment criteria.

Storskogen's ambition is to grow to be a company generating annual EBITA of more than SEK 15 billion by continuing to acquire stable and profitable companies with a leading position in their market. Storskogen believes that there are several advantages related to growing its business further, including the optimization of capital allocation across many sectors and geographies and reaching a "critical mass" in many sectors, which will lead to Storskogen having leading sector knowledge in many geographies.

Storskogen's strategy in brief

Acquisition of stable and profitable SMEs

Storskogen's strategy is to acquire stable SMEs which meet its robust investment criteria with a common focus on long-term profitability, stable cash flows and obtaining and maintaining strong market positions in a diverse range of industries and geographies. Storskogen's investment criteria aim to secure growth based on sustainable businesses. Storskogen combines rigid criteria around certain fundamental business characteristics, while retaining some flexibility on the size of the targets and the margins.

Maintain and increase diversification of Storskogen's portfolio

In connection with the acquisition process, Storskogen seeks to ensure that it maintains sufficient diversification. Storskogen's primary focus, to date, has been to acquire companies with their main operations in Sweden, but Storskogen has also started to aim at acquiring stable, well-managed companies in the other Nordic countries, the DACH region (*i.e.* Germany, Switzerland and Austria) and the United Kingdom, with the potential to expand to further regions in the coming years.

Bring and create value as an owner

Storskogen's strategy to create sustainable long-term cash generation, profits and organic growth is based on decentralised decision-making, encouraged entrepreneurship at its business units, a professional approach throughout its business units and taking a long-term perspective. Once it acquires its businesses, Storskogen focuses on ensuring the right team is in place and the team gets a sounding board in the form of a professional board and an owner who takes responsibility for fulfilling the company's vision. Storskogen also gives companies the opportunity to utilise Storskogen's internal knowledge network, which is found both within Storskogen's central functions but also within all business units included in the company portfolio. Storskogen's organisation and entrepreneurial approach is a competitive advantage that distinguishes Storskogen from many financial buyers. For company sellers, who are often family entrepreneurs, it is often important to get an owner who understands entrepreneurship and with whom they can work together to further develop the company. Storskogen was founded by entrepreneurs, and Storskogen's values and corporate culture form a large part of Storskogen's value creation as owners.

Focus on sustainable business models

⁵ Refers to each business area's share of the Group's net sales for the period 1 January–30 September 2021.

Storskogen strives to acquire companies with a sustainable business model, prioritising long-term results over short-term gains, maintaining a strong focus on responsible ownership, professionalism and business ethics, and having the right people in place. For Storskogen sustainability is a natural part of the decision-making process. Storskogen therefore integrates sustainability into its ongoing work with identifying, evaluating, acquiring and developing companies. For Storskogen a sustainable business model means companies whose products and/or services are believed to remain relevant and attractive to customers, employees and/or society in the future. Storskogen avoids investing in companies that generate a substantial part of their revenues from commercial gambling, pornography and the arms or tobacco industries. Storskogen also avoids acquiring companies whose business models are considered to hinder the transition to a low-carbon society, but willingly acquires companies that are committed to making such transition.

Material agreements

The Facility Agreement

On 24 September 2021, the Company entered into a new, unsecured EUR 1,000,000,000 multicurrency revolving credit facility agreement (the “**Facility Agreement**”) with AB Svensk Exportkredit (publ), BNP Paribas SA, Bankfilial Sverige, Danske Bank A/S, Danmark, Sverige Filial, DNB Sweden AB, Goldman Sachs Bank Europe SE, J.P. Morgan AG, National Westminster Bank Plc, Nordea Bank Abp, filial i Sverige, Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) as original lenders (the “**New Lenders**”). The Facility Agreement was used to refinance and replace the Issuer’s previous facilities (the “**Previous Facilities**”).

Other than refinancing the Previous Facilities, the Facility Agreement credit may be applied towards acquisitions and acquisition-related costs, working capital and general corporate purposes.

The Facility Agreement contains certain customary restrictive covenants for the Company and its subsidiaries, e.g. restrictions on dividends to shareholders, disposal of assets, mergers, acquisitions, the ability for subsidiaries to incur financial indebtedness, loans out, the ability to provide security and guarantees, insurance, changes in operations and commitments to comply with applicable laws and regulations. The Company must also ensure that the Company’s leverage ratio⁶, calculated as the ratio between net debt and adjusted RTM EBITDA, does not exceed 3.5x.

Moreover, the Facility Agreement includes certain customary rights for the New Lenders to terminate the Facility Agreement and request payment of their commitments, including for defaults such as non-payment, misrepresentation, insolvency and cross default, as well as customary prepayment rights for individual New Lenders, including in the event of a delisting or change of control (whereby anyone other than the Founders acquire shares representing more than 50 per cent. of the share capital or votes in the Company (on a fully diluted basis)), illegality or sanction event.

Bond loan 2021/2024

The Issuer has issued a senior unsecured callable bond loan 2021/2024 in an amount of SEK 3 billion, within a total framework amount of SEK 4 billion. Additional bonds of SEK 1 billion can thus be issued on the same terms and conditions. The bonds carry an interest rate of 3-month STIBOR plus three hundred (300) basis points and have a final maturity date on 14 May 2024. The bonds was listed on Nasdaq Stockholm on 11 November 2021. The terms and conditions of the bonds contain, *inter alia*, restrictions on how the Issuer may incur financial indebtedness and provide security, as well as certain financial covenants which, *inter alia*, stipulate that the ratio of net interest bearing debt to EBITDA is less than 3.50:1 and that the interest coverage ratio exceeds 3.00:1 in connection with the incurrence of certain financial indebtedness or making of certain distributions. Further, the terms and conditions of the bonds include distributions restrictions, entailing that the Issuer may only pay annual dividends of a maximum of 50 per cent. of the Group’s consolidated profits for the previous financial year and only provided that the Issuer fulfils certain financial covenants, which limits the Issuer’s ability to pay dividends to its shareholders.

The Artum bonds

The Group Company Storskogen Artum AG has an outstanding bond loan in an amount of CHF 23.305 million at an interest rate of 3.25 per cent (the “**Artum Bonds**”), which following Storskogen’s acquisition of Artum in June 2021 is part of the Group’s financing agreements. The final maturity date of the Artum Bonds is 22 June 2022.

Other than the Facility Agreement, the Artum Bonds, the outstanding senior unsecured bond loan 2021/2024 and the Terms and Conditions of the Bonds, neither the Issuer nor any other Group Company has entered into any material agreements that are not entered into in the ordinary course of its business, which could result in any Group Company being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligations to the Bondholders under the Terms and Conditions.

⁶ Calculated according to the definition in the Facility Agreement, which differs from the Company’s definition of the ratio Net Debt to Adjusted RTM EBITDA.

Overview of the Group

The Company is the ultimate parent company of the Group. The Group's operations are conducted through, and the majority of revenues of the Issuer emanates from, the Issuer's operational subsidiaries. The Issuer is thus dependent on its subsidiaries, associated companies in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions. The table below presents the Company's significant subsidiaries, their corporate registration number and registered office as well as the percentage of the shares and votes in each subsidiary held directly or indirectly by the Company.

Subsidiary	Corporate registration number	Registered office	Shares and votes (%)
Storskogen Group International AB	559248-2144	Stockholm	100.0
Storskogen Singapore Pte. Ltd.	202141432Z	Singapore	100.0
Storskogen Schweiz AG	CHE-348.450.254	Zurich	100.0
PerfectHair AG	CH-020.3.032.319-8	Wallisellen ZH	75.0
Storskogen Artum AG	CHE-252.503.539	Zürich	100.0
Storskogen Schweiz Management AG	CHE-114.494.471	Zürich	100.0
Storskogen UK Ltd	13142215	London	100.0
SGS Tools Group Ltd	12071237	Derby	80.0
Julian Bowen Ltd	02108701	Nottinghamshire	80.0
Storskogen Danmark ApS	42150290	Herlev	100.0
Danmatic Automated Bakery Systems A/S	12509707	Viborg	75.0
Storskogen Deutschland GmbH	HRB 167355	Hamburg	100.0
Roleff GmbH & Co. KG	HRA 212148	Altbach	95.1
Stahlbau Verwaltungs GmbH	HRB 213936	Altbach	100.0
Storskogen Norge AS	927075113	Sarpsborg	100.0
Fon Anlegg AS	915 557 368	Sandeffjord	90.1
Storskogen Industrier AB	556803-3012	Stockholm	100.0
TK Logistik AB	556707-8356	Göteborg	100.0
Innovative Logistics Umeå AB	556582-9420	Holmsund	100.0
IMS Maskinteknik AB	556244-8349	Enköping	100.0
Berco Produktion i Skellefteå AB	556393-7969	Skellefteå	100.0
ÅMV Production AB	556627-2927	Åsele	100.0
Gullängets Mekaniska Verkstad AB	556474-2764	Ömsköldsvik	100.0
PV System AB	556671-1437	Tidaholm	100.0
Storskogen 3 Invest AB	559080-4273	Stockholm	100.0
Storskogen Holding AB	559090-6763	Stockholm	100.0
Imazo AB	556196-2951	Vara	100.0
Södra Infragruppen Sverige AB	556815-0667	Kristianstad	100.0
Skidsta Hus AB	556630-0587	Ullånger	100.0
Stål och Rörmontage i Sölvesborg AB	556292-0453	Sölvesborg	100.0
RS Fastigheter i Sölvesborg AB	556265-9143	Sölvesborg	100.0
Stockholms Rörexpress AB	556676-2711	Skarpnäck	94.0
SGD Sveriges Golvdistributörer AB	556445-3529	Växjö	100.0
Golvgrossisten F och B i Skövde AB	556850-8138	Skövde	100.0
Golvgrossisten G och B i Norrköping AB	556238-8255	Norrköping	100.0
Plåthuset i Mälardalen AB	556311-2050	Enköping	90.1
Plåthuset Syd AB ¹⁾	559059-4304	Enköping	30.0
Smederna Sverige AB	556415-2568	Tumba	90.1
SAMUS Holding AB	559030-3094	Skara	100.0
BR Solutions AB	556251-0817	Hisings Kärra	90.1
INBEGO AB	556294-1558	Älmhult	90.1
IDATA AB	556618-8396	Värnamo	100.0
ARAT AB	556922-2697	Kungsbacka	90.1
Tolarp Kyckling AB	559183-5672	Linghem	100.0
Svenska Kläckerier AB	559182-1334	Linghem	100.0
Elektroautomatik i Sverige AB	556100-1008	Göteborg	92.6
Noa:s Snickeri i Tibro AB	556389-5290	Tibro	100.0
Båstad-Gruppen AB	556519-6135	Ängelholm	91.0
Albin Components AB	556312-5656	Kristinehamn	100.0
NetRed AB	556596-8640	Tidaholm	91.0
Roslagsgöteriet AB	559052-2032	Herräng	100.0
Storebrogöteriet AB	556525-0049	Storebro	100.0
Elcommunication Sweden AB	556582-3753	Karlshamn	90.1
C.S Riv och Hålltagning AB	556529-8766	Hisings Backa	90.1
JJH i Sverige AB	559135-9913	Kungälv	90.1
Jata Cargo AB	556542-2895	Malmö	90.1
Alfa Kvalitetslego Aktiebolag	556424-2765	Alfa	90.1
Baldacci AB	556703-8624	Västra Frölunda	95.1
Umeå Golvcenter AB	556599-2004	Umeå	100.0

Riviera Markiser & Persienner AB	556432-5685	Partille	90.1
TRELLEGRÄV AB	556454-9391	Trelleborg	90.1
A Lot Decoration Sweden AB	556698-0131	Falköping	95.0
Swedstyle AB	556272-5134	Vaggeryd	100.0
Måla i Sverige AB	559051-8345	Hägersten	94.8
Svenska Tungdykargruppen AB	556739-5529	Mora	100.0
VästMark Entreprenad AB	556816-5350	Göteborg	90.1
Tepac Entreprenad AB	556646-7980	Stockholm	92.0
L'anza EP Sweden AB	556497-8764	Malmö	90.1
Växjö Elmontage AB	556522-5983	Växjö	90.1
Friends AS	983 978 576	Grålum	90.1
Ullmax AB	556647-0307	Orebro	100.0
Stockholms Internationella Handelsskola AB	556578-6497	Stockholm	100.0
Bergendahls El Gruppen AB	556529-8493	Göteborg	90.1
El & Projektering Vetlanda AB	556594-0813	Vetlanda	100.0
Svenska Grindmatriser AB	556258-8839	Linköping	95.0
M J Contractor AB	556492-6904	Upplands Väsby	95.0
IVEO AB	556791-6811	Stockholm	70.0
Pierre Entreprenad i Gävle AB	556582-9784	Gävle	90.1
Örnsbergs El, Tele & Data Aktiebolag	556347-0037	Stockholm	90.1
Continovagruppen AB	556624-1807	Kungsbacka	90.1
Ockelbo Kabelteknik AB	556675-2019	Ockelbo	100.0
Tjällmo Grävmaskiner Aktiebolag	556337-3652	Motala	100.0
Strand i Jönköping AB	556385-9197	Jönköping	95.0
Allan Eriksson Mark Aktiebolag	556437-3669	Sala	100.0
Såg- & Betongborming i Uddevalla Aktiebolag	556226-4043	Uddevalla	100.0
Strigo AB	556921-5360	Västervik	90.1
Primulator AS	918375643	Oslo	100.0
AGIO System och Kompetens i Skandinavien AB	556650-2968	Luleå	90.1
Bombayworks AB	556720-9357	Stockholm	90.1
Scandia Steel Sweden AB	559272-9320	Stockholm	95.0
Harrysson Entreprenad Aktiebolag	556273-9762	Hallsberg	90.1
Lindberg Stenberg Arkitekter AB	556250-6609	Stockholm	90.1
Vårdvaskan AB	556880-1939	Falkenberg	90.1
Jofrab TWS AB	556231-0713	Tranås	100.0
Lan Assistans Sweden AB	556239-4618	Norrköping	90.1
Newton Kompetensutveckling AB	556464-7989	Stockholm	100.0
EnRival AB	556689-0207	Lund	92.0
Aktiebolaget Wibe	556034-6495	Mora	100.0
Zymbios Logistics Contractor AB	556681-8653	Kumla	90.1
Ashe Invest AB	559059-3868	Göteborg	75.0
AE5 2012 Holding AB	556951-8011	Jönköping	98.75
DeroA AB	559088-9639	Stockholm	84.1
Buildercom Group AB	559064-1410	Stockholm	97.43
Buildercom Oy	2463542-2	Jyväskylä	97.43
Kumla Handtagsfabrik AB	559156-8331	Stockholm	93.6
SoVent Group AB	559138-8789	Stockholm	95.88
Viametrics Group AB	559018-4155	Partille	91.59
VINAB, Verkstadsindustri i Norr AB	556690-0832	Gällivare	90.1
Storskogen Utveckling AB	556970-1229	Stockholm	100.0
Schalins Ringar AB	556161-6110	Östersund	100.0
Tunga Lyft i Sverige AB	556713-3243	Arlöv	100.0
Tunga Lyft Engineering i Sverige AB	556801-7726	Arlöv	100.0
Jacob Lindh AB	556689 6576	Lund	97.3
Delikatesskungen AB	556656-1360	Stockholm	100.0
AB Kranlyft	556628-4534	Mölnlycke	100.0
Swedfarm AB	556498-9688	Linghem	100.0
Brenderup Group	556959-3048	Malmö	98.7
Fremco A/S	30 81 54 16	Fredrikshavn	84.0
Vikingsun AB	556492-4362	Stockholm	95.0
Hans Kämmerer GmbH	(Amtsgericht) Düsseldorf, HRB 1753	Wachtendonk	85.0
SF Tooling Group GmbH	(Amtsgericht) Ulm, HRB 731101	Laichingen	95.0
2M2 Group AB	556688-3772	Båstad	90.1
EVIAB Gruppen AB	556724-2267	Orebro	90.1

Tornado Group Limited	05240005	Bidford on Avon, Alcester	80.0
A&K Die Frische Küche GmbH	(Amtsgericht) Recklinghausen HRB 7911	Recklinghausen	100.0
LNS Holding SA	CHE-116.025.868	Marin-Epagnier	100.0

1) Storskogen 3 Invest AB owns 30 per cent. of Plåthuset Syd AB. Outstanding 70 per cent. is owned by Plåthuset i Mälardalen AB, which, in turn, Storskogen 3 Invest AB owns 90.1 per cent. of.

Recent events particular to the Issuer

The Group has completed additional acquisitions since 30 September 2021: Viameetrics Group AB in the Services business area, Buildercom Group AB in the Services business area, DeroA AB in the Services business area, SoVent Group AB in the Services business area, Budettan AB, an add-on to Södra Infragruppen Sverige AB in the Services business area, L.J. Sot Aktiebolag, an add-on to SoVent Group AB in the Services business area, Markbyggarna i Skellefteå AB, an add-on to Södra Infragruppen Sverige AB in the Services business area, Dansforum i Göteborg AB, an add-on to Newton Kompetensutveckling AB in the Services business area, EVIAB Gruppen AB in the Services business area, Fon Anlegg AS in the Services business area, Cuben Utbildning AB, an add-on to Strio AB in the Services business area, DRIVE Demolering Riv Entreprenad AB, an add-on to Trellegräv AB in the Services business area, PerGus Maskinförmedling AB in the Services business area, GD Transport AB, an add-on to Såg & betongborrning i Uddevalla AB in the Services business area, Nya Olsson Spårservice AB, an add-on to Harrysson Entreprenad Aktiebolag, Larsson Måleri i Umeå AB, an add-on to Måla i Sverige AB in the Services business area, Jembro Automation AB, an add-on to Elektroautomatik in the Industry business area, Kumla Handtagsfabrik AB in the Industry business area, Tornado Group Limited in the Industry business area, A&K Die Frische Küche GmbH in the Industry business area, LNS Holding SA in the Industry business area, Flexi Heater Sverige AB, an add-on to ÄMV Production AB in the Industry business area, Fremco A/S in the Industry business area, VINAB, Verkstadsindustri i Norr AB in the Industry business area, Trollskes Maskinservice AB, an add-on Elektroautomatik in the Industry business area, Hans Kämmerer GmbH in the Industry business area, SF Tooling Group GmbH in the Industry business area, Vikingsun AB in the Trade business area, Julian Bowen Ltd in the Trade business area, Specialfälgar i Kungsbacka Holding AB, an add-on to Continovagruppen AB in the Trade business area and 2M2 Group AB in the Trade business area.

In addition to the completed acquisitions stated above, the Issuer has signed one additional acquisition that is expected to be completed during 2022.

On 27 September 2021, the Issuer launched an offering of 348,034,945 shares of series B in the Issuer at a price of SEK 38.50 per share to the general public in Sweden as well as to institutional investors in Sweden and abroad with a subsequent listing on Nasdaq Stockholm on 6 October 2021 (the "IPO"). The offering of shares of series B in the IPO provided the Issuer with proceeds of approximately SEK 6.0 billion. In connection with the offering in the IPO, an overallotment option comprising 52,205,241 shares of series B was exercised, which provided the Issuer with additional proceeds of approximately SEK 2.0 billion, entailing total issue proceeds of approximately SEK 8.0 billion. In connection with the IPO (i) 51,335,798 shares of series A were redeemed by the Issuer without consideration and (ii) 98,667,588 shares of series A were converted into 98,667,588 shares of series B in accordance with the share conversion clause included in the Company's articles of association.

On 11 November 2021, the Issuer's senior unsecured bond loan 2021/2024 were admitted to trading on Nasdaq Stockholm.

On 20 December 2021, the Group Company Storskogen Artum AG launched a voluntary tender offer to the holders the Artum Bonds, whereby Storskogen Artum AG offered to repurchase Artum Bonds for a cash amount of CHF 5,162.50 per bond (corresponding to a "make-whole" amount, i.e. the nominal amount plus accrued but unpaid interest plus any remaining interest up to the final maturity date) (the "Tender Offer"). The final outcome of the Tender Offer was announced by Storskogen Artum AG on 18 January 2022 and the settlement in the Tender Offer occurred on 21 January 2021, whereby the outstanding nominal amount of the Artum Bonds was reduced from CHF 25 million to CHF 23.305 million.

The Tender Offer was carried out in order for the Issuer to comply with the terms and conditions for the Issuer's outstanding senior unsecured bond loan 2021/2024.

Except for as set out above, there have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

Material adverse changes, significant changes and trend information

There has been no material adverse change in the prospects of the Issuer since the date of publication of its last audited financial report.

Other than as set out in the Section "Recent events particular to the Issuer", there have been no significant changes in the financial position or performance of the Group since the end of the last financial period for which financial information has been published, i.e. the period ending on 30 September 2021.

Governmental, legal or arbitration proceedings

Storskogen has not been party to any regulatory proceedings, legal proceedings or arbitration proceeding (including proceedings which have not yet been settled or which, to Storskogen's knowledge, are in danger of being initiated) which may or has recently had a material effect on the Group's financial position or profitability during the previous twelve months. However, please see the section "Risk factors—Risks relating

to the Group's legal and regulatory environment—Storskogen is subject to risks relating to disputes and other legal proceedings that may be time consuming and costly” for more information regarding legal proceedings in connection with acquisitions carried out by the Group.

Credit rating

No credit rating has been assigned to the Issuer.

OWNERSHIP STRUCTURE

Ownership structure

According to the articles of association, the Company's share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000 divided into not less than 1,000,000,000 shares and not more than 4,000,000,000 shares. The Company's shares are denominated in SEK. As of the date of this Prospectus, the Company had an issued share capital of SEK 836,381,594 divided into 148,001,374 shares of series A and 1,524,761,814 shares of series B. Each share of series A carries ten votes and each share of series B carries one vote at general meetings in the Issuer. The Company's shares of series B are traded on Nasdaq Stockholm, with trading symbol STOR B and ISIN SE0016797732. The table below sets out the ten largest shareholders of the Company on 31 October 2021.

Shareholders	Share capital (%)	Votes (%)
Daniel Kaplan ¹⁾	4.5%	14.0%
Ronnie Bergström ²⁾	3.4%	13.4%
Alexander Murad Bjärgård	3.8%	13.4%
Peter Ahlgren	3.0%	11.8%
AMF Pension & Fonder	7.8%	4.3%
Futur Pension	5.9%	3.3%
Swedbank Robur Fonder	5.2%	2.9%
Philian Invest AB	2.2%	1.2%
Christer Hansson ³⁾	2.1%	1.1%
Länsförsäkringar	2.0%	1.1%
Other	59.2%	32.9%
Shares owned by Storskogen ⁴⁾	1.0%	0.6%

1) Including shares held by Firm Factory AB

2) Including shares held by Ångsmon AB

3) Including shares owned by Scalata Invest AB

4) Consists of shares that were not executed within the framework of the over-allotment option that was granted in connection with the IPO, which has therefore been transferred back to Storskogen free of charge, for future redemption.

The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). Since the Issuer's shares of series B are admitted to trading on Nasdaq Stockholm, the Issuer also acts in compliance with the Nordic Main Market Rulebook for Issuers of Shares and the Swedish Corporate Governance Code.

Shareholders' agreements

There are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in internal rules and instructions within the Company. The CEO and the members of the Company's executive management are responsible for the Issuer's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The board of directors and the executive management may be contacted through the Issuer at its head office at Hovslagargatan 3, SE-111 48 Stockholm, Sweden.

Board of directors

The section below presents the members of the board of directors, their position, including the year of their initial election and their significant assignments outside the Issuer, which are relevant for the Issuer.

Members of the board of directors

Elisabeth Thand Ringqvist

Elisabeth has been chairman of the board of directors since 2019.

Other relevant assignments: Chair of the board of directors of Nortical AB, Aktiebolaget Utö Havsbad, E14 Invest AB and E14 Invest II AB. Board member of Peak Region AB, Marsnen AB, Åre Corporate Finance AB and Åre Corporate Finance II AB. Deputy board member of Aquity Nordic AB. Chair of Vaccine Forward and Skärgårdsstiftelsen. Deputy chair of Centerpartiet Stockholm.

Bengt Braun

Bengt has been a member of the board of directors since 2019.

Other relevant assignments: Board member of Birben AB, Mertzig Asset Management AB and Bengt Braun Förvaltnings AB. Deputy board member of Clover Förvaltnings AB and Stavbron AB. Chair of Baltic Children Foundation, Irstads Foundation and Ledarön Foundation.

Louise Hedberg

Louise has been a member of the board of directors since 2019.

Other relevant assignments: Chair of the board of directors of Penny to Pound Aktiebolag. Board member of East Capital SICAV (Lux), East Capital (Lux) General Partner S.à r.l. and Espiria SICAV (Lux). Deputy board member of Hayman AB.

Johan Thorell

Johan has been a member of the board of directors since 2019.

Other relevant assignments: CEO and board member of Gryningskust Holding AB and subsidiaries. Chair of the board of directors of gamefederation svenska AB, Näringsfastigheter Kalleback AB, K2A Knaust & Andersson Fastigheter AB (publ) and Kalleback Property Invest AB. Board member of AB Sagax, Data Center Invest Vandenbergh 9 AB, Hemsö Fastighets AB, Tagehus Holding AB, Nicoccino Holding AB (publ), Data Center Invest Holding Sweden AB (publ) and Edsviken Holding AB. Deputy board member of Gamefederation Development AB, NATHO Capital AB and Valtare AB. Limited partner of WASA Fastighetsförvaltning i Nässjö Kommanditbolag.

Alexander Murad Bjärgård

Alexander has been a member of the board of directors since 2019.

Other relevant assignments: Board member of Firm Factory Network AB. Deputy board member of Kullengubben Advokat AB.

Executive management

The section below presents the members of the executive management, including the year each person became a member of the executive management.

Members of the executive management

Daniel Kaplan

Daniel has been CEO since 2012.

Other relevant assignments: CEO of Firm Factory Network AB. Chair of the board of directors of Dorunner AB and Firm Factory Network AB. Board member of Kaplans Auktioner Aktiebolag, Kaplans Safir AB, Firm Factory AB, Blade Power AB, Midato Holding AB, Kontorsgiganten AB, Loanland AB, WorkInShop AB, Worky Group AB, Sailfish Technology and Sport AB. Deputy board member of Mopper AB.

Lena Glader

Lena has been CFO since 2019.

Other relevant assignments: Board member of Fortnox Aktiebolag.

Alexander Murad Bjärgård

Alexander has been Head of M&A and Corporate Development since 2012.

Other relevant assignments: Please refer to the section “Board of directors” above.

Peter Ahlgren

Peter has been Head of Business Area, Services since 2014.

Other relevant assignments: CEO of Ribbylund Management AB. Deputy CEO of Firm Factory Network AB. Board member of Firm Factory Network AB and Ribbylund Management AB.

Fredrik Bergegård

Fredrik has been Head of Business Area, Industry since 2021.

Other relevant assignments: Deputy board member of Mountainfarm AB and Priti Intressenter AB.

Christer Hansson

Christer has been Head of Business Area, Trade since 2016.

Other relevant assignments: Chair of the board of directors of Apohem AB, Board member of Dorunner AB, Scalata AB and Scalata Invest AB. Consultant at Novax AB.

Mikael Neglén

Mikael has been Head of DACH since 2020.

Other relevant assignments: Board member of AH Holding AG (Artzhaus).

Conflicts of interests within administrative, management and control bodies

None of the members of the board of directors or the executive management of the Issuer has a private interest that may be in conflict with the interests of the Issuer except as described below. However, certain members of the board of directors or the executive management of the Issuer have financial interests in the Issuer as a consequence of their holdings of shares in the Issuer. In the event that such conflict of interest arises at a board meeting, a board member which has such conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. As far as the Issuer is aware, there are no conflicts of interest as of the date of this Prospectus.

Notwithstanding the above, it cannot be ruled out that other conflicts of interest may arise in the future between companies, in which members of the board of directors or the executive management of the Issuer have duties, and the Issuer.

Auditor

The Issuer's current auditor, Ernst & Young Aktiebolag, then with Daniel Öberg as the auditor in charge, was the auditor for the consolidated audited annual report for the financial years ended 31 December 2019 and 31 December 2020. Ernst & Young Aktiebolag, with Åsa Lundvall as was the auditor in charge for the Group's consolidated unaudited interim report for the period 1 January–30 September 2021. Daniel Öberg was a member of FAR (the professional institute for authorised public accountants in Sweden) and Åsa Lundvall is a member of FAR. Ernst & Young Aktiebolag was re-elected as the Issuer's auditor at the annual general meeting 2021. Ernst & Young Aktiebolag's office address is Hamngatan 26, SE-111 47 Stockholm, Sweden.

SUPPLEMENTARY INFORMATION

Information about the Prospectus

This Prospectus has been approved by the Swedish Financial Supervisory Authority as competent authority under Regulation (EU) 2017/1129. The Swedish Financial Supervisory Authority only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. The Swedish Financial Supervisory Authority's approval should not be considered as an endorsement 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.

Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 1 December 2021 was resolved upon by the board of directors of the Issuer on 17 November 2021 and the issuance of the Bonds on 26 January 2022 was resolved upon by the board of directors of the Issuer on 18 January 2022.

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

The board of directors of the Issuer is responsible for the information given in the Prospectus only under the conditions and to the extent set forth in Swedish law.

Information from third parties

Any information in this Prospectus which has been sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Interest of natural and legal persons involved in the bond issue

DNB Bank ASA, filial Sverige, Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) and their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of DNB Bank ASA, filial Sverige, Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Documents available for inspection

Copies of the following documents are available in paper format at the Issuer's head office during the validity period of this Prospectus as well as available in electronic format at the Issuer's website, www.storskogen.com.

- The Issuer's articles of association.
- The Issuer's certificate of registration.
- The Group's consolidated audited annual report for the financial year ended 31 December 2019, including the applicable audit report.
- The Group's consolidated audited annual report for the financial year ended 31 December 2020, including the applicable audit report.
- The Group's consolidated unaudited interim report for the period 1 January 2021–30 September 2021.

FINANCIAL INFORMATION

Historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2019 and 31 December 2020 as well as the Group's consolidated unaudited interim report for the period 1 January–30 September 2021 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the financial period 1 January–31 December 2019 or as of 31 December 2019 derives from the Group's consolidated audited annual report for the financial year ended 31 December 2019. All financial information in this Prospectus relating to the financial period 1 January–31 December 2020, as of 31 December 2020 or as of year-end 2020 derives from the Group's consolidated audited annual report for the financial year ended 31 December 2020. All financial information in this Prospectus relating to the period 1 January–30 September 2021, as of 30 September 2021 derives from the Group's consolidated unaudited interim report for the period 1 January–30 September 2021.

Accounting standards

The financial information for the financial years ended 31 December 2019 and 31 December 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations that have been issued by IFRS Interpretations Committee ("IFRS IC") as they have been adopted by the EU. Furthermore, the Group applies the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and RFR 1 "Supplementary accounting rules for groups" issued by the Swedish Financial Reporting Board. The Group's consolidated unaudited interim report for the period 1 January–30 September 2021 has also been prepared in accordance with IAS 34 Interim Financial Reporting.

Auditing of the historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2019 and 31 December 2020 have been audited by Ernst & Young Aktiebolag, then with Daniel Öberg as the auditor in charge. The Group's consolidated unaudited interim report for the period 1 January–30 September 2021 has been reviewed, but not audited, by Ernst & Young Aktiebolag, with Åsa Lundvall as the auditor in charge. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

Incorporation by reference

The following information in the Group's consolidated audited annual reports for the financial years 2019 and 2020 as well as the Group's consolidated unaudited interim report for the period 1 January–30 September 2021 is incorporated in this Prospectus by reference and is available at the Issuer's website, www.storskogen.com. For particular financial figures, please refer to the pages set out below.

Reference	Pages
The Group's consolidated annual report 2020	
Consolidated income statement	38
Consolidated balance sheet	39
Consolidated changes in equity	40–41
Consolidated cash flow statement	42
Accounting principles	47–53
Notes	47–80
Auditor's report	84–85
The Group's consolidated annual report 2019	
Consolidated income statement	26
Consolidated balance sheet	27
Consolidated changes in equity	28
Consolidated cash flow statement	30
Accounting principles	35–40
Notes	35–63
Auditor's report	65–66
The Group's consolidated interim report for the period 1 January–30 September 2021	
Consolidated income statement, condensed	15

Consolidated balance sheet, condensed	16
Consolidated changes in equity, condensed	17
Consolidated cash flow statement, condensed	17

PRO FORMA FINANCIAL INFORMATION

The pro forma financial information has been included to describe a hypothetical situation and has been prepared solely for illustrative purposes. The pro forma financial information does not necessarily reflect Storskogen's actual results and/or financial position as if the transaction had been undertaken at the earlier date set out below, and such pro forma financial information should not be regarded as an indication of Storskogen's results or financial position for any future period. The pro forma financial information should be read together with the information in the section "Financial information". Consequently, potential investors should not attach undue importance to the pro forma financial information.

Background

As part of its growth strategy, Storskogen has acquired a number of entities during the financial year 2020 and during 2021, which combined are considered to have a significant impact on the Group. The acquired entities are presented in table 1 below.

For further information on the Acquisitions, see the sections "Basis for pro forma accounting", "Pro forma adjustments" and "Acquisition-related adjustments" below. As the Acquisitions are deemed to have a significant impact on Storskogen's future results and financial position, pro forma financial information has been prepared.

The purpose of the pro forma financial information

The purpose of the pro forma financial information is to present the hypothetical impact that the Acquisitions would have had on Storskogen's:

- consolidated income statement for the period 1 January–31 December 2020 as if the Acquisitions had been closed and included in the Group as of 1 January 2020;
- consolidated income statement for the period 1 January–30 September 2021 as if the Acquisitions had been closed and included in the Group as of 1 January 2021; and
- consolidated statement of financial position as if the Acquisitions had been closed and included in the Group as of 30 September 2021.

Each of the Acquisitions is included separately in the pro forma financial statements up to the respective Acquisition Date, after which the Acquisitions is included in Storskogen's consolidated financial statements for the period.

Basis for the pro forma financial information

The pro forma income statement for the period 1 January–31 December 2020 is based on Storskogen's audited annual report for the corresponding period. The pro forma income statement for the period 1 January–30 September 2021 is based on Storskogen's interim report for the period. The presentation format of the financial statements is based on the format applied in Storskogen's interim reports.

Financial information for the pro forma entities for the corresponding periods is based on unaudited internal financial information, except for the pro forma entities acquired in the period 1 January–31 December 2020, when audited annual financial statements are available. For an overview of the financial information on which the pro forma financial information is based, see table 1 below.

Storskogen's applied accounting principles are International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("IFRS"). The financial statements of the pro forma entities that form the basis for the pro forma financial information have been prepared in accordance with the respective entity's local accounting principles ("GAAP") in accordance with the Summary in table 1 below. The pro forma financial information has been prepared in accordance with Storskogen's accounting principles as described in Storskogen's historical financial reports, see section "Historical financial information".

Table 1

Acquisition	Applied accounting principles	Acquisition date	Period that has been adjusted for in the pro forma income statement 2020	Basis for financial information	Period that has been adjusted for in the pro forma income statement Jan-Sep 2021	Basis for financial information Jan-Sep 2021
VästMark Entreprenad AB	Swedish GAAP (K3)	2020-01-31	2020-01-01 – 2020-01-30	Unaudited financial reports	N/A	N/A
NP Måleri & Fastighetsservice i Västerort AB	Swedish GAAP (K2)	2020-02-03	2020-01-01 – 2020-02-02	Unaudited financial reports	N/A	N/A
Malmstens Måleri & Färgsättning AB	Swedish GAAP (K2)	2020-04-01	2020-01-01 – 2020-03-31	Unaudited financial reports	N/A	N/A
Björsons Måleri & Eft. Aktiebolag	Swedish GAAP (K2)	2020-05-04	2020-01-01 – 2020-05-03	Unaudited financial reports	N/A	N/A
Tepac Entreprenad AB	Swedish GAAP (K2)	2020-05-04	2020-01-01 – 2020-05-03	Unaudited financial reports	N/A	N/A
L'anza EP Sweden AB	Swedish GAAP (K3)	2020-06-01	2020-01-01 – 2020-05-31	Unaudited financial reports	N/A	N/A

Acquisition	Applied accounting principles	Acquisition date	Period that has been adjusted for in the pro forma income statement 2020	Basis for financial information	Period that has been adjusted for in the pro forma income statement Jan-Sep 2021	Basis for financial information Jan-Sep 2021
Växjö Elmontage AB	Swedish GAAP (K3)	2020-06-01	2020-01-01 – 2020-05-31	Unaudited financial reports	N/A	N/A
Karlsons Ortogonal AB	Swedish GAAP (K2)	2020-06-01	2020-01-01 – 2020-05-31	Unaudited financial reports	N/A	N/A
Frends AS	Norwegian GAAP	2020-06-10	2020-01-01 – 2020-06-09	Unaudited financial reports	N/A	N/A
Stockholms Internationella Handelsskola AB	Swedish GAAP (K2)	2020-07-01	2020-01-01 – 2020-06-30	Unaudited financial reports	N/A	N/A
Syd Communication & Security AB	Swedish GAAP (K2)	2020-07-01	2020-01-01 – 2020-06-30	Unaudited financial reports	N/A	N/A
Ullmax AB	Swedish GAAP (K2)	2020-07-01	2020-01-01 – 2020-06-30	Unaudited financial reports	N/A	N/A
Bergendahls El Gruppen AB	Swedish GAAP (K3)	2020-07-15	2020-01-01 – 2020-07-14	Unaudited financial reports	N/A	N/A
P & A Måleri i Norrköping AB	Swedish GAAP (K2)	2020-09-01	2020-01-01 – 2020-08-31	Unaudited financial reports	N/A	N/A
El & Projektering i Vetlanda AB	Swedish GAAP (K2)	2020-09-01	2020-01-01 – 2020-08-31	Unaudited financial reports	N/A	N/A
nds Nordic Drilling System i Gävle AB	Swedish GAAP (K2)	2020-11-02	2020-01-01 – 2020-11-01	Unaudited financial reports	N/A	N/A
Ljus & Komfort i Åhus AB	Swedish GAAP (K3)	2020-11-02	2020-01-01 – 2020-11-01	Unaudited financial reports	N/A	N/A
Sunteam AB	Swedish GAAP (K3)	2020-11-02	2020-01-01 – 2020-11-01	Unaudited financial reports	N/A	N/A
Kungälv's Plastteknik AB	Swedish GAAP (K2)	2020-11-03	2020-01-01 – 2020-11-02	Unaudited financial reports	N/A	N/A
Petulo Pipe AB	Swedish GAAP (K2)	2020-11-03	2020-01-01 – 2020-11-02	Unaudited financial reports	N/A	N/A
Rollsbo Modulsvets AB	Swedish GAAP (K2)	2020-11-03	2020-01-01 – 2020-11-02	Unaudited financial reports	N/A	N/A
Svenska Grindmatriser AB	Swedish GAAP (K2)	2020-12-01	2020-01-01 – 2020-11-30	Unaudited financial reports	N/A	N/A
M J Contractor AB	Swedish GAAP (K3)	2020-12-01	2020-01-01 – 2020-11-30	Unaudited financial reports	N/A	N/A
IVEO AB	Swedish GAAP (K2)	2020-12-31	2020-01-01 – 2020-12-30	Unaudited financial reports	N/A	N/A
Pierre Entreprenad i Gävle AB	Swedish GAAP (K3)	2021-01-05	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-04	Unaudited financial reports
Örnsberg El Tele & Data AB	Swedish GAAP (K2)	2021-01-08	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-01-07	Unaudited financial reports
Continovagruppen AB	Swedish GAAP (K3)	2021-01-11	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-01-10	Unaudited financial reports
Ockelbo Kabelteknik AB	Swedish GAAP (K3)	2021-01-14	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-13	Unaudited financial reports
Tjällmo Grävmaskiner AB	Swedish GAAP (K3)	2021-01-14	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-13	Unaudited financial reports
Strand i Jönköping AB	Swedish GAAP (K3)	2021-01-14	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-13	Unaudited financial reports
Allan Eriksson Mark AB	Swedish GAAP (K3)	2021-01-14	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-13	Unaudited financial reports
Såg- och Betongborrning i Uddevalla AB	Swedish GAAP (K3)	2021-01-14	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-13	Unaudited financial reports
BEC Trägolvsprodukter AB	Swedish GAAP (K2)	2021-01-14	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-13	Unaudited financial reports
Nymålat i Skellefteå AB Delér Måleri AB Stockholm Industrigolv AB	Swedish GAAP (K2/K3)	2021-01-14 and 2021-01-15	2020-01-01 – 2020-12-31	Audited/Unaudited financial reports	2021-01-01 – 2021-01-13, and – 2021-01-14	Unaudited financial reports
Strigo AB	Swedish GAAP (K2)	2021-02-01	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-01-31	Unaudited financial reports
PerfectHair AG	Swiss GAAP	2021-02-23	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-02-22	Unaudited financial reports
Primulator AS	Norwegian GAAP	2021-03-01	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-02-28	Unaudited financial reports
Danmatic A/S	Danish GAAP	2021-03-01	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-02-28	Unaudited financial reports
Top Swede Konfektion AB and AS	Swedish GAAP (K3) and Norwegian GAAP	2021-03-09	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-03-08	Unaudited financial reports
HP Rör AB	Swedish GAAP (K2)	2021-03-11	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-03-10	Unaudited financial reports
AGIO System och Kompetens i Skandinavien AB	Swedish GAAP (K3)	2021-04-01	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-03-31	Unaudited financial reports

Acquisition	Applied accounting principles	Acquisition date	Period that has been adjusted for in the pro forma income statement 2020	Basis for financial information	Period that has been adjusted for in the pro forma income statement Jan-Sep 2021	Basis for financial information Jan-Sep 2021
Bombayworks AB	Swedish GAAP (K3)	2021-04-06	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-04-05	Unaudited financial reports
SGS Tool Group Limited	UK GAAP	2021-04-13	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-04-12	Unaudited financial reports
Scandia Steel Sweden AB	Swedish GAAP (K3)	2021-05-03	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-05-02	Unaudited financial reports
Mattbolaget i Uddevalla AB	Swedish GAAP (K2)	2021-05-05	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-05-04	Unaudited financial reports
Harrysson Entreprenad Aktiebolag (HEAB)	Swedish GAAP (K3)	2021-05-07	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-05-06	Unaudited financial reports
Lindberg Stenberg Arkitekter AB	Swedish GAAP (K3)	2021-05-12	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-05-11	Unaudited financial reports
AB Lm-Transport	Swedish GAAP (K3)	2021-05-12	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-05-11	Unaudited financial reports
Stockholm Kvadratmeter AB	Swedish GAAP (K2)	2021-05-12	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-05-11	Unaudited financial reports
Persiennkompaniet Norden AB	Swedish GAAP (K3)	2021-05-31	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-05-30	Unaudited financial reports
Värdväsken AB	Swedish GAAP (K3)	2021-05-31	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-05-30	Unaudited financial reports
Jofrab TWS AB	Swedish GAAP (K3)	2021-06-01	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-05-31	Unaudited financial reports
Silanex AB	Swedish GAAP (K2)	2021-06-03	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-02	Unaudited financial reports
R. Ardbo golv AB	Swedish GAAP (K2)	2021-06-03	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-02	Unaudited financial reports
Ecochange AB	Swedish GAAP (K2)	2021-06-04	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-03	Unaudited financial reports
Roleff GmbH	German GAAP	2021-06-29	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
Ashe Invest AB	Swedish GAAP (K2)	2021-06-30	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-29	Unaudited financial reports
Tennis Fashion i Göteborg AB	Swedish GAAP (K3)	2021-06-30	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-29	Unaudited financial reports
On Target AB	Swedish GAAP (K3)	2021-06-30	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-29	Unaudited financial reports
Zymbios Logistics Contractor AB	Swedish GAAP (K2)	2021-06-30	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-29	Unaudited financial reports
Newton Kompetensutveckling AB	Swedish GAAP (K3)	2021-06-30	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-29	Unaudited financial reports
EnRival AB	Swedish GAAP (K2)	2021-06-30	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-29	Unaudited financial reports
Wibe Kabelstegar	Swedish GAAP (K3)	2021-06-30	2020-01-01 – 2020-12-31	Unaudited financial reports ¹	2021-01-01 – 2021-06-29	Unaudited financial reports
Storskogen Artum AG	Swiss GAAP	2021-06-30	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
Nordisk VVS-Teknik AB	Swedish GAAP (K3)	2021-06-30	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
Brenderup	IFRS	2021-07-01	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
Marwell AG	Schweiziska GAAP	2021-07-27	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-07-31	Unaudited financial reports
Frigo AG	Schweiziska GAAP	2021-08-26	2020-01-01 – 2020-12-31	Unaudited financial reports	2021-01-01 – 2021-08-31	Unaudited financial reports
SoVent Group AB	Swedish GAAP (K3)	2021-10-10	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
Viametrics Group AB	IFRS	2021-10-10	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
Buildercom Oy	Finnish GAAP	2021-10-10	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
DeroA Group AB	Swedish GAAP (K3)	2021-10-10	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports
Kumla Handtagsfabrik AB	Swedish GAAP (K3)	2021-10-10	2020-01-01 – 2020-12-31	Audited financial reports	2021-01-01 – 2021-06-30	Unaudited financial reports

¹ Wibe Kabelstegar refers to the acquisition of Wibe's cable ladder business from Schneider Electric. The transaction was structured as an asset acquisition, whereby the financial information included in the pro forma constitutes segregated financial information for the business unit acquired and historically part of Schneider Electric.

In preparation of the pro forma financials, an analysis has been made of differences in the accounting principles applied by the Group and the acquired entities. The result of the analysis is presented in the section “Pro forma adjustments” below.

Storskogen and the acquired entities have to some extent different forms of presentation and principles for classifying financial statement items. In preparing the pro forma financial statements, the acquired entities' financial statements have been adjusted to comply with Storskogen's

presentation and classification of financial statement items. Furthermore, the Group applies calendar years, while some acquired entities have broken financial years. Adjustments due to the fact that Storskogen and some acquired entities have different accounting periods have been made by adjusting the financial statements of those entities to calendar years based on the entities unaudited internal financial reports.

No pro forma adjustments have been considered regarding synergy effects or integration costs. Storskogen's consolidated income statement includes costs for integration after the acquisition dates.

Assumptions for the pro forma financial information

The following assumptions have been made in connection with the preparation of the pro forma financial information. The pro forma adjustments are described in detail in the notes accompanying the pro forma financial statements.

Preliminary and final purchase price allocations

No material changes in the Group's purchase price allocations have been made during the financial year regarding previous years' acquisitions. Purchase price allocations for acquisitions made during the first, second and third quarters of 2021 are preliminary as the Group has not received complete information from the acquired entities. All acquisitions have been recognised using the acquisition method. The purchase price allocations are expected to be finalised during 2021. Differences between preliminary and final purchase price allocations may be material.

The impact of the other Acquisitions is presented according to final purchase price allocations. For further information on the preliminary and final purchase price allocations, see the section "Pro forma adjustments" below.

Tax effects

An estimated tax rate of 21.4 per cent has been used for adjustments for the financial year 2020 attributable to the acquisitions of Swedish entities. For 2021, a tax rate of 20.6 per cent has been applied to acquisitions of Swedish entities. For acquisitions of foreign entities, the current corporate tax rate for the country in which each entity has its registered head office has been used.

Table 2

Entity	Head office	Applied tax rate 2020	Applied tax rate 2021
Majority of acquisitions	Sweden	21.40%	20.60%
Danmatic A/S	Denmark	22.00%	22.00%
Buildercom Oy	Finland	20.00%	20.00%
Friends AS, Primulator AS	Norway	22.00%	22.00%
UAB Scandia Steel Baltic	Lithuania	15.00%	15.00%
PerfectHair AG	Switzerland	8.00%	8.00%
Storskogen Artum AG	Switzerland	20.00%	20.00%
SGS Tool Group Limited	UK	19.00%	19.00%
Roleff GmbH	Germany	13.30%	13.30%
Marwell AG	Schweiz	8.00 %	8.00 %
Frigo AG	Schweiz	8.00 %	8.00 %

Actual tax rates for the transactions may differ from the estimated tax rate used in the pro forma financial information.

Exchange rate effects

Information in currencies other than Swedish krona (SEK) has been converted based on the Swedish Central Bank's (*Riksbanken*) quoted rates. The exchange rates applied are listed in the table below.

Table 3

Acquisition	Conversion	Source	Period 2020	Rate	Period jan-sep 2021	Rate
Friends AS	NOK/SEK	Riksbanken	2020-01-01 – 2020-05-31	0.9985	N/A	N/A
Ullmax AS	NOK/SEK	Riksbanken	2020-01-01 – 2020-06-30	0.9947	N/A	N/A
PerfectHair AG	CHF/SEK	Riksbanken	2020-01-01 - 2020-12-31	9.7979	2021-01-01 - 2021-02-28	9.3207
Primulator AS	NOK/SEK	Riksbanken	2020-01-01 - 2020-12-31	0.9786	2021-01-01 - 2021-02-28	0.9775
Danmatic A/S	DKK/SEK	Riksbanken	2020-01-01 - 2020-12-31	1.4068	2021-01-01 - 2021-02-28	1.3564
SGS Tool Group Limited	GBP/SEK	Riksbanken	2020-01-01 - 2020-12-31	11.7981	2021-01-01 - 2021-03-31	11.5855
UAB Scandia Steel Baltic	EUR/SEK	Riksbanken	2020-01-01 - 2020-12-31	10.4867	2021-01-01 - 2021-04-30	10.1278
Roleff GmbH	EUR/SEK	Riksbanken	2020-01-01 - 2020-12-31	10.4867	2021-01-01 - 2021-06-30	10.1281
Storskogen Artum AG	CHF/SEK	Riksbanken	2020-01-01 - 2020-12-31	9.7979	2021-01-01 - 2021-06-30	9.2542
Marwell AG	CHF/SEK	Riksbanken	2020-01-01 - 2020-12-31	9.7979	2021-01-01 - 2021-09-30	9.311356
Frigo AG	CHF/SEK	Riksbanken	2020-01-01 - 2020-12-31	9.7979	2021-01-01 - 2021-09-30	9.311356

Pro forma adjustments

The overall nature of the pro forma adjustments is described below and should be read in conjunction with information in the notes to the pro forma income statement and pro forma statement of financial position, respectively.

Adjustments for differences in accounting principles ("GAAP adjustments")

In preparing the pro forma financial information, an analysis has been made of differences in the accounting principles applied by Storskogen and the acquired entities. The differences identified are briefly described below, see also the notes to the pro forma financial statements.

Revenue recognition

Storskogen applies IFRS 15 Revenue from contracts with customers to their revenue recognition. As a result of the adjustment to the Group's principles for percentage of completion, the timing of recognition of revenues has changed for some of the acquired units, which means that net sales for the period have been adjusted. The associated cost of goods sold ("COGS") has also been adjusted.

Leases

Storskogen applies IFRS 16 *Leases*. According to IFRS 16, most leases shall be recognised in the statement of financial position as right-of-use assets and lease liabilities. Depreciation of the right-of-use assets and interest expenses on the lease liabilities are recognised in the income statement.

Some of the acquired entities do not account for leases according to IFRS 16. Instead, leases are classified as either operating or finance leases. Operating leases have been expensed linearly over the lease term. In the proforma income statement, "Other operating expenses" are reduced while depreciation charges on the right-of-use assets and interest expenses are added for acquisitions where IFRS has not been applied. For acquired entities reporting according to IFRS, lease liabilities have been measured at the present value of the remaining lease payments as if the acquired lease were a new lease at 1 January 2020 in accordance with IFRS 3. The right of use assets have been measured at the same amount as the lease liability.

Amortisation of goodwill

Some of the acquired entities have recognised goodwill amortisation. Since no amortisation is made on goodwill under IFRS, these amortisations have been adjusted for in the pro forma income statement.

Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits.

Termination of consultancy contract

In connection with the acquisition of Ecochange, a consultancy contract has been terminated as the consultant has transferred to a permanent position. The cost of the termination has been recognised in the entity in 2021. In the pro forma income statement, the cost, which is partly compensation for sales bonuses, has been distributed between 2020 and 2021.

Acquisition-related adjustments

Surplus values attributable to intangible assets identified in the purchase price allocations

In the preliminary and final purchase price allocations of certain Acquisitions, surplus values of intangible assets in the form of customer relations have been identified. Customer relations have been estimated to have a useful life of 5-10 years. In the pro forma income statement, amortisation on customer relations has been added. The dissolution of the associated deferred tax liability has been recognised as a decrease in the tax expense in the pro forma income statement.

Goodwill arising from the acquisitions has been added to the pro forma statement of financial position.

Surplus values attributable to tangible assets identified in the purchase price allocations

In the acquisition of Kumla Handtagsfabrik, a surplus value of a property used in the operations was identified. The surplus value is estimated to have a useful life of 50 years. Pro forma adjustment has been made in pro forma statement of financial position and pro forma income statement for Kumla Handtagsfabrik. In addition, in the acquisitions of the Continova Group, Primulator, Danmatic and Brenderup, surplus values on properties used in the operations were identified. The surplus values of buildings and land are estimated to have a useful life of 50 years. In the pro forma income statement, depreciation of these surplus values has been added. Deferred tax liability related to the surplus values has been recognised and dissolved over the corresponding period.

Financing

The acquisitions are financed partly through existing cash, partly through credit facilities used in direct connection with the acquisition. Under the agreement with the creditor, credit facilities may finance up to 60 percent of the consideration. In the pro forma income statement, interest expenses have been added for the period up to the acquisition being carried out as if the acquisitions were carried out and financing was raised on 1 January 2020.

Storskogen has also issued a bond that to some extent has been used in financing acquisitions. Since the bond constitutes general financing without direct connection to specific acquisitions, no adjustment has been made in the pro forma financials regarding the interest expense of the bond.

In the proforma statement of financial position, acquisitions are assumed to be financed with existing cash. Cash and cash equivalents have been adjusted as a proforma adjustment.

Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020 or consolidated income statement for the period 1 January 2021–30 September 2021, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

Preliminary purchase price allocations aggregated by segment

Table 4

SEK million	Trade	Industry	Services	Total
Purchase consideration				
- Of which cash	2,120.6	3,059.6	1,406.0	6,586.2
- Of which shares issued	100.0	761.2	0.0	861.2
- Of which contingent consideration	133.9	329.1	157.1	620.1
Identifiable net assets				
Surplus value attributable to intangible assets	1,968.0	3,745.8	1,371.2	7,084.9
Surplus value attributable to tangible assets	49.9	101.8	0.0	151.7
Surplus value attributable to inventory	0.0	0.4	0.0	0.4
Deferred tax attributable to surplus values	99.0	245.5	48.4	392.8
Goodwill	237.6	56.5	143.5	437.6
Total	2,354.5	4,149.9	1,563.1	8,067.5

In the purchase price allocations (both preliminary and final, see section “Assumptions for the pro forma accounts” above), according to the table above, surplus values of assets in each acquisition is identified (i.e. the fair value exceeds the book value). The surplus value is depreciated or amortised over the expected useful life of each asset. If the useful life of an intangible asset is indefinite, no amortisation is made. In the pro forma income statements, intangible assets with a finite useful life are amortised. Storskogen's preliminary estimation of the remaining useful lives (presented in the table below) entails additional yearly depreciation and amortisation of SEK 264.7 million (SEK 210.2 million after taxes).

Table 5

(years)	Trade	Industry	Services
Surplus value attributable to intangible assets	5–10	5–10	5–10
Surplus value attributable to tangible assets	50	50	N/A

Aggregated Pro Forma Financial Statements

Pro Forma Income Statement for the period 1 January–31 December 2020

Table 6

SEK million	Storskogen Group	Acquisitions from 7 Jan 2020 to 10 Oct 2021*	Pro Forma Adjustments	Note	Pro Forma Income Statement
Net sales	8,933.4	10,148.4	(40.6)	2, 9	19,041.2
Cost of goods sold	(7,128.2)	(7,673.3)	(38.4)	1, 2, 3, 4, 7, 9	(14,839.9)
Gross profit	1,805.1	2,475.1	-79.0		4,201.2
Selling expenses	(664.1)	(817.4)	(15.0)	1, 3, 4, 7	(1,496.4)

SEK million	Storskogen Group	Acquisitions from 7 Jan 2020 to 10 Oct 2021*	Pro Forma Adjustments	Note	Pro Forma Income Statement
Administrative expenses	(503.4)	(569.4)	(26.8)	1, 4, 6, 7, 8,9	(1,099.7)
Other operating income	227.9	782.2	0.0		1,010.5
Other operating expenses	(91.7)	(659.0)	0.0		(750.7)
Operating profit	773.8	1,211.9	(120.8)		1,864.9
Financial income	6.8	19.7	(0.3)	9	26.3
Financial expenses	(107.6)	(91.4)	(83.0)	1, 5,9	(282.0)
Profit before tax	673.1	1,140.2	-204.1		1,609.2
Tax	(99.6)	(231.9)	31.8		(299.8)
Net profit for the year	573.5	908.3	(172.3)		1,309.4

*Refers to both actual and preliminary dates of taking possession

Notes to Pro Forma Financial Statements

1: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 11.8 million.
- Selling expenses: Reduced by SEK 2.8 million.
- Administrative expenses: Reduced by SEK 0.9 million.

Interest expenses related to lease liabilities increase financial expenses by SEK 21.1 million.

Aggregated effect on the pro forma net profit is SEK (4.5) million.

2: Revenue recognition

As a consequence of adopting the Group's accounting principles for percentage of completion, aggregated net sales for the period has decreased by SEK 20.0 million. The associated COGS has at an aggregated level been reduced by SEK 19.7 million.

3: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. The aggregated effect by function of expense is as per below:

- Cost of goods sold: Decreased by SEK 119.1 million.
- Selling expenses: Decreased by SEK 27.9 million.

The adjustment is of a one-time nature and not recurring.

4: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations the identified in the purchase price allocations. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 189.2 million.
- Selling expenses: Increases by SEK 44.8 million.
- Administrative expenses: Increases by SEK 14.5 million.

Dissolvement of the deferred tax liability related to the surplus values of SEK 52.0 million for 2020 as a reduction of the tax expense.

5: Financing

The acquisitions are financed partly through existing cash, partly through credit facilities used in direct connection with the acquisition. In the pro forma income statement, interest expenses have been added for the period up to the acquisition being carried out as if the acquisitions were carried out and financing was raised on 1 January 2020. An interest expense of SEK 62.3 million has been added for the period 1 January 2020 to 31 December 2020.

6: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 7.5 million has reduced the Group's costs during 2020.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

7: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 3.7 million.
- Selling expenses: Increases by SEK 0.9 million.
- Administrative expenses: Increases by SEK 0.3 million.

8: Termination of consultancy contract

In connection with the acquisition of Ecochange, a consultancy contract has been terminated as the consultant has transferred to a permanent position. The cost of the termination of SEK 51.0 million has been recognised in the entity in 2021. In the pro forma income statement, the cost, which is partly compensation for sales bonuses, has been distributed between 2020 and 2021 by reducing the cost for 2021 by SEK 37.0 million and increased the cost by the same amount for 2020.

The adjustment is of a one-time nature and not recurring.

9: Elimination of transactions between Storskogen and the acquired entities

In the period prior to the acquisition date, certain transactions of a limited nature have occurred between Storskogen and the acquired entities. In the pro forma income statement, these have been eliminated. Aggregated impact per function as follows:

- Net sales: Reduced by SEK 20.5 million
- Cost of goods sold: Reduced by SEK 4.0 million
- Administrative expenses: Reduced by SEK 16.5 million
- Interest income: Reduced by SEK 0.3 million
- Interest expenses: Increases by SEK 62.0 million

Pro Forma Income Statement for the period 1 January–30 June 2021

Table 7

SEK million	Storskogen Group	Acquisitions from 7 Jan 2021 to 10 Oct 2021*	Pro Forma Adjustments	Note	Pro Forma Income Statement
Net sales	11,456.8	3,655.4	(1.3)	2, 9	15,110.9
Cost of goods sold	(8,995.8)	(2,680.1)	(46.9)	1, 2, 3, 4, 7, 9	(11,722.8)
Gross profit	2,461.0	975.3	(48.2)		3,388.1
Selling expenses	(904.7)	(289.2)	(9.9)	1, 3, 4, 7	(1,203.8)
Administrative expenses	(702.0)	(288.3)	56.0	1, 4, 6, 7, 8, 9	(934.3)
Other operating income	342.2	290.3	0.0		632.5
Other operating expenses	(216.9)	(238.9)	0.0		(455.8)
Operating profit	979.6	449.2	(2.1)		1,426.7
Financial income	35.1	15.5	(0.3)	9	50.2
Financial expenses	(137.7)	(27.4)	(25.0)	1, 5, 9	(190.0)
Profit before tax	877.0	437.3	(27.4)		1,286.9
Tax	(181.3)	(90.3)	15.0		(256.6)
Net profit for the period	695.7	347.0	(12.3)		1,030.3

*Refers to both actual and preliminary dates of taking possession

1: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 3.1 million.
- Selling expenses: Reduced by SEK 0.7 million.
- Administrative expenses: Reduced by SEK 0.2 million.

Interest expenses related to lease liabilities increase financial expenses by SEK 7.3 million.

Aggregated effect on the pro forma net profit is SEK (2.6) million.

2: Revenue recognition

As a consequence of adopting the Group's accounting principles for percentage of completion, aggregated net sales for the period has increased by SEK 7.3 million. The associated COGS has at an aggregated level been increased by SEK 9.1 million.

3: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired enteritis have been reversed. The aggregated effect by function of expense is as per below:

- Cost of goods sold: Decreased by SEK 35.4 million.
- Selling expenses: Decreased by SEK 8.3 million.

The adjustment is of a one-time nature and not recurring.

4: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations that were identified in the purchase price allocations. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 78.4 million.
- Selling expenses: Increases by SEK 18.5 million.
- Administrative expenses: Increases by SEK 5.8 million.

Dissolvement of the deferred tax liability related to the surplus values of SEK 21.1 million for 2021 as a reduction of the tax expense.

5: Financing

The acquisitions are financed partly through existing cash, partly through credit facilities used in direct connection with the acquisition. In the pro forma income statement, interest expenses have been added for the period up to the acquisition being carried out as if the acquisitions were carried out and financing was raised on 1 January 2020. An interest expense of SEK 18.0 million has been added for the period 1 January 2021 to 30 September 2021.

6: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 19.7 million has reduced the Group's costs during 2021.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

7: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 1.5 million.
- Selling expenses: Increases by SEK 0.3 million.
- Administrative expenses: Increases by SEK 0.1 million.

8: Termination of consultancy contract

In connection with the acquisition of Ecochange, a consultancy contract has been terminated as the consultant has transferred to a permanent position. The cost of the termination of SEK 51.0 million has been recognised in the entity in 2021. In the pro forma income statement, the cost, which is partly compensation for sales bonuses, has been distributed between 2020 and 2021 by reducing the cost for 2021 by SEK 37.0 million and increased the cost by the same amount for 2020.

The adjustment is of a one-time nature and not recurring.

9: Elimination of transactions between Storskogen and the acquired entities

In the period prior to the acquisition date, certain transactions of a limited nature have occurred between Storskogen and the acquired entities. In the pro forma income statement, these have been eliminated. Aggregated impact per function as follows:

- Net sales: Reduced by SEK 8.6 million
- Cost of goods sold: Reduced by SEK 3.6 million
- Administrative expenses: Reduced by SEK 5.0 million
- Interest income: Reduced by SEK 0.3 million
- Interest expenses: Increases by SEK 17.6 million

Aggregated Pro Forma Financial Statements by Operating Segment

Pro forma financials per operating segment is presented down to operating profit as the Group does not present financial items or tax per segment

Pro Forma Income Statement for the period 1 January–31 December 2020

Table 8

	Pro					Pro					Pro					Pro				
	Operating Segment Trade	Acquisitions Trade	Forma in Adjust-ments	Total Note	Operating Segment Industry	Acquisitions Industry	Forma in Adjust-ments	Total Note	Operating Segment Services	Acquisitions Services	Pro Forma in Adjust-ments	Total Note	Services	Eliminations	Pro Forma Income Statement					
SEK million																				
Net sales	2,584.0	3,753.3	1.1	2	6,338.4	2,518.9	1,754.3	(24.3)	9	4,248.9	3,836.9	4,640.8	3.2	15	8,480.9	(26.9)	20	19,041.2		
Cost of goods sold	(2,061.3)	(2,953.6)	(52.0)	1, 3, 4, 6	(5,067.9)	(1,985.5)	(1,387.8)	26.8	8, 9, 10, 11, 13	(3,346.5)	(3,057.0)	(3,332.0)	(17.2)	16, 17, 19	(6406.2)	(20.5)	20	(14,839.9)		
Gross profit	522.7	799.7	(50.9)		1,271.4	533.4	366.5	2.5		902.4	779.9	1,308.9	(14.0)		2,074.7	(47.4)		4,201.2		
Selling expenses	(198.0)	(266.4)	(12.4)	1, 3, 4, 6	(476.8)	(181.0)	(133.9)	1.6	8, 10, 11, 13	(313.3)	(275.9)	(417.0)	(4.2)	16, 17, 19	(697.1)	(9.2)		(1,496.4)		

SEK million	Operating Segment Trade	Acquisitions Trade	Pro Forma in Adjustments	Total Note Trade	Operating Segment Industry	Acquisitions Industry	Pro Forma in Adjustments	Total Note Industry	Operating Segment Services	Acquisitions Services	Pro Forma in Adjustments	Total Note Services	Eliminations	Pro Forma Income Statement
Administrative expenses	(130.0)	(197.1)	(42.0)	1, 4, 5, 6, 7 (369.1)	(189.5)	(61.6)	(2.4)	8, 11, 12, 13 (253.5)	(196.4)	(310.7)	(6.4)	17, 18, 19 (513.5)	36.5	5, 12, 18, 20 (1,099.7)
Other operating income	75.0	705.9	0.0	780.9	100.0	12.9	0.0	112.9	51.5	63.8	0.0	115.3	1.4	1,010.5
Other operating expenses	(54.0)	(630.2)	0.0	(684.2)	(10.0)	(6.0)	0.0	(16.0)	(26.4)	(22.8)	0.0	(49.2)	(1.3)	(750.8)
Operating profit	215.7	411.9	(105.3)	522.2	252.9	177.8	1.8	432.5	332.8	622.1	(24.7)	930.2	(20.1)	1,865.0

Notes to Pro Forma Financial Statements

Operating segment Trade, pro forma adjustments by adjustment and income statement item

1: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 3.8 million.
- Selling expenses: Reduced by SEK 0.9 million.
- Administrative expenses: Reduced by SEK 0.3 million.

Aggregated effect on the pro forma operating profit is SEK 5.0 million.

2: Revenue recognition

As a consequence of adopting the Group's principles for percentage of completion, aggregated Net sales for the period have increased by SEK 1.1 million.

3: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired enteritis have been reversed. Aggregated effect by function of expense as per below:

- Cost of goods sold: Decreased by SEK 11.7 million.
- Selling expenses: Decreased by SEK 2.7 million.

The adjustment is of a one-time nature and not recurring.

4: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations that were identified in the purchase price allocations. The aggregated effect by function of expense is as per below:

- Cost of goods sold: Increases by SEK 66.8 million.
- Selling expenses: Increases by SEK 15.8 million.
- Administrative expenses: Increases by SEK 5.3 million.

5: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 1.7 million has reduced the Group's costs during 2020.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

6: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 0.7 million.
- Selling expenses: Increases by SEK 0.2 million.
- Administrative expenses: Increases by SEK 0.1 million.

7: Termination of consultancy contract

In connection with the acquisition of Ecochange, a consultancy contract has been terminated as the consultant has transferred to a permanent position. The cost of the termination of SEK 51.0 million has been recognised in the entity in 2021. In the pro forma income statement, the cost, which is partly compensation for sales bonuses, has been distributed between 2020 and 2021 by reducing the cost for 2021 by SEK 37.0 million and increased the cost by the same amount for 2020.

The adjustment is of a one-time nature and not recurring.

Operating segment Industry, pro forma adjustments by adjustment and income statement item

8: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 2.5 million.
- Selling expenses: Reduced by SEK 0.6 million.
- Administrative expenses: Reduced by SEK 0.2 million.

Aggregated effect on the pro forma operating profit is SEK 3.3 million.

9: Revenue recognition

As a consequence of adopting the Group's accounting principles for percentage of completion, aggregated net sales for the period has decreased by SEK 24.3 million. The associated COGS has at an aggregated level been reduced by SEK 19.7 million.

10: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. Aggregated effect by function of expense as per below:

- Cost of goods sold: Decreased by SEK 43.2 million.
- Selling expenses: Decreased by SEK 10.1 million.

The adjustment is of a one-time nature and not recurring.

11: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations identified in the purchase price allocations. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 36.7 million.
- Selling expenses: Increases by SEK 8.7 million.
- Administrative expenses: Increases by SEK 2.4 million.

12: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 0.8 million has reduced the Group's costs during 2020.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

13: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 1.9 million.
- Selling expenses: Increases by SEK 0.4 million.
- Administrative expenses: Increases by SEK 0.1 million.

Operating segment Services, pro forma adjustments by adjustment and income statement item

14: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 5.3 million.
- Selling expenses: Reduced by SEK 1.3 million.
- Administrative expenses: Reduced by SEK 0.4 million.

Aggregated effect on the pro forma operating profit is SEK 7.1 million.

15: Revenue recognition

As a consequence of adopting the Group's accounting principles for percentage of completion, aggregated net sales for the period has increased by SEK 3.2 million.

16: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. Aggregated effect by function of expense as per below:

- Cost of goods sold: Decreased by SEK 64.2 million.
- Selling expenses: Decreased by SEK 15.1 million.

The adjustment is of a one time nature and not recurring.

17: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations that were identified in the purchase price allocations. The aggregate effect by function is as per below:

- Cost of goods sold: Increases by SEK 85.7 million.
- Selling expenses: Increases by SEK 20.3 million.
- Administrative expenses: Increases by SEK 6.8 million.

18: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 5.1 million has reduced the Group's costs during 2020.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

19: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 1.2 million.
- Selling expenses: Increases by SEK 0.3 million.
- Administrative expenses: Increases by SEK 0.1 million.

Group adjustments

20: Elimination of transactions between Storskogen and the acquired entities

In the period prior to the acquisition date, certain transactions of a limited nature have occurred between Storskogen and the acquired entities. In the pro forma income statement, these have been eliminated. Aggregated impact per function as follows:

- Net sales: Reduced by SEK 20.5 million
- Cost of goods sold: Reduced by SEK 4.0 million
- Administrative expenses: Reduced by SEK 16.5 million

Pro Forma Income Statement for the period 1 January–30 June 2021

Table 9

SEK million	Operating Segment Trade	Acquisitions in Trade	Pro Forma Adjustments	Note	Total Trade	Operating Segment Industry	Acquisitions in Industry	Pro Forma Adjustments	Note	Total Industry	Operating Segment Services	Acquisitions in Services	Pro Forma Adjustments	Note	Total Services	Eliminations	Note	Pro Forma Income Statement
Net sales	3,615.4	1,397.5	0.7	2	5,013.6	3,273.4	754.2	8.2	9	4,035.8	4,569.7	1,503.7	(1.7)	15	6,071.8	(10.4)	20	15,110.9
Cost of goods sold	(2,825.6)	(1,056.4)	(23.4)	1, 3, 4, 6	(3,905.4)	(2,495.6)	(567.7)	(19.4)	8, 9, 10, 11, 13	(3,589.3)	(3,589.3)	(1,056.1)	(7.6)	14, 16, 17, 19	(4,653.0)	(81.7)	20	(11,722.8)
Gross profit	789.8	341.1	(22.7)		1,108.2	777.8	186.5	(11.3)		953.1	980.4	447.6	(9.3)		1,418.8	(92.1)		3,388.1
Selling expenses	(302.1)	(80.0)	(5.5)	1, 3, 4, 6	(387.7)	(223.9)	(58.5)	(2.5)	8, 10, 11, 13	(284.8)	(356.9)	(150.7)	(1.9)	14, 16, 17, 19	(509.4)	(21.8)		(1,203.8)
Administrative expenses	(145.9)	(124.5)	35.1	1, 4, 5, 6, 7	(235.2)	(239.4)	(30.0)	1.1	8, 11, 12, 13	(270.4)	(277.0)	(133.8)	(2.8)	14, 17, 18, 19	(413.7)	(15.0)	5, 12, 18, 20	(934.3)
Other operating income	131.0	260.2	0.0		391.2	63.8	6.5	0.0		70.3	139.5	23.6	0.000		163.0	7.9		632.5
Other operating expenses	(60.0)	(227.3)	0.0		(287.3)	(109.4)	(6.0)	0.0		(115.5)	(30.5)	(5.5)	0.000		(36.0)	(17.0)		(455.8)
Operating profit	412.9	169.5	6.9		589.3	268.9	98.5	(14.8)		352.7	455.5	181.2	(13.9)		622.8	(138.1)		1,426.7

Notes to Pro Forma Financial Statements

Operating segment Trade, pro forma adjustments by adjustment and income statement item

1: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 0.9 million.
- Selling expenses: Reduced by SEK 0.2 million.
- Administrative expenses: Reduced by SEK 0.1 million.

Aggregated effect on the pro forma operating profit is SEK 1.1 million.

2: Revenue recognition

As a consequence of adopting the Group's accounting principles for percentage of completion, aggregated net sales for the period has increased by SEK 0.7 million.

3: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. Aggregated effect by function of expense as per below:

- Cost of goods sold: Decreased by SEK 0.2 million.
- Selling expenses: Decreased by SEK 0.04 million.

The adjustment is of a one-time nature and not recurring.

4: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations that were identified in the purchase price allocations. The aggregated effect by function is as per below:

- Cost of goods sold: Increases by SEK 24.1 million.

- Selling expenses: Increases by SEK 5.7 million.
- Administrative expenses: Increases by SEK 1.9 million.

5: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 13.7 million has reduced the Group's costs during 2021.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

6: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 0.3 million.
- Selling expenses: Increases by SEK 0.1 million.
- Administrative expenses: Increases by SEK 0.02 million.

7: Termination of consultancy contract

In connection with the acquisition of Ecochange, a consultancy contract has been terminated as the consultant has transferred to a permanent position. The cost of the termination of SEK 51.0 million has been recognised in the entity in 2021. In the pro forma income statement, the cost, which is partly compensation for sales bonuses, has been distributed between 2020 and 2021 by reducing the cost for 2021 by SEK 37.0 million and increased the cost by the same amount for 2020.

The adjustment is of a one-time nature and not recurring.

Operating segment Industry, pro forma adjustments by adjustment and income statement item

8: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 0.8 million.
- Selling expenses: Reduced by SEK 0.2 million.
- Administrative expenses: Reduced by SEK 0.1 million.

Aggregated effect on the pro forma operating profit is SEK 1.0 million.

9: Revenue recognition

As a consequence of adopting the Group's principles for percentage of completion, aggregated net sales for the period has increased by SEK 8.2 million. The associated Cost of goods sold have, at an aggregated level, increased by SEK 9.1 million.

10: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Decreased by SEK 7.7 million.
- Selling expenses: Decreased by SEK 1.8 million.

The adjustment is of a one-time nature and not recurring.

11: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations that were identified in the purchase price allocations. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Increases by SEK 18.1 million.

- Selling expenses: Increases by SEK 4.3 million.
- Administrative expenses: Increases by SEK 1.1 million.

12: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 0.9 million has reduced the Group's costs during 2021.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

13: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 0.7 million.
- Selling expenses: Increases by SEK 0.2 million.
- Administrative expenses: Increases by SEK 0.1 million.

Operating segment Services, pro forma adjustments by adjustment and income statement item

14: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 1.5 million.
- Selling expenses: Reduced by SEK 0.4 million.
- Administrative expenses: Reduced by SEK 0.1 million.

Aggregated effect on the pro forma operating profit is SEK 2.0 million.

15: Revenue recognition

As a consequence of adopting the Group's principles for percentage of completion, aggregated net sales for the period have decreased by SEK 1.7 million.

16: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. Aggregated effect by function of expense as per below:

- Cost of goods sold: Decreased by SEK 27.5 million.
- Selling expenses: Decreased by SEK 6.5 million.

The adjustment is of a one-time nature and not recurring.

17: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations that were identified in the purchase price allocations. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 36.2 million.
- Selling expenses: Increases by SEK 8.6 million.
- Administrative expenses: Increases by SEK 2.9 million.

18: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs

have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 5.0 million has reduced the Group's costs during 2021.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

19: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 0.5 million.
- Selling expenses: Increases by SEK 0.1 million.
- Administrative expenses: Increases by SEK 0.04 million.

Group adjustments

20: Elimination of transactions between Storskogen and the acquired entities

In the period prior to the acquisition date, certain transactions of a limited nature have occurred between Storskogen and the acquired entities. In the pro forma income statement, these have been eliminated. Aggregated impact per function as follows:

- Net sales: Reduced by SEK 8.6 million
- Cost of goods sold: Reduced by SEK 3.6 million.
- Administrative expenses: Reduced by SEK 5.0 million.

Pro Forma Financial Statements by Acquired Entity

Pro Forma Income Statement for the period 1 January–31 December 2020

Table 10

SEK million Entity	Note	Period	GAAP	Basis financial information	Net sales	Cost of Goods Sold	Gross profit	Selling expenses	Admin- istrative expenses	Other operating income	Other operating expenses	Operating profit	Financial income	Financial expenses	Profit before tax	Tax	Profit for the period
Storskogen Group		2020-01-01 2020-12-31	IFRS	Audited	8,933.357	(7,128.214)	1,805.143	(664.073)	(503.444)	227.941	(91.743)	773.824	6.796	(107.568)	673.052	(99.551)	573.501
VästMark Entreprenad AB		2020-01-01 2020-01-30	Swedish GAAP (K)	Audited	9.116	(7.942)	1.174	(0.181)	(0.178)	0.000	0.000	0.815	0.000	0.000	0.815	(0.176)	0.638
GAAP adjustments	1, 6				0.000	0.001	0.001	0.000	0.000	0.000	0.000	0.001	0.000	(0.003)	(0.001)	0.000	(0.001)
Acquisition-related adjustments	4				0.000	(0.222)	(0.222)	(0.053)	(0.018)	0.000	0.000	(0.292)	0.000	0.000	(0.292)	0.062	(0.229)
Sum VästMark Entreprenad AB					9.116	(8.163)	0.953	(0.234)	(0.195)	0.000	0.000	0.524	0.000	(0.003)	0.521	(0.114)	0.408
NP Måleri & Fastighetservice Västerort AB		2020-01-01 2020-01-31	Swedish GAAP (K)	Audited	6.130	(3.798)	2.332	(0.504)	(0.149)	0.010	0.000	1.689	0.000	(0.003)	1.685	(1.220)	0.465
GAAP adjustments	1, 6				0.000	0.002	0.002	0.001	0.000	0.000	0.000	0.003	0.000	(0.006)	(0.003)	0.001	(0.002)
Acquisition-related adjustments	4				0.000	(0.063)	(0.063)	(0.015)	(0.005)	0.000	0.000	(0.083)	0.000	0.000	(0.083)	0.018	(0.065)
Sum NP Måleri & Fastighetservice i Västerort					6.130	(3.858)	2.271	(0.519)	(0.154)	0.010	0.000	1.609	0.000	(0.009)	1.600	(1.202)	0.398
Malmstens Måleri & Färgsättning AB		2020-01-01 2020-03-31	Swedish GAAP (K)	Audited	10.923	(7.091)	3.832	(0.463)	(0.500)	0.209	0.058	3.136	(0.999)	(0.014)	2.123	(0.204)	1.920
GAAP adjustments	1, 6				0.000	0.034	0.034	0.008	0.003	0.000	0.000	0.044	0.000	(0.011)	0.034	(0.007)	0.026
Acquisition-related adjustments	4				0.000	(0.092)	(0.092)	(0.022)	(0.007)	0.000	0.000	(0.122)	0.000	0.000	(0.122)	0.026	(0.096)
Sum Malmstens Måleri & Färgsättning AB					10.923	(7.150)	3.773	(0.477)	(0.504)	0.209	0.058	3.059	(0.999)	(0.024)	2.035	(0.185)	1.851
Björns Måleri Eft. Aktiebolag		2020-01-01 2020-05-03	Swedish GAAP (K)	Audited	19.491	(13.390)	6.101	(2.703)	(1.712)	0.011	0.000	1.697	0.000	(0.001)	1.696	(1.024)	0.672
GAAP adjustments	1, 2, 6				0.502	0.005	0.506	0.001	0.000	0.000	0.000	0.508	0.000	(0.011)	0.497	(0.106)	0.391
Acquisition-related adjustments	4				0.000	(0.170)	(0.170)	(0.040)	(0.013)	0.000	0.000	(0.223)	0.000	0.000	(0.223)	0.048	(0.176)
Sum Björns Måleri Eft. Aktiebolag					19.993	(13.555)	6.437	(2.742)	(1.725)	0.011	0.000	1.981	0.000	(0.012)	1.970	(1.083)	0.887
Tepac Entreprenad AB		2020-01-01 2020-05-03	Swedish GAAP (K)	Audited	56.302	(35.661)	20.641	(1.546)	(1.993)	0.110	0.000	17.213	0.000	(0.038)	17.175	(3.690)	13.485
GAAP adjustments	1				0.000	0.018	0.018	0.004	0.001	0.000	0.000	0.023	0.000	(0.025)	(0.002)	0.000	(0.002)
Acquisition-related adjustments	6				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Tepac Entreprenad AB					56.302	(35.643)	20.659	(1.541)	(1.991)	0.110	0.000	17.236	0.000	(0.063)	17.173	(3.690)	13.483
L'anza EP Sweden AB		2020-01-01 2020-05-31	Swedish GAAP (K)	Audited	42.802	(29.552)	13.250	(4.035)	(1.741)	0.418	0.000	7.892	0.426	(0.222)	8.096	(1.733)	6.363
GAAP adjustments	1				0.000	0.016	0.016	0.004	0.001	0.000	0.000	0.021	0.000	(0.037)	(0.016)	0.003	(0.013)
Acquisition-related adjustments	4, 6				0.000	(0.314)	(0.314)	(0.074)	(0.025)	0.000	0.000	(0.413)	0.000	0.000	(0.413)	0.088	(0.325)
Sum L'anza Sweden AB					42.802	(29.850)	12.952	(4.105)	(1.764)	0.418	0.000	7.499	0.426	(0.259)	7.666	(1.641)	6.026
Växjö Elmontage AB		2020-01-01 2020-05-31	Swedish GAAP (K)	Audited	15.114	(7.007)	8.108	(2.266)	(1.473)	0.047	0.000	4.416	0.000	(0.001)	4.415	(3.270)	1.145
GAAP adjustments	1				0.000	0.017	0.017	0.004	0.001	0.000	0.000	0.023	0.000	(0.036)	(0.013)	0.003	(0.010)
Acquisition-related adjustments	4, 6				0.000	(0.393)	(0.393)	(0.093)	(0.031)	0.000	0.000	(0.517)	0.000	0.000	(0.517)	0.111	(0.406)
Sum Växjö Elmontage AB					15.114	(7.382)	7.732	(2.355)	(1.503)	0.047	0.000	3.922	0.000	(0.037)	3.885	(3.157)	0.728
Karlsons Ortogonal AB		2020-01-01 2020-05-31	Swedish GAAP (K)	Audited	11.875	(6.930)	4.946	(1.419)	(1.898)	0.101	0.000	1.729	0.000	(0.001)	1.728	(0.370)	1.358
GAAP adjustments	1				0.000	0.004	0.004	0.001	0.000	0.000	0.000	0.006	0.000	(0.011)	(0.005)	0.001	(0.004)
Acquisition-related adjustments	4, 6				0.000	(0.230)	(0.230)	(0.055)	(0.018)	0.000	0.000	(0.303)	0.000	0.000	(0.303)	0.065	(0.238)
Sum Karlsons Ortogonal AB					11.875	(7.156)	4.720	(1.473)	(1.916)	0.101	0.000	1.432	0.000	(0.012)	1.420	(0.304)	1.116
Friends AS		2020-01-01 2020-06-09	Norwegian GAAP	Audited	56.235	(38.717)	17.519	(4.730)	(2.485)	0.185	0.000	10.488	0.157	(0.984)	9.662	(2.126)	7.536
GAAP adjustments	1				0.000	0.065	0.065	0.015	0.005	0.000	0.000	0.086	0.000	(0.125)	(0.039)	0.009	(0.031)
Acquisition-related adjustments	4, 6				0.000	(0.168)	(0.168)	(0.040)	(0.013)	0.000	0.000	(0.221)	0.000	0.000	(0.221)	0.047	(0.173)

SEK million Entity	Note	Period	GAAP	Basis financial information	Net sales	Cost of Goods Sold	Gross profit	Selling expenses	Admini- strative expenses	Other operating income	Other operating expenses	Operating profit	Financial income	Financial expenses	Profit before tax	Tax	Profit for the period
Sum Frens AS					56.235	(38.819)	17.416	(4.755)	(2.493)	0.185	0.000	10.353	0.157	(1.108)	9.402	(2.070)	7.332
Stockholms Internationella Handelsskola AB		2020-01-01 2020-06-30	Swedish GAAP (K)	Audited	20.153	(10.725)	9.429	(1.749)	(1.291)	0.094	0.000	6.483	0.000	(0.030)	6.453	(1.388)	5.065
GAAP adjustments	1				0.000	0.023	0.023	0.006	0.002	0.000	0.000	0.031	0.000	(0.058)	(0.027)	0.006	(0.021)
Acquisition-related adjustments	6				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Stockholms Internationella Handelsskola AB					20.153	(10.701)	9.452	(1.743)	(1.289)	0.094	0.000	6.514	0.000	(0.088)	6.426	(1.382)	5.044
Syd Communication & Security AB		2020-01-01 2020-06-30	Swedish GAAP (K)	Audited	27.166	(19.979)	7.187	(1.917)	(1.424)	0.254	0.000	4.100	0.001	(0.003)	4.098	(1.131)	2.967
GAAP adjustments	1				0.000	-0.015	-0.015	-0.004	(0.001)	0.000	0.000	(0.020)	0.000	(0.020)	(0.040)	0.009	(0.032)
Acquisition-related adjustments	4				0.000	(0.139)	(0.139)	(0.033)	(0.011)	0.000	0.000	(0.183)	0.000	0.000	(0.183)	0.039	(0.144)
Sum Syd Communication & Security AB					27.166	(20.133)	7.033	(1.954)	(1.437)	0.254	0.000	3.897	0.001	(0.023)	3.875	(1.083)	2.792
Ullmax AB		2020-01-01 2020-06-30	Swedish GAAP (K)	Audited	3.609	(5.000)	(1.390)	(2.400)	(1.083)	0.338	(0.088)	(4.624)	0.005	(0.139)	(4.758)	1.020	(3.739)
GAAP adjustments	1				0.000	0.018	0.018	0.004	0.001	0.000	0.000	0.024	0.000	(0.043)	(0.019)	0.004	(0.015)
Acquisition-related adjustments	6				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Ullmax AB					3.609	(4.981)	(1.372)	(2.395)	(1.082)	0.338	(0.088)	(4.599)	0.005	(0.182)	(4.777)	1.024	(3.753)
Bergendahls El Gruppen AB		2020-01-01 2020-07-14	Swedish GAAP (K)	Audited	179.860	(142.193)	37.666	(15.688)	(9.512)	6.999	0.000	19.466	0.018	(0.027)	19.457	(4.110)	15.347
GAAP adjustments	1				0.000	0.082	0.082	0.019	0.006	0.000	0.000	0.107	0.000	(0.196)	(0.089)	0.019	(0.070)
Acquisition-related adjustments	4, 6				0.000	(1.529)	(1.529)	(0.362)	(0.121)	0.000	0.000	(2.012)	0.000	0.000	(2.012)	0.431	(1.582)
Sum Bergendahls El Gruppen AB					179.860	(143.641)	36.219	(16.030)	(9.626)	6.999	0.000	17.561	0.018	(0.223)	17.356	(3.661)	13.695
P & A Mäleri i Norrköping AB		2020-01-01 2020-08-31	Swedish GAAP (K)	Audited	20.042	(11.839)	8.203	(2.146)	(1.745)	0.376	0.000	4.688	0.000	(0.007)	4.681	(1.662)	3.019
GAAP adjustments	1, 2				0.409	0.017	0.426	0.004	0.001	0.000	0.000	0.431	0.000	(0.040)	0.391	(0.084)	0.308
Acquisition-related adjustments	4, 6				0.000	(0.290)	(0.290)	(0.069)	(0.023)	0.000	0.000	(0.382)	0.000	0.000	(0.382)	0.082	(0.300)
Sum P & A Mäleri i Norrköping AB					20.451	(12.113)	8.338	(2.211)	(1.766)	0.376	0.000	4.737	0.000	(0.047)	4.691	(1.664)	3.027
El & Projektering i Vetlanda AB		2020-01-01 2020-08-31	Swedish GAAP (K)	Audited	52.764	(38.457)	14.306	(3.496)	(2.204)	0.229	0.000	8.834	0.010	(0.113)	8.732	(1.869)	6.863
GAAP adjustments	1, 2				1.460	(0.030)	1.430	(0.007)	(0.002)	0.000	0.000	1.420	0.000	(0.030)	1.390	(0.297)	1.093
Acquisition-related adjustments	4, 6				0.000	(0.351)	(0.351)	(0.083)	(0.028)	0.000	0.000	(0.462)	0.000	0.000	(0.462)	0.099	(0.363)
Sum El & Projektering i Vetlanda AB					54.223	(38.838)	15.385	(3.586)	(2.234)	0.229	0.000	9.793	0.010	(0.143)	9.661	(2.067)	7.593
nds Nordic Drilling System i Gä AB		2020-01-01 2020-11-01	Swedish GAAP (K)	Audited	43.466	(20.582)	22.884	(3.798)	(3.422)	0.035	(0.568)	15.131	0.000	(0.279)	14.851	(3.192)	11.660
GAAP adjustments	1				0.000	0.024	0.024	0.006	0.002	0.000	0.000	0.032	0.000	(0.039)	(0.007)	0.002	(0.006)
Acquisition-related adjustments	4, 6				0.000	(1.212)	(1.212)	(0.287)	(0.096)	0.000	0.000	(1.595)	0.000	0.000	(1.595)	0.341	(1.254)
Sum nds Nordic Drilling System i Gä AB					43.466	(21.770)	21.696	(4.080)	(3.515)	0.035	(0.568)	13.568	0.000	(0.318)	13.249	(2.849)	10.401
Ljus & Komfort i Åhus AB		2020-01-01 2020-11-01	Swedish GAAP (K)	Audited	18.214	(14.812)	3.402	(1.781)	(1.267)	0.404	0.000	0.757	0.000	0.000	0.757	(0.162)	0.595
GAAP adjustments	1				0.000	(0.049)	(0.049)	(0.012)	(0.004)	0.000	0.000	(0.064)	0.000	(0.012)	(0.076)	0.016	(0.060)
Acquisition-related adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Ljus & Komfort i Åhus AB					18.214	(14.861)	3.353	(1.793)	(1.271)	0.404	0.000	0.693	0.000	(0.012)	0.681	(0.146)	0.535
Sunteam AB		2020-01-01 2020-11-01	Swedish GAAP (K)	Audited	16.274	(10.984)	5.289	(0.862)	(0.634)	0.170	(0.038)	3.925	(0.115)	0.000	3.811	(0.815)	2.995
GAAP adjustments	1				0.000	(0.011)	(0.011)	(0.003)	(0.001)	0.000	0.000	(0.015)	0.000	(0.008)	(0.022)	0.005	(0.017)
Acquisition-related adjustments	4				0.000	(0.127)	(0.127)	(0.030)	(0.010)	0.000	0.000	(0.166)	0.000	0.000	(0.166)	0.036	(0.131)
Sum Sunteam AB					16.274	(11.122)	5.152	(0.894)	(0.645)	0.170	(0.038)	3.744	(0.115)	(0.008)	3.622	(0.775)	2.847
Kungälv's Plastteknik AB		2020-01-01 2020-11-02	Swedish GAAP (K)	Audited	15.576	(12.954)	2.621	(0.890)	(0.829)	0.088	0.000	0.991	0.058	(0.005)	1.044	(0.487)	0.557
GAAP adjustments	1				0.000	(0.009)	(0.009)	(0.002)	(0.001)	0.000	0.000	(0.012)	0.000	(0.002)	(0.014)	0.003	(0.011)
Acquisition-related adjustments	4				0.000	(0.152)	(0.152)	(0.036)	(0.012)	0.000	0.000	(0.200)	0.000	0.000	(0.200)	0.043	(0.157)
Sum Kungälv's Plastteknik AB					15.576	(13.116)	2.460	(0.928)	(0.842)	0.088	0.000	0.778	0.058	(0.006)	0.830	(0.442)	0.389
Petulo Pipe AB		2020-01-01 2020-11-02	Swedish GAAP (K)	Audited	4.563	(3.171)	1.392	(0.163)	(0.090)	(0.078)	0.000	1.061	0.000	0.000	1.061	(0.339)	0.722
GAAP adjustments	1				0.000	(0.004)	(0.004)	(0.001)	0.000	0.000	0.000	(0.005)	0.000	(0.001)	(0.006)	0.001	(0.005)
Acquisition-related adjustments	4				0.000	(0.025)	(0.025)	(0.006)	(0.002)	0.000	0.000	(0.033)	0.000	0.000	(0.033)	0.007	(0.026)
Sum Petulo Pipe AB					4.563	(3.200)	1.362	(0.170)	(0.092)	(0.078)	0.000	1.022	0.000	(0.001)	1.022	(0.331)	0.691
Rollsbo Modulsvets AB		2020-01-01 2020-11-02	Swedish GAAP (K)	Audited	3.603	(2.605)	0.998	(0.025)	(0.057)	0.000	0.000	0.916	0.000	0.000	0.916	(0.226)	0.689
GAAP adjustments	1				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Acquisition-related adjustments	4				0.000	(0.075)	(0.075)	(0.018)	(0.006)	0.000	0.000	(0.099)	0.000	0.000	(0.099)	0.021	(0.078)
Sum Rollsbo Modulsvets AB					3.603	(2.680)	0.923	(0.043)	(0.063)	0.000	0.000	0.817	0.000	0.000	0.817	(0.205)	0.612
Svenska Grindmatriser AB		2020-01-01 2020-11-30	Swedish GAAP (K)	Audited	57.316	(33.933)	23.383	(2.749)	(1.954)	1.515	(1.639)	18.556	0.546	(0.954)	18.147	(3.892)	14.255
GAAP adjustments	1				0.000	0.016	0.016	0.004	0.001	0.000	0.000	0.021	0.000	(0.038)	(0.017)	0.004	(0.013)
Acquisition-related adjustments	4, 6				0.000	(2.317)	(2.317)	(0.549)	(0.183)	0.000	0.000	(3.049)	0.000	0.000	(3.049)	0.652	(2.396)
Sum Svenska Grindmatriser AB					57.316	(36.234)	21.082	(3.294)	(2.136)	1.515	(1.639)	15.528	0.546	(0.992)	15.082	(3.237)	11.846
M J Contractor AB		2020-01-01 2020-11-30	Swedish GAAP (K)	Audited	150.724	(133.845)	16.879	(7.581)	(4.047)	0.737	0.000	5.989	0.967	(0.004)	6.952	(1.360)	5.592
GAAP adjustments	1				0.000	0.254	0.254	0.060	0.020	0.000	0.000	0.335	0.000	(0.563)	(0.229)	0.049	(0.180)
Acquisition-related adjustments	4, 6				0.000	(2.308)	(2.308)	(0.547)	(0.182)	0.000	0.000	(3.036)	0.000	0.000	(3.036)	0.650	(2.387)
Sum M J Contractor AB					150.724	(135.898)	14.826	(8.067)	(4.209)	0.737	0.000	3.287	0.967	(0.567)	3.687	(0.661)	3.025
IVEO AB		2020-01-01 2020-12-30	Swedish GAAP (K)	Audited	31.725	(9.673)	22.052	(2.403)	(4.429)	0.000	0.000	15.220	0.022	0.000	15.242	(3.293)	11.949
GAAP adjustments	1				0.000	0.047	0.047	0.011	0.004	0.000	0.000	0.061	0.000	(0.104)	(0.043)	0.009	(0.034)
Acquisition-related adjustments	4, 6				0.000	(0.669)	(0.669)	(0.158)	(0.053)	0.000	0.000	(0.880)	0.000	0.000	(0.880)	0.188	(0.692)
Sum IVEO AB					31.725	(10.295)	21.429	(2.551)	(4.478)	0.000	0.000	14.401	0.022	(0.104)	14.319	(3.095)	11.224
Pierre Entreprenad i Gä AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	177.354	(147.234)	30.121	(9.115)	(5.150)	1.061	(0.015)	16.902	5.792	(0.021)	22.673	(3.784)	18.889
GAAP adjustments	1				0.000	0.224	0.224	0.053	0.018	0.000	0.000	0.295	0.000	(0.517)	(0.222)	0.047	(0.174)
Acquisition-related adjustments	4				0.000	(0.962)	(0.962)	(0.228)	(0.076)	0.000	0.000	(1.266)	0.000	0.000	(1.266)	0.341	(0.925)
Sum Pierre Entreprenad i Gä AB					177.354	(147.972)	29.382	(9									

GAAP adjustments	1				0.000	0.146	0.146	0.035	0.012	0.000	0.000	0.192	0.000	(0.299)	(0.106)	0.023	(0.084)
Acquisition-related adjustments	4				0.000	(2.204)	(2.204)	(0.522)	(0.174)	0.000	0.000	(2.900)	0.000	0.000	(2.900)	0.621	(2.279)
Sum Continovagruppen AB					213.768	(178.525)	35.242	(13.776)	(8.744)	10.224	0.066	23.011	2.480	(0.862)	24.629	(7.657)	16.972
Ockelbo Kabelteknik AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	105.656	(74.692)	30.964	(10.051)	(5.520)	3.267	(0.008)	18.652	0.004	(0.368)	18.287	(4.058)	14.229
GAAP adjustments	1				0.000	0.063	0.063	0.015	0.005	0.000	0.000	0.083	0.000	(0.111)	(0.028)	0.006	(0.022)
Acquisition-related adjustments	4				0.000	(1.422)	(1.422)	(0.337)	(0.112)	0.000	0.000	(1.871)	0.000	0.000	(1.871)	0.400	(1.471)
Sum Ockelbo Kabelteknik AB					105.656	(76.052)	29.605	(10.373)	(5.627)	3.267	(0.008)	16.863	0.004	(0.479)	16.387	(3.651)	12.736
Tjällmo Grävmaskiner AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	148.833	(114.848)	33.985	(7.143)	(5.142)	0.614	(0.130)	22.184	0.016	(0.412)	21.788	(4.638)	17.149
GAAP adjustments	1				0.000	0.036	0.036	0.009	0.003	0.000	0.000	0.047	0.000	(0.062)	(0.015)	0.003	(0.012)
Acquisition-related adjustments	4				0.000	(1.432)	(1.432)	(0.339)	(0.113)	0.000	0.000	(1.885)	0.000	0.000	(1.885)	0.403	(1.481)
Sum Tjällmo Grävmaskiner AB					148.833	(116.245)	32.588	(7.474)	(5.252)	0.614	(0.130)	20.346	0.016	(0.475)	19.888	(4.232)	15.656
Strand i Jönköping AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	132.404	(111.095)	21.309	(5.700)	(4.217)	0.872	0.000	12.264	0.003	(0.318)	11.950	(2.611)	9.339
GAAP adjustments	1				0.000	0.075	0.075	0.018	0.006	0.000	0.000	0.099	0.000	(0.124)	(0.026)	0.005	(0.020)
Acquisition-related adjustments	4				0.000	(0.476)	(0.476)	(0.113)	(0.038)	0.000	0.000	(0.627)	0.000	0.000	(0.627)	0.134	(0.492)
Sum Strand i Jönköping AB					132.404	(111.496)	20.908	(5.795)	(4.248)	0.872	0.000	11.736	0.003	(0.442)	11.298	(2.471)	8.826
Allan Eriksson Mark AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	73.625	(61.130)	12.494	(4.809)	(1.964)	0.254	(0.067)	5.909	0.001	(0.135)	5.775	(1.240)	4.535
GAAP adjustments	1				0.000	0.014	0.014	0.003	0.001	0.000	0.000	0.018	0.000	(0.030)	(0.012)	0.003	(0.010)
Acquisition-related adjustments	4				0.000	(0.366)	(0.366)	(0.087)	(0.029)	0.000	0.000	(0.481)	0.000	0.000	(0.481)	0.103	(0.378)
Sum Allan Eriksson Mark AB					73.625	(61.482)	12.142	(4.893)	(1.991)	0.254	(0.067)	5.445	0.001	(0.165)	5.281	(1.135)	4.147
Såg- och Betongborrning Uddevalla AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	98.533	(76.605)	21.928	(10.074)	(5.755)	3.654	0.000	9.754	0.063	(0.077)	9.740	(2.109)	7.631
GAAP adjustments	1				0.000	0.675	0.675	0.160	0.053	0.000	0.000	0.888	0.000	(1.192)	(0.304)	0.065	(0.239)
Acquisition-related adjustments	4				0.000	(0.721)	(0.721)	(0.171)	(0.057)	0.000	0.000	(0.949)	0.000	0.000	(0.949)	0.203	(0.746)
Sum Såg- & Betongborrning Uddevalla AB					98.533	(76.652)	21.881	(10.085)	(5.758)	3.654	0.000	9.693	0.063	(1.269)	8.487	(1.841)	6.646
BEC Trärgövsprodukter AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	10.486	(8.660)	1.825	(0.302)	(0.257)	0.025	0.000	1.291	0.000	(0.004)	1.287	(0.279)	1.007
GAAP adjustments	1				0.000	0.010	0.010	0.002	0.001	0.000	0.000	0.013	0.000	(0.021)	(0.008)	0.002	(0.007)
Acquisition-related adjustments	4				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum BEC Trärgövsprodukter AB					10.486	(8.661)	1.835	(0.300)	(0.256)	0.025	0.000	1.303	0.000	(0.025)	1.278	(0.278)	1.001
Måla-bolagen*		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	141.198	(107.243)	33.955	(12.562)	(6.959)	1.045	(0.051)	15.429	0.015	(0.040)	15.404	(2.662)	12.742
GAAP adjustments	1, 2				2.513	0.069	2.582	0.016	0.005	0.000	0.000	2.604	0.000	(0.138)	2.466	(0.528)	1.938
Acquisition-related adjustments	4				0.000	(0.904)	(0.904)	(0.214)	(0.071)	0.000	0.000	(1.190)	0.000	0.000	(1.190)	0.255	(0.935)
Sum Måla-bolagen					143.711	(108.078)	35.633	(12.760)	(7.024)	1.045	(0.051)	16.843	0.015	(0.178)	16.680	(2.935)	13.745
Strigo AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	178.154	(106.377)	71.777	(28.552)	(27.768)	5.474	0.002	20.933	(7.282)	6.852	20.502	(3.957)	16.545
GAAP adjustments	1				0.000	0.377	0.377	0.089	0.030	0.000	0.000	0.496	0.000	(0.827)	(0.331)	0.071	(0.260)
Acquisition-related adjustments	4				0.000	(1.423)	(1.423)	(0.337)	(0.112)	0.000	0.000	(1.872)	0.000	0.000	(1.872)	0.401	(1.471)
Sum Strigo AB					178.154	(107.422)	70.732	(28.800)	(27.851)	5.474	0.002	19.557	(7.282)	6.024	18.299	(3.485)	14.814
PerfectHair AG		2020-01-01 2020-12-31	Swiss GAAP	Unaudited	314.800	(223.743)	91.057	(49.167)	(11.770)	0.000	(1.356)	28.765	0.000	(1.168)	27.597	(4.969)	22.629
GAAP adjustments	1, 3				0.000	1.337	1.337	0.314	0.022	0.000	0.000	1.637	0.000	(0.657)	1.016	0.064	1.080
Acquisition-related adjustments	4				0.000	(6.467)	(6.467)	(1.532)	(0.511)	0.000	0.000	(8.510)	0.000	0.000	(8.510)	0.681	(7.829)
Sum PerfectHair AG					314.800	(228.873)	85.927	(50.384)	(12.258)	0.000	(1.356)	21.929	0.000	(1.825)	20.104	(4.224)	15.880
Primulator AS		2020-01-01 2020-12-31	Norwegian GAAP	Audited	375.313	(307.246)	68.067	(27.854)	(14.266)	11.241	(7.275)	29.913	5.251	(3.139)	32.025	(3.951)	28.074
GAAP adjustments	1				0.000	0.277	0.277	0.066	0.022	0.000	0.000	0.364	0.000	(0.408)	(0.044)	0.010	(0.034)
Acquisition-related adjustments	4				0.000	(4.498)	(4.498)	(1.065)	(0.355)	0.000	0.000	(5.918)	0.000	0.000	(5.918)	1.302	(4.616)
Sum Primulator AS					375.313	(311.467)	63.846	(28.853)	(14.599)	11.241	(7.275)	24.359	5.251	(3.548)	26.063	(2.640)	23.424
Danmatic A/S		2020-01-01 2020-12-31	Danish GAAP	Audited	142.408	(109.867)	32.541	(5.774)	(4.683)	1.531	(0.197)	23.418	0.000	(0.440)	22.978	(5.057)	17.921
GAAP adjustments	1				0.000	(0.002)	(0.002)	0.000	0.000	0.000	0.000	(0.002)	0.000	(0.009)	(0.011)	0.002	(0.008)
Acquisition-related adjustments	4				0.000	(2.515)	(2.515)	(0.596)	(0.199)	0.000	0.000	(3.309)	0.000	0.000	(3.309)	0.728	(2.581)
Sum Danmatic A/S					142.408	(112.383)	30.025	(6.370)	(4.882)	1.531	(0.197)	20.107	0.000	(0.448)	19.659	(4.327)	15.332
Top Swede Konfektion		2020-01-01 2020-12-31	K3 Norwegian GAAP	Audited	145.572	(106.410)	39.162	(9.427)	(6.733)	0.533	0.000	23.534	0.055	(0.540)	23.049	(4.985)	18.064
GAAP adjustments	1				0.000	0.195	0.195	0.046	0.015	0.000	0.000	0.257	0.000	(0.436)	(0.180)	0.038	(0.141)
Acquisition-related adjustments	4				0.000	(0.878)	(0.878)	(0.208)	(0.069)	0.000	0.000	(1.155)	0.000	0.000	(1.155)	0.247	(0.908)
Sum Top Swede Konfektion					145.572	(107.093)	38.479	(9.589)	(6.787)	0.533	0.000	22.636	0.055	(0.976)	21.714	(4.699)	17.015
HP Rör AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	93.437	(83.163)	10.274	(5.186)	(4.046)	1.497	(0.060)	2.479	2.503	(0.006)	4.976	(2.249)	2.727
GAAP adjustments	1, 2				0.000	0.015	0.015	0.004	0.001	0.000	0.000	0.020	0.000	(0.034)	(0.015)	0.003	(0.012)
Acquisition-related adjustments	4				0.000	(0.513)	(0.513)	(0.122)	(0.041)	0.000	0.000	(0.675)	0.000	0.000	(0.675)	0.144	(0.531)
Sum HP Rör AB					93.437	(83.661)	9.776	(5.304)	(4.085)	1.497	(0.060)	1.824	2.503	(0.041)	4.286	(2.101)	2.185
AGIO System och Kompetens Skandinavien AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	106.656	(61.731)	44.925	(13.800)	(9.452)	0.359	0.000	22.031	(0.088)	(0.006)	21.938	(4.733)	17.205
GAAP adjustments	1				0.000	0.124	0.124	0.029	0.010	0.000	0.000	0.163	0.000	(0.274)	(0.110)	0.024	(0.087)
Acquisition-related adjustments	4				0.000	(1.471)	(1.471)	(0.349)	(0.116)	0.000	0.000	(1.936)	0.000	0.000	(1.936)	0.414	(1.522)
Sum AGIO System och Kompetens i Skandinavien AB					106.656	(63.078)	43.578	(14.119)	(9.559)	0.359	0.000	20.259	(0.088)	(0.280)	19.892	(4.295)	15.596
Bombayworks AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	65.185	(33.932)	31.252	(8.396)	(10.782)	2.055	(0.012)	14.117	0.029	(1.271)	12.876	(2.927)	9.949
GAAP adjustments	1				0.000	0.133	0.133	0.031	0.010	0.000	0.000	0.175	0.000	(0.280)	(0.105)	0.023	(0.083)
Acquisition-related adjustments	4				0.000	(2.973)	(2.973)	(0.704)	(0.235)	0.000	0.000	(3.912)	0.000	0.000	(3.912)	0.837	(3.075)
Sum Bombayworks AB					65.185	(36.773)	28.412	(9.069)	(11.006)	2.055	(0.012)	10.380	0.029	(1.551)	8.858	(2.067)	6.791
SGS Tool Group Limited		2020-01-01 2020-12-31	UK GAAP	Audited	309.808	(219.737)	90.071	(39.608)	(3.775)	0.012	(0.166)	46.534	0.000	0.000	46.534	(8.841)	37.692
GAAP adjustments	1				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Acquisition-related adjustments	4				0.000	(6.468)	(6.468)	(1.532)	(0.511)	0.000	0.000	(8.511)	0.000	0.000	(8.511)	1.617	(6.894)
Sum SGS Tool Group Limited					309.808	(226.206)	83.603	(41.140)	(4.286)	0.012	(0.166)	38.023	0.000	0.000	38.023	(7.224)	30.799
Scandia Steel Sweden AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	435.426	(351.324)	84.102	(35.681)	(5.204)	0.124	0.000	43.340	0.000	(0.632)	42.708	(5.001)	37.707
GAAP adjustments	1				0.000	0.086	0.086	0.020	0.007	0.000	0.000	0.114	0.000	(0.198)	(0.085)	0.013	(0.072)
Acquisition-related adjustments	4				0.000	(4.362)	(4.362)	(1.033)	(0.344)	0.000	0.000	(5.740)	0.000	0.000	(5.740)	0.861	(4.879)
Sum Scandia Steel Sweden AB					435.426	(355.600)	79.826	(36.									

Acquisition-related adjustments	4				0.000	(1.268)	(1.268)	(0.300)	(0.100)	0.000	0.000	(1.668)	0.000	0.000	(1.668)	0.357	(1.311)
Sum Harrysson Entrepren Akriebolag (HEAB)					133.589	(113.722)	19.867	(5.696)	(3.777)	0.000	0.000	10.393	0.035	(0.125)	10.304	(2.280)	8.024
Lindberg Stenberg Arkitekter AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	59.799	(29.697)	30.102	(6.945)	(7.237)	0.276	(3.578)	12.618	(0.010)	(0.001)	12.606	(2.709)	9.898
GAAP adjustments	1				0.000	0.175	0.175	0.042	0.014	0.000	0.000	0.231	0.000	(0.322)	(0.091)	0.019	(0.071)
Acquisition-related adjustments	4				0.000	(1.116)	(1.116)	(0.264)	(0.088)	0.000	0.000	(1.468)	0.000	0.000	(1.468)	0.314	(1.154)
Sum Lindberg Stenberg Arkitekter AB					59.799	(30.638)	29.161	(7.168)	(7.312)	0.276	(3.578)	11.380	(0.010)	(0.323)	11.047	(2.375)	8.672
AB Lm-Transport		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	81.235	(56.172)	25.063	(8.834)	(4.627)	0.731	(0.216)	12.116	0.020	(0.225)	11.911	(1.258)	10.652
GAAP adjustments	1, 2				(0.012)	0.476	(0.462)	0.113	0.038	0.000	0.000	0.612	0.000	(0.656)	(0.043)	0.009	(0.034)
Acquisition-related adjustments	4				0.000	(0.355)	(0.355)	(0.084)	(0.028)	0.000	0.000	(0.467)	0.000	0.000	(0.467)	0.100	(0.367)
Sum AB Lm-Transport					81.222	(56.051)	25.170	(8.806)	(4.618)	0.731	(0.216)	12.262	0.020	(0.881)	11.401	(1.149)	10.251
Stockholm Kvadratmeter AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	58.332	(48.943)	9.389	(3.521)	(1.706)	1.216	(0.224)	5.154	0.170	(0.090)	5.233	(0.941)	4.292
GAAP adjustments	1				0.000	0.047	0.047	0.011	0.004	0.000	0.000	0.062	0.000	(0.104)	(0.042)	0.009	(0.033)
Acquisition-related adjustments	4				0.000	(0.304)	(0.304)	(0.072)	(0.024)	0.000	0.000	(0.400)	0.000	0.000	(0.400)	0.086	(0.315)
Sum Stockholm Kvadratmeter AB					58.332	(49.201)	9.131	(3.582)	(1.726)	1.216	(0.224)	4.815	0.170	(0.194)	4.791	(0.847)	3.945
Persiennkompaniet Norden AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	44.296	(34.987)	9.309	(2.476)	(2.096)	0.160	(0.184)	4.713	0.000	(0.013)	4.700	(1.020)	3.679
GAAP adjustments	1, 2				1.080	0.044	1.123	0.010	0.003	0.000	0.000	1.137	0.000	(0.082)	1.055	(0.226)	0.829
Acquisition-related adjustments	4				0.000	(0.351)	(0.351)	(0.083)	(0.028)	0.000	0.000	(0.461)	0.000	0.000	(0.461)	0.099	(0.363)
Sum Persiennkompaniet Nord AB					45.375	(35.294)	10.081	(2.549)	(2.120)	0.160	(0.184)	5.389	0.000	(0.095)	5.293	(1.147)	4.146
Vårdråskan AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	68.590	(49.989)	18.601	(15.857)	(2.120)	5.012	(0.563)	5.073	(1.002)	(0.433)	3.638	(1.035)	2.603
GAAP adjustments	1, 2				0.000	0.040	0.040	0.009	0.003	0.000	0.000	0.052	0.000	(0.053)	(0.001)	0.000	(0.001)
Acquisition-related adjustments	4				0.000	(4.322)	(4.322)	(1.024)	(0.341)	0.000	0.000	(5.687)	0.000	0.000	(5.687)	1.217	(4.470)
Sum Vårdråskan AB					68.590	(54.271)	14.319	(16.871)	(2.459)	5.012	(0.563)	(0.562)	(1.002)	(0.486)	(2.050)	0.182	(1.867)
Jofrab TWS AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	207.319	(155.032)	52.287	(5.529)	(31.943)	5.736	(0.174)	20.377	0.065	(0.576)	19.866	(2.988)	16.877
GAAP adjustments	1				0.000	0.017	0.017	0.004	0.001	0.000	0.000	0.022	0.000	(0.037)	(0.015)	0.003	(0.012)
Acquisition-related adjustments	4				0.000	(0.558)	(0.558)	(0.132)	(0.044)	0.000	0.000	(0.734)	0.000	0.000	(0.734)	0.157	(0.577)
Sum Jofrab TWS AB					207.319	(155.573)	51.746	(5.657)	(31.986)	5.736	(0.174)	19.665	0.065	(0.613)	19.117	(2.828)	16.289
Silanex AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	7.264	(4.310)	2.953	(0.546)	(0.314)	0.206	(0.004)	2.296	0.035	(0.003)	2.327	(0.603)	1.724
GAAP adjustments	1				0.000	0.003	0.003	0.001	0.000	0.000	0.000	0.004	0.000	(0.006)	(0.003)	0.001	(0.002)
Acquisition-related adjustments	4				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Silanex AB					7.264	(4.307)	2.956	(0.546)	(0.314)	0.206	(0.004)	2.299	0.035	(0.010)	2.325	(0.603)	1.722
R. Ardbo golv AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	51.611	(47.636)	3.975	0.000	0.000	0.000	0.000	3.975	0.000	0.000	3.975	0.000	3.975
GAAP adjustments	1				0.000	0.003	0.003	0.000	0.000	0.000	0.000	0.003	0.000	0.000	0.003	0.000	0.003
Acquisition-related adjustments	4				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum R. Ardbo Golv AB					51.611	(47.633)	3.978	0.000	0.000	0.000	0.000	3.978	0.000	0.000	3.978	0.000	3.978
Ecochange AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	226.641	(185.242)	41.399	(2.642)	(1.717)	0.000	(0.130)	36.910	0.024	(0.018)	36.916	(7.148)	26.255
GAAP adjustments	1				0.000	0.086	0.086	0.020	(36.993)	0.000	0.000	(36.887)	0.000	(0.154)	(37.042)	7.175	(26.354)
Acquisition-related adjustments	4, 6, 8				0.000	(9.336)	(9.336)	(2.711)	(0.737)	0.000	0.000	(12.285)	0.000	0.000	(12.285)	2.679	(9.656)
Sum Ecochange AB					226.641	(194.493)	32.148	(4.833)	(39.447)	0.000	(0.130)	(12.262)	0.025	(0.172)	(12.410)	2.656	(9.754)
Ashe Invest AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	0.000	0.000	0.000	0.000	(0.027)	0.000	0.000	(0.027)	0.167	0.000	0.140	(0.030)	0.110
GAAP adjustments	1				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Acquisition-related adjustments	4				0.000	(0.730)	(0.730)	(0.173)	(0.058)	0.000	0.000	(0.961)	0.000	0.000	(0.961)	0.206	(0.755)
Sum Ashe Invest AB					0.000	(0.730)	(0.730)	(0.173)	(0.084)	0.000	0.000	(0.988)	0.167	0.000	(0.821)	0.176	(0.645)
Tennis Fashion i Göteborg AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	128.672	(117.501)	11.171	(3.177)	(2.918)	3.727	0.010	8.813	0.007	(0.519)	8.301	(2.357)	5.944
GAAP adjustments	1				0.000	0.015	0.015	0.004	0.001	0.000	0.000	0.020	0.000	(0.035)	(0.015)	0.003	(0.012)
Acquisition-related adjustments	4				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Tennis Fashion i Göteborg AB					128.672	(117.486)	11.186	(3.174)	(2.916)	3.727	0.010	8.833	0.007	(0.554)	8.286	(2.353)	5.933
On Target AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	89.016	(69.898)	19.119	(4.215)	(4.544)	(0.503)	(0.006)	9.850	(3.283)	(0.134)	6.433	(0.825)	5.607
GAAP adjustments	1				0.000	0.645	0.645	0.153	0.051	0.000	0.000	0.849	0.000	(0.009)	0.840	(0.180)	0.660
Acquisition-related adjustments	4				0.000	(0.609)	(0.609)	(0.144)	(0.048)	0.000	0.000	(0.801)	0.000	0.000	(0.801)	0.171	(0.629)
Sum On Target AB					89.016	(69.861)	19.155	(4.207)	(4.542)	(0.503)	(0.006)	9.898	(3.283)	(0.143)	6.472	(0.834)	5.638
Zymbios Logistics Contractor AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	42.500	(23.131)	19.369	(3.591)	(9.932)	0.687	(0.077)	6.456	0.000	0.000	6.456	(1.393)	5.063
GAAP adjustments	1				0.000	0.230	0.230	0.054	0.018	0.000	0.000	0.303	0.000	(0.548)	(0.246)	0.053	(0.193)
Acquisition-related adjustments	4				0.000	(0.690)	(0.690)	(0.163)	(0.054)	0.000	0.000	(0.908)	0.000	0.000	(0.908)	0.194	(0.713)
Sum Zymbios Logistics Contractor AB					42.500	(23.591)	18.909	(3.700)	(9.968)	0.687	(0.077)	5.851	0.000	(0.548)	5.302	(1.146)	4.156
Newton Kompetensutveckling AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	58.179	(37.457)	20.722	(8.828)	(4.838)	0.325	(0.039)	7.342	0.007	(0.114)	7.235	(1.609)	5.626
GAAP adjustments	1				0.000	0.641	0.641	0.152	0.051	0.000	0.000	0.844	0.000	(1.027)	(0.183)	0.039	(0.144)
Acquisition-related adjustments	4				0.000	(0.924)	(0.924)	(0.219)	(0.073)	0.000	0.000	(1.216)	0.000	0.000	(1.216)	0.260	(0.955)
Sum Newton Kompetensutveckling AB					58.179	(37.739)	20.440	(8.895)	(4.860)	0.325	(0.039)	6.970	0.007	(1.140)	5.836	(1.309)	4.527
EnRival AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	63.341	(39.815)	23.526	(10.297)	(5.910)	1.999	(0.072)	9.246	0.002	(0.036)	9.212	(1.985)	7.227
GAAP adjustments	1				0.000	0.234	0.234	0.055	0.018	0.000	0.000	0.308	0.000	(0.335)	(0.027)	0.006	(0.021)
Acquisition-related adjustments	4				0.000	(2.719)	(2.719)	(0.644)	(0.215)	0.000	0.000	(3.577)	0.000	0.000	(3.577)	0.766	(2.812)
Sum EnRival AB					63.341	(42.299)	21.041	(10.886)	(6.107)	1.999	(0.072)	5.976	0.002	(0.371)	5.607	(1.213)	4.394
Wibe Kabelstegar		2020-01-01 2020-12-31	Swedish GAAP (K)	Unaudited	734.325	(455.546)	278.779	(76.675)	(58.204)	13.552	(5.291)	152.161	0.000	(21.350)	130.811	(26.363)	104.448
GAAP adjustments	1				0.000	0.157	0.157	0.037	0.012	0.000	0.000	0.462	0.000	(0.462)	(0.255)	0.055	(0.201)
Acquisition-related adjustments	4				0.000	(16.617)	(16.617)	(3.936)	(1.312)	0.000	0.000	(21.864)	0.000	0.000	(21.864)	4.679	(17.185)
Sum Wibe Kabelstegar					734.325	(472.006)	262.319	(80.573)	(59.503)	13.552	(5.291)	130.504	0.000	(21.812)	108.692	(21.629)	87.062
Nordisk VVS-Teknik AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	128.117	(103.829)	24.288	(6.523)	(9.891)	0.379	0.000	8.253	0.045	(0.031)	8.267	(1.494)	6.772
GAAP adjustments	1, 2				(1.675)	0.044	(1.630)	0.011	0.004	0.000	0.000	(1.616)	0.000	(0.043)	(1.660)	0.355	(1.304)
Acquisition-related adjustments	4				0.000	(1.075)	(1.075)	(0.255)	(0.085)	0.000	0.000	(1.415)	0.000	0.000	(1.415)	0.303	(1.112)
Sum Nordisk VVS-Teknik AB					126.442	(104.860)	21.583	(6.767)	(9.973)	0.379	0.000	5.222	0.045	(0.075)	5.192	(0.836)	4.356
Brenderup		2020-01-01 2020-12-31	IFRS	Audited	817.354	(649.330)	168.023	(40.123)	(75.705)	664.664	(617.90						

Acquisition-related adjustments	4				0.000	(10.939)	(10.939)	(2.591)	(0.864)	0.000	0.000	(14.393)	0.000	0.000	(14.393)	3.080	(11.313)
Sum SoVent Group AB					420.433	(278.792)	141.641	(58.840)	(45.906)	7.742	(0.032)	44.605	0.065	(11.274)	33.396	(6.821)	26.575
Viametrics Group AB		2020-01-01 2020-12-31	IFRS	Audited	48.120	(23.440)	24.681	(4.180)	(5.054)	0.943	(3.818)	12.571	3.812	(8.366)	8.017	(3.263)	4.754
GAAP adjustments	1				0.000	0.024	0.024	0.006	0.002	0.000	0.000	0.031	0.000	(0.049)	(0.018)	0.004	(0.014)
Acquisition-related adjustments	4				0.000	(3.666)	(3.666)	(0.868)	(0.289)	0.000	0.000	(4.824)	0.000	0.000	(4.824)	1.032	(3.791)
Sum Viametrics Group AB					48.120	(27.082)	21.038	(5.042)	(5.342)	0.943	(3.818)	7.779	3.812	(8.415)	3.176	(2.227)	0.949
Buildercom Oy		2020-01-01 2020-12-31	Finska GAAP	Audited	61.346	(31.387)	29.959	(7.460)	(3.542)	2.436	(3.571)	17.821	0.001	(1.878)	15.944	(3.359)	12.585
GAAP adjustments	1				0.000	0.091	0.091	0.022	0.007	0.000	0.000	0.120	0.000	(0.204)	(0.084)	0.018	(0.066)
Acquisition-related adjustments	4				0.000	(5.378)	(5.378)	(1.274)	(0.425)	0.000	0.000	(7.076)	0.000	0.000	(7.076)	1.514	(5.562)
Sum Buildercom Oy					61.346	(36.673)	24.672	(8.712)	(3.960)	2.436	(3.571)	10.865	0.001	(2.082)	8.784	(1.827)	6.957
DeroA Group AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	265.276	(235.702)	29.575	(10.234)	(4.614)	0.381	(0.015)	15.094	0.000	(9.190)	5.904	(0.925)	(0.883)
GAAP adjustments	1, 3				0.000	12.858	12.858	3.016	0.002	0.000	0.000	15.876	0.000	(0.085)	15.791	(1.242)	20.410
Acquisition-related adjustments	4				0.000	(3.878)	(3.878)	(0.919)	(0.306)	0.000	0.000	(5.103)	0.000	0.000	(5.103)	1.092	(4.011)
Sum DeroA Group AB					265.276	(226.722)	38.554	(8.136)	(4.919)	0.381	(0.015)	25.867	0.000	(9.275)	16.591	(1.075)	15.516
Kumla Handtagsfabrik AB		2020-01-01 2020-12-31	Swedish GAAP (K)	Audited	107.119	(73.034)	34.085	(14.884)	(6.142)	3.787	(0.089)	16.758	1.088	(7.639)	10.207	(4.308)	4.870
GAAP adjustments	1, 3				0.000	15.376	15.376	3.607	0.000	0.000	0.000	18.894	0.000	(0.007)	18.777	0.221	20.227
Acquisition-related adjustments	4, 9				0.000	(5.981)	(5.981)	(1.403)	0.000	0.000	0.000	(7.383)	0.000	0.000	(7.383)	1.580	(5.803)
Sum Kumla Handtagsfabrik AB					107.119	(63.638)	43.481	(12.680)	(6.141)	3.787	(0.089)	28.358	1.088	(7.646)	21.800	(2.507)	19.293
Rolleff GmbH		2020-01-01 2020-12-31	German GAAP	Un-audited	200.185	(148.093)	52.092	(18.960)	(9.399)	2.594	(0.154)	26.173	0.155	(1.041)	25.287	(2.932)	22.355
GAAP adjustments	1, 2				(24.323)	21.186	(3.137)	0.363	0.121	0.000	0.000	(2.653)	0.000	(2.237)	(4.890)	0.650	(4.240)
Acquisition-related adjustments	4				0.000	(1.543)	(1.543)	(0.366)	(0.122)	0.000	0.000	(2.031)	0.000	0.000	(2.031)	0.508	(1.523)
Sum Rolleff GmbH					175.862	(128.450)	47.412	(18.963)	(9.400)	2.594	(0.154)	21.489	0.155	(3.278)	18.366	(1.774)	16.592
Storskogen Artum AG		2020-01-01 2020-12-31	Swiss GAAP	Audited	1 741.829	(1,413.781)	328.048	(117.457)	(72.571)	9.732	(11.171)	136.582	4.622	(18.400)	122.805	(60.236)	62.569
GAAP adjustments	1, 3, 7				0.000	53.897	53.897	12.638	(0.154)	0.000	0.000	66.381	0.000	(3.099)	63.282	1.000	64.283
Acquisition-related adjustments	4				0.000	(44.698)	(44.698)	(10.586)	(3.529)	0.000	0.000	(58.814)	0.000	0.000	(58.814)	12.939	(45.875)
Sum Storskogen Artum AG					1,741.829	(1,404.582)	337.247	(115.406)	(76.253)	9.732	(11.171)	144.150	4.622	(21.499)	127.273	(46.296)	80.977
Marwell AG		2020-01-01 2020-12-31	Schweizeris a GAAP	Audited	59.764	(49.251)	10.513	(5.861)	(3.485)	0.000	0.000	1.167	0.000	(0.011)	1.157	(0.310)	0.847
GAAP adjustments	1				0.000	0.025	0.025	0.006	0.002	0.000	0.000	0.033	0.000	(0.054)	(0.020)	0.002	(0.019)
Acquisition-related adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Marwell AG					59.764	(49.226)	10.538	(5.855)	(3.483)	0.000	0.000	1.201	0.000	(0.064)	1.137	(0.308)	0.829
Frigo AG		2020-01-01 2020-12-31	Swiss GAAP	Un-audited	17.950	(12.962)	4.987	(2,017)	(1,224)	0.386	(0,099)	2,033	0.000	(0,024)	2,009	(0,426)	1,583
GAAP adjustments	1				0.000	0,019	0,019	0,004	0,001	0.000	0.000	0,025	0.000	(0,040)	(0,015)	0,001	(0,014)
Acquisition-related adjustments					0.000	0,000	0,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Frigo AG					17,950	(12,944)	5,006	(2,013)	(1,223)	0,386	(0,099)	2,058	0.000	(0,064)	1,993	(0,425)	1,569
Group adjustments	5, 6, 9				(20.556)	4.043	(16.513)	0.000	24.047	0.000	0.000	7.533	(0.324)	(62.020)	54.811	13.342	(41.469)
Pro forma income statement 1 January – 31 December 2020				Un-audited	19,081.780	(14,801.579)	4,280.202	(1,481.418)	(1,072.893)	1,010.	(750.758)	1,985.663	26.620	(198.987)	1,813.297	(372.835)	1,429.411

* Måla-bolagen are additional acquisitions to Måla i Sverige AB and refer to; Nymålat i Skellefteå AB, Delér Måleri AB and Stockholm Industrigolv AB.

Notes to Pro Forma Financial Statements

1: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 11.8 million.
- Selling expenses: Reduced by SEK 2.8 million.
- Administrative expenses: Reduced by SEK 0.9 million.

Interest expenses related to lease liabilities increase financial expenses by SEK 21.1 million.

Aggregated effect on the pro forma net profit is SEK (4.5) million.

2: Revenue recognition

As a consequence of adopting the Group's accounting principles for percentage of completion, aggregated net sales for the period has decreased by SEK 20.0 million. The associated COGS has, at an aggregated level, been reduced by SEK 19.7 million.

3: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. Aggregated effect by function of expense as per below:

- Cost of goods sold: Decreased by SEK 119.1 million.
- Selling expenses: Decreased by SEK 27.9 million.

The adjustment is of a one-time nature and not recurring.

4: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations that were identified in the purchase price allocations. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 189.2 million.
- Selling expenses: Increases by SEK 44.8 million.
- Administrative expenses: Increases by SEK 14.5 million.

Dissolvement of the deferred tax liability related to the surplus values of SEK 52.0 million for 2020 as a reduction of the tax expense.

5: Financing

The acquisitions are financed partly through existing cash, partly through credit facilities used in direct connection with the acquisition. In the pro forma income statement, interest expenses have been added for the period up to the acquisition being carried out as if the acquisitions were carried out and financing was raised on 1 January 2020. An interest expense of SEK 62.3 million has been added for the period 1 January 2020 to 31 December 2020. The adjustment is made as a Group adjustment as the loans are raised at group level.

6: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 7.5 million has reduced the Group's costs during 2020.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

7: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 3.7 million.
- Selling expenses: Increases by SEK 0.9 million.
- Administrative expenses: Increases by SEK 0.3 million.

8: Termination of consultancy contract

In connection with the acquisition of Ecochange, a consultancy contract has been terminated as the consultant has transferred to a permanent position. The cost of the termination of SEK 51.0 million has been recognised in the entity in 2021. In the pro forma income statement, the cost, which is partly compensation for sales bonuses, has been distributed between 2020 and 2021 by reducing the cost for 2021 by SEK 37.0 million and increased the cost by the same amount for 2020.

The adjustment is of a one-time nature and not recurring.

9: Elimination of transactions between Storskogen and the acquired entities

In the period prior to the acquisition date, certain transactions of a limited nature have occurred between Storskogen and the acquired entities. In the pro forma income statement, these have been eliminated. Aggregated impact per function as follows:

- Net sales: Reduced by SEK 20.5 million
- Cost of goods sold: Reduced by SEK 4.0 million
- Administrative expenses: Reduced by SEK 16.5 million
- Interest income: Reduced by SEK 0.3 million
- Interest expenses: Reduced by SEK 62.0 million

Pro Forma Income Statement for the period 1 January–30 June 2021

Table 11

SEK million Entity	Note/Period	GAAP	Basis financial informa- tion	Net sales	Cost of Goods Sold	Gross profit	Selling expenses	Admin- istrative expenses	Other operating income	Other operating expenses	Operating profit	Financial income	Financial expenses	Profit before tax	Tax	Profit for the period
Storskogen Group	2021-01-01 2021-09-30	IFRS	Audited	11,456.8	(8,995.8)	2,461.0	(904.7)	(702.0)	342.2	(216.9)	979.6	35.1	(137.7)	877.0	(181.3)	695
Strigo AB	2021-01-01 2021-01-31	Swedish GAAP (K)	Un- audited	17,237	(10,254)	6,982	(2,655)	(2,895)	1,046	0.000	2,479	0.000	(0.036)	2,442	(0.648)	1,794

SEK million Entity	Note	Period	GAAP	Basis financial information	Net sales	Cost of Goods Sold	Gross profit	Selling expenses	Admin- istrative expenses	Other operating income	Other operating expenses	Operating profit	Financial income	Financial expenses	Profit before tax	Tax	Profit for the period
GAAP adjustments	1				0.000	0.040	0.040	0.010	0.003	0.000	0.000	0.053	0.000	(0.073)	(0.020)	0.004	(0.016)
Acquisition-related adjustments	4, 6				0.000	(0.121)	(0.121)	(0.029)	(0.010)	0.000	0.000	(0.159)	0.000	0.000	(0.159)	0.033	(0.126)
Sum Strigo AB					17.237	(10.335)	6.902	(2.674)	(2.902)	1.046	0.000	2.373	0.000	(0.109)	2.263	(0.611)	1.652
PerfectHair AG		2021-01-01 2021-02-22	Swiss GAAP	Un- audited	44.338	(19.787)	24.551	(9.272)	(1.492)	0.000	(0.132)	13.655	0.000	(0.129)	13.525	(0.037)	13.488
GAAP adjustments	1				0.000	0.197	0.197	0.046	0.003	0.000	0.000	0.246	0.000	(0.086)	0.160	0.008	0.168
Acquisition-related adjustments	6				0.000	(0.530)	(0.530)	(0.126)	(0.042)	0.000	0.000	(0.698)	0.000	0.000	(0.698)	0.103	(0.594)
Sum PerfectHair AG					44.338	(20.120)	24.218	(9.351)	(1.532)	0.000	(0.132)	13.203	0.000	(0.216)	12.987	0.074	13.062
Primulator AS		2021-01-01 2021-02-28	Norwegian GAAP	Un- audited	59.778	(48.279)	11.499	(5.359)	(1.974)	2.623	(4.399)	2.390	0.102	(0.349)	2.144	(0.506)	1.638
GAAP adjustments	1				0.000	(0.115)	(0.115)	(0.027)	(0.009)	0.000	0.000	(0.152)	0.000	(0.075)	(0.227)	0.049	(0.178)
Acquisition-related adjustments	4, 6				0.000	(0.725)	(0.725)	(0.172)	(0.057)	0.000	0.000	(0.954)	0.000	0.000	(0.954)	0.210	(0.744)
Sum Primulator AS					59.778	(49.119)	10.659	(5.558)	(2.041)	2.623	(4.399)	1.285	0.102	(0.424)	0.963	(0.247)	0.716
Danmatic AS		2021-01-01 2021-02-28	Danish GAAP	Un- audited	32.534	(24.519)	8.015	(0.937)	(0.957)	1.284	(0.041)	7.363	0.000	(0.041)	7.323	(1.611)	5.712
GAAP adjustments	1				0.000	0.010	0.010	0.002	0.001	0.000	0.000	0.013	0.000	(0.003)	0.010	(0.002)	0.008
Acquisition-related adjustments	6				0.000	(0.406)	(0.406)	(0.096)	(0.032)	0.000	0.000	(0.534)	0.000	0.000	(0.534)	0.117	(0.416)
Sum Danmatic AS					32.534	(24.915)	7.619	(1.031)	(0.988)	1.284	(0.041)	6.843	0.000	(0.044)	6.799	(1.496)	5.303
Top Swede Konfektion		2021-01-01 2021-03-08	Swedish GAAP (K) / Norwegian GAAP	Un- audited	21.842	(16.057)	5.785	(1.276)	(1.282)	(0.011)	0.014	3.229	0.001	(0.081)	3.149	(0.650)	2.499
GAAP adjustments	1				0.000	0.024	0.024	0.006	0.002	0.000	0.000	0.032	0.000	(0.061)	(0.030)	0.006	(0.024)
Acquisition-related adjustments	4, 6				0.000	(0.190)	(0.190)	(0.045)	(0.015)	0.000	0.000	(0.250)	0.000	0.000	(0.250)	0.052	(0.199)
Sum Top Swede Konfektion					21.842	(16.223)	5.619	(1.315)	(1.296)	(0.011)	0.014	3.011	0.001	(0.142)	2.869	(0.593)	2.277
HP Rör AB		2021-01-01 2021-03-10	Swedish GAAP (K)	Un- audited	11.181	(8.508)	2.673	(0.802)	(0.843)	1.871	0.000	2.899	0.000	0.000	2.899	(0.632)	2.267
GAAP adjustments	1, 2				0.000	0.003	0.003	0.001	0.000	0.000	0.000	0.004	0.000	(0.008)	(0.004)	0.001	(0.003)
Acquisition-related adjustments	4, 6				0.000	(0.083)	(0.083)	(0.020)	(0.007)	0.000	0.000	(0.109)	0.000	0.000	(0.109)	0.022	(0.086)
Sum HP Rör AB					8.917	(8.588)	2.593	(0.820)	(0.849)	1.871	0.000	2.795	0.000	(0.008)	2.786	(0.609)	2.178
AGIO System och Kompetens i Skandinavien AB		2021-01-01 2021-03-31	Swedish GAAP (K)	Un- audited	27.050	(16.718)	10.332	(3.560)	(1.559)	0.045	0.000	5.257	0.000	0.000	5.258	(1.081)	4.177
GAAP adjustments	1				0.000	0.029	0.029	0.007	0.002	0.000	0.000	0.038	0.000	(0.056)	(0.019)	0.004	(0.015)
Acquisition-related adjustments	4, 6				0.000	(0.362)	(0.362)	(0.086)	(0.029)	0.000	0.000	(0.476)	0.000	0.000	(0.476)	0.098	(0.378)
Sum AGIO System och Kompetens i Skandinavien AB					27.050	(17.051)	9.999	(3.639)	(1.585)	0.045	0.000	4.819	0.000	(0.056)	4.763	(0.979)	3.784
Bombayworks AB		2021-01-01 2021-04-05	Swedish GAAP (K)	Un- audited	18.852	(8.910)	9.942	(2.175)	(2.473)	0.685	(0.001)	5.979	0.359	0.246	6.584	(1.353)	5.231
GAAP adjustments	1				0.000	0.024	0.024	0.006	0.002	0.000	0.000	0.031	0.000	(0.060)	(0.029)	0.006	(0.023)
Acquisition-related adjustments	4, 6				0.000	(0.731)	(0.731)	(0.173)	(0.058)	0.000	0.000	(0.962)	0.000	0.000	(0.962)	0.198	(0.764)
Sum Bombayworks AB					18.852	(9.617)	9.235	(2.343)	(2.529)	0.685	-0.001	5.048	0.359	0.186	5.593	(1.148)	4.445
SGS Tool Group Limited		2021-01-01 2021-04-12	Swedish GAAP (K)	Un- audited	92.737	(63.139)	29.598	(10.877)	(0.682)	0.000	(0.104)	17.935	0.000	0.000	17.935	(3.408)	14.527
GAAP adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Acquisition-related adjustments	4				0.000	(1.591)	(1.591)	(0.377)	(0.126)	0.000	0.000	(2.093)	0.000	0.000	(2.093)	0.398	(1.695)
Sum SGS Tool Group Limited					92.737	(64.730)	28.007	(11.253)	(0.808)	0.000	(0.104)	15.842	0.000	0.000	15.842	(3.010)	12.832
Scandia Steel Sweden AB		2021-01-01 2021-05-02	Swedish GAAP (K)	Un- audited	159.994	(118.102)	41.891	(12.368)	(2.758)	(0.029)	(0.006)	26.731	0.000	(0.008)	26.723	(4.084)	22.638
GAAP adjustments	1				0.000	0.023	0.023	0.006	0.002	0.000	0.000	0.031	0.000	(0.059)	(0.028)	0.004	(0.024)
Acquisition-related adjustments	4, 6				0.000	(1.430)	(1.430)	(0.339)	(0.113)	0.000	0.000	(1.882)	0.000	0.000	(1.882)	0.282	(1.600)
Sum Scandia Steel Sweden AB					159.994	(119.509)	40.484	(12.701)	(2.869)	(0.029)	(0.006)	24.879	0.000	(0.067)	24.813	(3.798)	21.015
Mattbolaget i Uddevalla AB		2021-01-01 2021-05-04	Swedish GAAP (K)	Un- audited	8.357	(6.692)	1.665	(0.423)	(0.140)	0.088	0.000	1.190	0.004	(0.003)	1.192	(0.251)	0.941
GAAP adjustments	1				0.000	0.005	0.005	0.001	0.000	0.000	0.000	0.006	0.000	(0.012)	(0.006)	0.001	(0.004)
Acquisition-related adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Mattbolaget i Uddevalla AB					8.357	(6.687)	1.670	(0.422)	(0.140)	0.088	0.000	1.197	0.004	(0.015)	1.186	(0.250)	0.936
Harrysson Entreprenad Aktiebolag (HEAB)		2021-01-01 2021-05-06	Swedish GAAP (K)	Un- audited	18.263	(18.450)	(0.186)	(1.172)	(0.819)	0.000	0.000	(2.177)	0.005	(0.009)	(2.181)	0.449	(1.732)
GAAP adjustments	1				0.000	0.009	0.009	0.002	0.001	0.000	0.000	0.012	0.000	(0.022)	(0.010)	0.001	(0.009)
Acquisition-related adjustments	4, 6				0.000	(0.375)	(0.375)	(0.089)	(0.030)	0.000	0.000	(0.493)	0.000	0.000	(0.493)	0.022	(0.471)
Sum Harrysson Entreprenad Aktiebolag (HEAB)					18.263	(18.815)	(0.552)	(1.258)	(0.848)	0.000	0.000	(2.658)	0.005	(0.031)	(2.684)	0.473	(2.212)
Lindberg Stenberg Arkitekter AB		2021-01-01 2021-05-11	Swedish GAAP (K)	Un- audited	21.819	(11.235)	10.584	(2.444)	(2.796)	0.095	(1.172)	4.267	0.000	(0.005)	4.263	(0.878)	3.385
GAAP adjustments	1				0.000	0.052	0.052	0.012	0.004	0.000	0.000	0.068	0.000	(0.109)	(0.041)	0.001	(0.040)
Acquisition-related adjustments	4, 6				0.000	(0.300)	(0.300)	(0.071)	(0.024)	0.000	0.000	(0.395)	0.000	0.000	(0.395)	0.022	(0.372)
Sum Lindberg Stenberg Arkitekter AB					21.819	(11.483)	10.335	(2.503)	(2.815)	0.095	(1.172)	3.941	0.000	(0.114)	3.827	(0.855)	2.972
AB Lm-Transport		2021-01-01 2021-05-11	Swedish GAAP (K)	Un- audited	31.335	(17.710)	13.625	(3.029)	(1.549)	0.337	(0.175)	9.209	0.070	(0.052)	9.227	(1.901)	7.326
GAAP adjustments	1, 2				0.000	0.083	0.083	0.020	0.007	0.000	0.000	0.109	0.000	(0.205)	(0.096)	0.020	(0.077)
Acquisition-related adjustments	4, 6				0.000	(0.095)	(0.095)	(0.023)	(0.008)	0.000	0.000	(0.126)	0.000	0.000	(0.126)	0.026	(0.100)
Sum AB Lm-Transport					31.335	(17.722)	13.612	(3.032)	(1.550)	0.337	(0.175)	9.192	0.070	(0.257)	9.005	(1.855)	7.150
Stockholm Kvadratmeter AB		2021-01-01 2021-05-11	Swedish GAAP (K)	Un- audited	23.896	(19.872)	4.024	(1.359)	(0.566)	0.467	(0.057)	2.510	0.110	0.000	2.620	(0.540)	2.080
GAAP adjustments	1				0.000	0.027	0.027	0.006	0.002	0.000	0.000	0.035	0.000	(0.054)	(0.019)	0.004	(0.015)

SEK million Entity	Note	Period	GAAP	Basis financial information	Net sales	Cost of Goods Sold	Gross profit	Selling expenses	Admin- istrative expenses	Other operating income	Other operating expenses	Operating profit	Financial income	Financial expenses	Profit before tax	Tax	Profit for the period
Acquisition-related adjustments	4, 6				0.000	(0.082)	(0.082)	(0.0190)	(0.006)	0.000	0.000	(0.108)	0.000	0.000	(0.108)	0.022	(0.085)
Sum Stockholm					23.896	(19.928)	3.969	(1.372)	(0.570)	0.467	(0.057)	2.437	0.110	(0.054)	2.493	(0.514)	1.979
Persiennkompaniet AB	Nord	2021-01-01 2021-05-30	Swedish GAAP (K)	Un- audited	17.666	(13.663)	4.003	(1.139)	(1.001)	0.110	(0.037)	1.935	0.025	(0.034)	1.926	(0.397)	1.530
GAAP adjustments	1, 2				(0.749)	0.023	0.771	0.005	0.002	0.000	0.000	0.779	0.000	(0.031)	0.748	(0.154)	0.594
Acquisition-related adjustments	6				0.000	(0.146)	(0.146)	(0.035)	(0.012)	0.000	0.000	(0.192)	0.000	0.000	(0.192)	0.040	(0.153)
Sum Persienn-kompaniet Norden AB					18.414	(13.786)	4.628	(1.169)	(1.011)	0.110	(0.037)	2.522	0.025	(0.065)	2.482	(0.511)	1.971
Vårdväska AB		2021-01-01 2021-05-30	Swedish GAAP (K)	Un- audited	37.468	(25.049)	12.419	(8.780)	(1.111)	2.608	(0.242)	4.894	0.034	(0.072)	4.857	(1.028)	3.828
GAAP adjustments	1				0.000	0.006	0.006	0.002	0.001	0.000	0.000	0.008	0.000	(0.015)	(0.007)	0.001	(0.005)
Acquisition-related adjustments	4, 6				0.000	(1.801)	(1.801)	(0.426)	(0.142)	0.000	0.000	(2.369)	0.000	0.000	(2.369)	0.488	(1.881)
Sum Vårdväska AB					37.468	(26.843)	10.625	(9.205)	(1.253)	2.608	(0.242)	2.533	0.034	(0.087)	2.481	(0.539)	1.942
Jofrab TWS AB		2021-01-01 2021-05-31	Swedish GAAP (K)	Un- audited	101.600	(77.182)	24.419	(3.382)	(1.698)	2.669	(0.849)	11.158	0.005	(0.290)	10.873	(2.512)	8.362
GAAP adjustments	1				0.000	0.010	0.010	0.002	0.001	0.000	0.000	0.013	0.000	(0.014)	(0.001)	0.000	(0.001)
Acquisition-related adjustments	4, 6				0.000	(0.230)	(0.230)	(0.055)	(0.018)	0.000	0.000	(0.303)	0.000	0.000	(0.303)	0.062	(0.241)
Sum Jofrab TWS AB					101.600	(77.402)	24.199	(3.434)	(1.715)	2.669	(0.849)	10.869	0.005	(0.304)	10.569	(2.449)	8.120
Silanex AB		2021-01-01 2021-06-02	Swedish GAAP (K)	Un- audited	1.604	(1.210)	0.394	(0.201)	(0.239)	0.055	(0.002)	0.007	0.594	(0.005)	0.596	(0.450)	0.146
GAAP adjustments	1				0.000	0.002	0.002	0.000	0.000	0.000	0.000	0.002	0.000	(0.004)	(0.002)	0.000	(0.001)
Acquisition-related adjustments	6				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Silanex AB					1.604	(1.208)	0.395	(0.200)	(0.238)	0.055	(0.002)	0.009	0.594	(0.009)	0.594	(0.449)	0.145
R. Ardbo Golv AB		2021-01-01 2021-06-02	Swedish GAAP (K)	Un- audited	24.619	(21.163)	3.456	(1.280)	(0.550)	0.013	1.81	1.820	0.003	(0.074)	1.749	(0.393)	1.356
GAAP adjustments	1				0.000	0.002	0.002	0.000	0.000	0.000	0.000	0.003	0.000	(0.005)	(0.002)	0.000	(0.002)
Acquisition-related adjustments	6				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum R. Ardbo Golv AB					24.619	(21.161)	3.458	(1.280)	(0.550)	0.013	1.81	1.822	0.003	(0.079)	1.746	(0.392)	1.354
Ecochange AB		2021-01-01 2021-06-03	Swedish GAAP (K)	Un- audited	88.518	(60.982)	27.537	(1.047)	(52.048)	0.000	(0.043)	(25.602)	0.078	0.000	(25.524)	8.426	(32.478)
GAAP adjustments	1				0.000	0.021	0.021	0.005	37.002	0.000	0.000	37.028	0.000	(0.052)	36.976	(10.785)	41.571
Acquisition-related adjustments	4, 6				0.000	(3.928)	(3.928)	(0.930)	(0.310)	0.000	0.000	(5.169)	0.000	0.000	(5.169)	1.065	(4.104)
Sum Ecochange AB					88.518	(64.889)	23.629	(1.973)	(15.356)	0.000	(0.043)	6.257	0.078	(0.052)	6.283	(1.294)	4.989
Ashe Invest AB		2021-01-01 2021-06-29	Swedish GAAP (K)	Un- audited	0.000	0.000	0.000	0.000	(0.001)	0.000	0.000	(0.001)	0.000	0.000	(0.001)	0.000	0.000
GAAP adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Acquisition-related adjustments	4				0.000	(0.359)	(0.359)	(0.085)	(0.028)	0.000	0.000	(0.473)	0.000	0.000	(0.473)	0.097	(0.375)
Sum Ashe Invest AB					0.000	(0.359)	(0.359)	(0.085)	(0.029)	0.000	0.000	(0.473)	0.000	0.000	(0.473)	0.097	(0.376)
Tennis Fashion AB		2021-01-01 2021-06-29	Swedish GAAP (K)	Un- audited	69.629	(52.868)	16.761	(2.627)	(1.427)	0.058	(0.034)	12.731	(0.004)	(0.159)	12.568	(2.589)	9.979
GAAP adjustments	1				0.000	0.008	0.008	0.002	0.001	0.000	0.000	0.010	0.000	(0.019)	(0.009)	0.002	(0.007)
Acquisition-related adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Tennis Fashion AB					69.629	(52.861)	16.769	(2.625)	(1.427)	0.058	(0.034)	12.741	(0.004)	(0.178)	12.559	(2.587)	9.972
On Target AB		2021-01-01 2021-06-29	Swedish GAAP (K)	Un- audited	40.506	(26.999)	13.507	(2.892)	(2.404)	0.014	(0.006)	8.219	(0.485)	(0.074)	7.660	(1.687)	5.973
GAAP adjustments	1				0.000	0.007	0.007	0.002	0.001	0.000	0.000	0.010	0.000	(0.018)	(0.009)	0.002	(0.007)
Acquisition-related adjustments	4				0.000	(0.299)	(0.299)	(0.071)	(0.024)	0.000	0.000	(0.394)	0.000	0.000	(0.394)	0.081	(0.313)
Sum On Target AB					40.506	(27.291)	13.215	(2.961)	(2.427)	0.014	(0.006)	7.835	(0.485)	(0.092)	7.257	(1.604)	5.653
Zymbios Logistics Contract AB		2021-01-01 2021-06-29	Swedish GAAP (K)	Un- audited	21.010	(9.431)	11.579	(1.999)	(7.176)	0.350	(0.068)	2.686	(0.011)	0.000	2.675	(0.551)	2.124
GAAP adjustments	1				0.000	0.106	0.106	0.025	0.008	0.000	0.000	0.140	0.000	(0.250)	(0.110)	0.023	(0.088)
Acquisition-related adjustments	4, 6				0.000	(0.339)	(0.339)	(0.080)	(0.027)	0.000	0.000	(0.446)	0.000	0.000	(0.446)	0.092	(0.354)
Sum Zymbios Logistics Contractor AB					21.010	(9.664)	11.346	(2.054)	(7.195)	0.350	(0.068)	2.379	(0.011)	(0.250)	2.118	(0.436)	1.682
Newton Kompetensutveckling AB		2021-01-01 2021-06-29	Swedish GAAP (K)	Un- audited	22.983	(17.187)	5.796	(4.840)	(2.729)	0.134	(0.009)	(1.648)	0.002	(0.017)	(1.664)	0.323	(1.341)
GAAP adjustments	1				0.000	0.248	0.248	0.059	0.020	0.000	0.000	0.326	0.000	(0.610)	(0.284)	0.058	(0.225)
Acquisition-related adjustments	4, 6				0.000	(0.424)	(0.424)	(0.100)	(0.033)	0.000	0.000	(0.558)	0.000	0.000	(0.558)	0.115	(0.443)
Sum Newton Kompetensutveckling AB					22.983	(17.363)	5.620	(4.881)	(2.743)	0.134	(0.009)	(1.880)	0.002	(0.627)	(2.506)	0.496	(2.010)
Enkaval AB		2021-01-01 2021-06-29	Swedish GAAP (K)	Un- audited	74.195	(40.967)	33.228	(10.200)	(6.052)	1.366	(0.060)	18.302	0.355	0.000	18.657	(3.843)	14.814
GAAP adjustments	1, 2				0.000	0.139	0.139	0.033	0.011	0.000	0.000	0.182	0.000	(0.208)	(0.025)	0.005	(0.020)
Acquisition-related adjustments	4				0.000	(1.337)	(1.337)	(0.317)	(0.106)	0.000	0.000	(1.759)	0.000	0.000	(1.759)	0.362	(1.397)
Sum Enkaval AB					74.195	(42.165)	32.030	(10.484)	(6.127)	1.366	(0.060)	16.725	0.355	(0.208)	16.872	(3.476)	13.397
Wibe Kabeltegar AB		2021-01-01 2021-06-29	Swedish GAAP (K)	Un- audited	370.342	(238.959)	131.383	(34.635)	(33.244)	7.760	(0.381)	70.884	0.000	(1.002)	69.881	(13.476)	56.406
GAAP adjustments	1				0.000	0.057	0.057	0.014	0.005	0.000	0.000	0.075	0.000	(0.189)	(0.114)	0.024	(0.091)
Acquisition-related adjustments	4				0.000	(8.172)	(8.172)	(1.935)	(0.645)	0.000	0.000	(10.753)	0.000	0.000	(10.753)	2.215	(8.538)
Sum Wibe Kabeltegar AB					370.342	(247.074)	133.268	(36.557)	(33.885)	7.760	(0.381)	60.206	0.000	(1.191)	59.014	(11.237)	47.777
Nordisk VVS-Teknik AB		2021-01-01 2021-06-30	Swedish GAAP (K)	Un- audited	63.717	(44.774)	18.943	(3.598)	(6.542)	0.258	0.000	9.062	0.001	(0.030)	9.033	(2.432)	6.601
GAAP adjustments	1, 2				(1.675)	0.274	(1.401)	0.065	0.022	0.000	0.000	(1.314)	0.000	(0.023)	(1.338)	0.276	(1.062)
Acquisition-related adjustments	4				0.000	0.529	0.529	0.125	0.042	0.000	0.000	0.696	0.000	0.000	0.696	(0.143)	0.552
Sum Nordisk VVS-Teknik AB					62.042	(43.971)	18.071	(3.407)	(6.478)	0.258	0.000	8.443	0.001	(0.053)	8.391	(2.299)	6.091
Brenderup		2021-01-01 2021-06-30	IFRS	Un- audited	559.208	(433.166)	126.041	(16.080)	(40.066)	249.633	(219.667)	99.861	4.085	(7.577)	96.369	(16.441)	79.928
GAAP adjustments	1				0.000	0.672	0.672	0.159	0.053	0.000	0.000	0.884	0.000	(1.644)	(0.760)	0.157	(0.603)

SEK million Entity	Note	Period	GAAP	Basis financial information	Net sales	Cost of Goods Sold	Gross profit	Selling expenses	Admin- istrative expenses	Other operating income	Other operating expenses	Operating profit	Financial income	Financial expenses	Profit before tax	Tax	Profit for the period
Acquisition-related adjustments	4				0.000	(9.703)	(9.703)	(2.298)	(0.766)	0.000	0.000	(12.767)	0.000	0.000	(12.767)	2.630	(10.137)
Sum Brenderup AB					559.208	(442.198)	117.010	(18.219)	(40.779)	249.633	(219.667)	87.978	4.085	(9.221)	82.842	(13.654)	69.188
SoVent Group AB		2021-01-01 2021-09-30	Swedish GAAP (K)	Un- audited	305.859	(225.544)	80.315	(51.346)	(40.621)	4.438	(0.015)	(7.229)	0.126	(2.120)	(9.223)	(0.007)	(9.230)
GAAP adjustments	1				0.000	21.268	21.268	4.989	0.013	0.000	0.000	26.270	0.000	(0.725)	25.545	0.105	25.650
Acquisition-related adjustments	4				0.000	(8.204)	(8.204)	(1.943)	(0.648)	0.000	0.000	(10.795)	0.000	0.000	(10.795)	2.224	(8.571)
Sum SoVent AB					305.859	(212.480)	93.379	(48.300)	(41.256)	4.438	(0.015)	8.246	0.126	(2.845)	5.527	2.321	7.849
Viametrics Group AB		2021-01-01 2021-09-30	IFRS	Un- audited	45.806	(24.773)	21.033	(3.560)	(4.138)	(0.008)	0.000	13.327	0.068	(2.041)	11.354	(2.586)	8.768
GAAP adjustments	1				0.000	0.010	0.010	0.002	0.001	0.000	0.000	0.013	0.000	(0.018)	(0.005)	0.001	(0.004)
Acquisition-related adjustments	4				0.000	(2.749)	(2.749)	(0.651)	(0.217)	0.000	0.000	(3.618)	0.000	0.000	(3.618)	0.745	(2.872)
Sum Viametrics AB					45.806	(27.513)	18.293	(4.209)	(4.354)	(0.008)	0.000	9.722	0.068	(2.059)	7.731	(1.840)	5.891
Buildercom Oy		2021-01-01 2021-09-30	Finska GAAP	Un- audited	30.596	(14.256)	16.340	(3.312)	(4.789)	0.305	(0.329)	8.215	0.000	(0.430)	7.785	(1.248)	6.537
GAAP adjustments	1				0.000	0.020	0.020	0.005	0.002	0.000	0.000	0.026	0.000	(0.104)	(0.078)	0.017	(0.061)
Acquisition-related adjustments	4				0.000	(4.033)	(4.033)	(0.955)	(0.318)	0.000	0.000	(5.307)	0.000	0.000	(5.307)	1.168	(4.139)
Sum Buildercom Oy					30.596	(18.270)	12.326	(4.263)	(5.106)	0.305	(0.329)	2.934	0.000	(0.534)	2.400	(0.063)	2.337
DeroA Group AB		2021-01-01 2021-09-30	Swedish GAAP (K)	Un- audited	176.159	(152.573)	23.586	(4.777)	(5.526)	1.592	0.000	14.875	0.000	(0.839)	14.036	(3.031)	11.005
GAAP adjustments	1, 3				0.000	6.485	6.485	1.521	0.005	0.000	0.000	8.012	0.000	(0.064)	7.947	(0.004)	7.943
Acquisition-related adjustments	4				0.000	(2.909)	(2.909)	(0.689)	(0.230)	0.000	0.000	(3.827)	0.000	0.000	(3.827)	0.788	(3.039)
Sum DeroA Group AB					176.159	(148.996)	27.163	(3.944)	(5.751)	1.592	0.000	19.060	0.000	(0.903)	18.156	(2.246)	15.910
Kumla Handtagsfabrik AB		2021-01-01 2021-09-30	Swedish GAAP (K)	Un- audited	76.861	(41.461)	35.400	(9.101)	(5.253)	0.022	0.000	21.068	1.341	(6.094)	16.315	(3.102)	13.213
GAAP adjustments	1, 3				0.000	7.696	7.696	1.805	0.001	0.000	0.000	9.502	0.000	(0.009)	9.494	(0.001)	9.493
Acquisition-related adjustments	4, 9				0.000	(4.485)	(4.485)	(1.052)	0.000	0.000	0.000	(5.538)	0.000	0.000	(5.538)	1.141	(4.397)
Sum Kumla Handtagsfabrik AB					76.861	(38.250)	38.611	(8.348)	(5.252)	0.022	0.000	25.033	1.341	(6.103)	20.271	(1.962)	18.309
Roleff GmbH		2021-01-01 2021-06-30	German GAAP	Un- audited	76.776	(53.499)	23.277	(9.704)	(4.712)	0.360	(0.821)	8.400	0.040	(0.262)	8.178	(7.300)	0.878
GAAP adjustments	1, 2				8.182	(8.674)	(0.492)	0.104	0.035	0.000	0.000	(0.353)	0.000	(1.001)	(1.354)	0.180	(1.174)
Acquisition-related adjustments	4				0.000	(0.759)	(0.759)	(0.180)	(0.060)	0.000	0.000	(0.999)	0.000	0.000	(0.999)	0.133	(0.866)
Sum Roleff GmbH					84.958	(62.932)	22.026	(9.780)	(4.737)	0.360	(0.821)	7.048	0.040	(1.263)	5.825	(6.987)	(1.162)
Storskogen Artum AG		2021-01-01 2021-06-30	Swiss GAAP	Un- audited	817.729	(661.525)	156.205	(52.911)	(32.649)	9.767	(10.351)	70.060	8.568	(5.806)	72.822	(18.768)	54.054
GAAP adjustments	1, 7				0.000	(0.898)	(0.898)	(0.213)	(0.071)	0.000	0.000	(1.182)	0.000	(1.394)	(2.576)	0.471	(2.105)
Acquisition-related adjustments	4				0.000	21.983)	(21.983)	(5.207)	(1.736)	0.000	0.000	(28.925)	0.000	0.000	(28.925)	6.169	(22.757)
Sum Storskogen Artum AG					817.729	(684.406)	133.323	(58.331)	(34.455)	9.767	(10.351)	39.953	8.568	(7.200)	41.321	(12.129)	29.192
Marwell AG		2021-01-01 2021-09-30	Swiss GAAP	Un- audited	32.000	(26.048)	5.952	(2.810)	(0.765)	0.000	0.000	2.377	0.000	(0.002)	2.375	(0.058)	2.317
GAAP adjustments	1				0.000	0.008	0.008	0.002	0.001	0.000	0.000	0.011	0.000	(0.017)	(0.007)	0.001	(0.005)
Acquisition-related adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Marwell AG					32.000	(26.040)	5.960	(2.808)	(0.764)	0.000	0.000	2.387	0.000	(0.019)	2.368	(0.057)	2.311
Frigo AG		2021-01-01 2021-09-30	Swiss GAAP	Un- audited	11.364	(8.624)	2.739	(1.277)	(0.775)	0.244	(0.063)	0.869	0.000	(0.015)	0.853	(0.245)	0.608
GAAP adjustments	1				0.000	0.007	0.007	0.002	0.001	0.000	0.000	0.009	0.000	(0.015)	(0.005)	0.001	(0.004)
Acquisition-related adjustments					0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sum Frigo AG					11.364	(8.617)	2.746	(1.275)	(0.774)	0.244	(0.063)	0.878	0.000	(0.030)	0.848	(0.244)	0.604
Group adjustments	5, 6, 9					(8.590)	3.593	(4.998)	0.000	24.684	0.000	19.687	(0.322)	(17.646)	1.720	3.702	5.420
Pro forma income statement 1 January – 30 September 2021				Un- audited	15 110.887	(11 722.810)	3 388.077	(1 203.782)	(934.272)	632.450	(455.777)	1 426.695	550.220	(190.036)	1 286.88	(256.560)	1 030.320

Notes to Pro Forma Financial Statements

1: Leases

In the pro forma income statement, expenses related to reported leasing contracts are reduced and depreciation charges on the right-of-use assets are added as a consequence of the adjustment to the Group's application of IFRS 16. The aggregated net effect by function of expense is as per below:

- Cost of goods sold: Reduced by SEK 3.1 million.
- Selling expenses: Reduced by SEK 0.7 million.
- Administrative expenses: Reduced by SEK 0.2 million.

Interest expenses related to lease liabilities increase financial expenses by SEK 7.3 million.

Aggregated effect on the pro forma net profit is SEK (2.6) million.

2: Revenue recognition

As a consequence of adopting the Group's accounting principles for percentage of completion, aggregated net sales for the period has increased by SEK 7.3 million. The associated COGS has at an aggregated level been increased by SEK 9.1 million.

3: Reversal of goodwill amortisation

In the pro forma income statement, amortisation of goodwill in the acquired entities have been reversed. Aggregated effect by function of expense as per below:

- Cost of goods sold: Decreased by SEK 35.4 million.
- Selling expenses: Decreased by SEK 8.3 million.

The adjustment is of a one-time nature and not recurring.

4: Depreciation and amortisation of identified surplus values

In the pro forma income statement, amortisation charges are added on customer relations and depreciation is added on properties used in the operations that were identified in the purchase price allocations. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 78.4 million.
- Selling expenses: Increases by SEK 18.5 million.
- Administrative expenses: Increases by SEK 5.8 million.

Dissolvement of the deferred tax liability related to the surplus values of SEK 21.1 million as a reduction of the tax expense.

5: Financing

The acquisitions are financed partly through existing cash, partly through credit facilities used in direct connection with the acquisition. In the pro forma income statement, interest expenses have been added for the period up to the acquisition being carried out as if the acquisitions were carried out and financing was raised on 1 January 2020. An interest expense of SEK 18.0 million has been added for the period 1 January 2021 to 30 September 2021. The adjustment is made as a Group adjustment as the loans are raised at group level.

6: Transaction costs

In connection with each Acquisition, Storskogen has incurred costs directly attributable to the transactions relating to fees to financial, legal and other advisors. Transaction costs are not charged to the pro forma income statement as it is prepared on the assumption that transaction costs have been incurred in the period prior to the acquisition date, i.e. during the financial year 2019 for all acquisitions. If transaction costs have been included in Storskogen's consolidated results for the full year 2020, these have been eliminated to present transaction costs as if they occurred in the period prior to the acquisition date. Costs amounting to SEK 19.7 million has reduced the Group's costs during 2021.

The costs directly linked to the acquisitions are of a one-off nature and are not recurring.

7: Defined benefit pension plans

Some of the acquired entities have defined benefit plans that have been recognised according to local GAAP. In the pro forma financial statements, the defined benefit plans have been recognised and measured in accordance with IAS 19 Employee Benefits. Aggregated effect by function of expense as per below:

- Cost of goods sold: Increases by SEK 1.5 million.
- Selling expenses: Increases by SEK 0.3 million.
- Administrative expenses: Increases by SEK 0.1 million.

8: Termination of consultancy contract

In connection with the acquisition of Ecochange, a consultancy contract has been terminated as the consultant has transferred to a permanent position. The cost of the termination of SEK 51.0 million has been recognised in the entity in 2021. In the pro forma income statement, the cost, which is partly compensation for sales bonuses, has been distributed between 2020 and 2021 by reducing the cost for 2021 by SEK 37.0 million and increased the cost by the same amount for 2020.

The adjustment is of a one-time nature and not recurring.

9: Elimination of transactions between Storskogen and the acquired entities

In the period prior to the acquisition date, certain transactions of a limited nature have occurred between Storskogen and the acquired entities. In the pro forma income statement, these have been eliminated. Aggregated impact per function as follows:

- Net sales: Reduced by SEK 8.6 million
- Cost of goods sold: Reduced by SEK 3.6 million.

- Administrative expenses: Reduced by SEK 5.0 million
- Interest income: Reduced by SEK 0.3 million
- Interest expenses: Increases by SEK 17.6 million

Pro Forma Statement of Financial Position as of 30 June 2021

Table 12

SEK million	Storskogen Group	SoVent	Buildercom	DeroA	Kumla Handtagsfabrik	Viametrics	Pro forma adjustments	Note	Pro forma balance sheet
GAAP	IFRS	Swedish GAAP (K3)	Finska GAAP	Swedish GAAP (K3)	Swedish GAAP (K3)	IFRS			
Audited/Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited			Unaudited
Assets									
Intangible assets	12,157.7	157.6	19.0	93.1	94.1	2.5	1,321.7	1. 4	13,845.7
Tangible assets	2,932.2	0.0	0.0	0.1	16.5	0.0	9.5	3	2,958.3
Right-of-use assets	6.0	10.7	0.0	0.0	0.0	8.7	0.0	2	66.5
Financial non-current assets	7.6	0.1	0.0	0.0	0.0	78.6	0.0		86.4
Non-current receivables	23.6	0.0	0.1	0.2	0.0	0.0	0.0		23.8
Deferred tax assets	56.5	0.0	0.0	0.0	1.7	(2.2)	0.0		56.1
Total non-current assets	15,183.6	168.4	19.1	93.4	112.3	87.7	1,331.2		17,036.8
Inventories	2,417.1	0.9	0.0	0.0	14.0	7.2	0.0		2,439.1
Tax assets	269.1	1.0	0.0	8.7	0.0	0.0	0.0		278.8
Trade receivables	2,564.1	47.9	9.0	26.5	20.7	18.3	0.0		2,686.4
Contract assets	335.5	0.1	0.2	7.8	0.0	0.0	0.0		343.6
Prepaid expenses and accrued income	284.9	8.4	0.8	4.2	1.8	1.0	0.0	2	299.3
Current receivables	228.3	2.2	0.0	9.7	0.5	(1.9)	0.0		238.9
Current investments	5.1	0.0	0.0	0.0	0.0	0.0	0.0		5.1
Cash and cash equivalents	4,820.1	45.2	21.5	40.2	0.6	3.7	-1,357.3	1	3,574.0
Total current assets	10,924.2	105.6	31.5	97.1	37.5	28.3	-1,357.3		9,865.3
Total assets	26,107.8	274.0	50.6	190.5	149.8	116.0	-26.1		26,902.1
Equity and liabilities									
Issued capital	0.8	0.3	0.0	0.3	0.4	0.0	-1.0		0.7
Share premium	5,726.6	0.0	0.0	0.0	18.9	10.4	0.0		5,755.9
Reserves	5.8	0.0	17.7	0.0	(1.9)	0.1	0.0		21.6
Retained earnings	2,681.9	(19.1)	4.2	26.9	(3.1)	28.4	-82.5		2,636.8
Equity attributable to equity holders of the parent	8,415.0	(18.7)	22.0	27.1	14.3	38.9	-83.5		8,415.0
Non-controlling interests	871.6	0.0	0.0	0.0	0.0	0.0	0.0		871.6
Total equity	9,286.6	(18.7)	22.0	27.1	14.3	38.9	-83.5	1	9,286.3
Liabilities									
Non-current interest-bearing liabilities	10,052.3	71.5	6.0	28.1	0.0	53.1	0.0		10,211.0
Non-current lease liabilities	787.1	0.0	0.0	0.0	0.0	0.0	0.0	2	812.0
Other non-current liabilities	470.1	0.0	0.0	8.6	0.0	0.0	0.0		478.7
Provisions	344.0	0.0	0.0	1.4	0.2	1.0	0.0		346.6
Deferred tax liabilities	722.9	9.1	0.0	1.4	8.6	0.0	57.5	3. 4	799.5
Total non-current liabilities	12,376.5	80.6	6.0	39.5	8.7	54.1	57.5		12,647.6
Non-interest-bearing provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
Current interest-bearing liabilities	378.8	34.0	3.3	17.3	119.3	(0.1)	0.0		552.5

Current lease liabilities	300.6	0.0	0.0	0.0	0.0	0.0	0.0	2	315.1
Contract liabilities	8.1	1.2	9.8	65.7	0.0	0.0	0.0		84.8
Trade payables	1,541.7	14.4	1.3	30.0	3.0	4.5	0.0		1,595.0
Income tax payable	275.4	9.4	0.0	5.0	-3.3	2.8	0.0		289.3
Other liabilities	907.6	127.8	3.5	1.8	0.8	3.6	0.0		1,045.3
Accrued expenses and deferred income	1,032.4	25.4	4.6	4.1	7.0	12.1	0.0		1,085.7
Provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
Total current liabilities	4,444.7	212.2	22.7	123.9	126.8	22.9	0.0		4,967.8
Total liabilities	16,821.2	292.8	28.6	163.3	135.6	77.1	57.452		17,615.4
Total equity and liabilities	26,107.8	274.0	50.6	190.5	149.8	116.0	-26.1		26,902.1

Notes to Pro Forma Financial Statement of Financial Position

The total consideration amounts to SEK 1,357.3 million and has been assumed to be financed with existing cash. Hence, cash and cash equivalents has been reduced with the corresponding amount.

Surplus values in properties (note 3) and customer relations (note 4) have been identified in the preliminary purchase price allocations. Goodwill arising from the acquisitions amounts to SEK 1058.2 million.

Acquired equity amounting to SEK 83.5 million has been eliminated in the pro forma statement of financial position.

2: Leases

In the pro forma statement of financial position, most leases are recognised as right-of-use assets and lease liabilities as a consequence of adhering to the Group's application of IFRS 16.

- Tangible assets: Increased by SEK 60.5 million
- Prepaid expenses and accrued income: Reduced by SEK 14.4 million
- Non-current interest-bearing liabilities: Increased by SEK 24.9 million
- Current interest-bearing liabilities: Increased by SEK 14.5 million

3: Valuation of property

In the preliminary purchase price allocation, a property used in the operations with a carrying amount of SEK 6.9 million in Kumla Handtagsfabrik has been valued to SEK 16.4 million. An associated deferred tax liability of SEK 1.5 million has been recognised.

4: Surplus values of intangible assets

In the preliminary purchase price allocations of the acquisitions of SoVent, Buildercom, DeroA, Kumla Handtagsfabrik and Viametrics, surplus values of intangible assets in the form of customer relations amounting to SEK 271.5 million have been identified. An associated deferred tax liability of SEK 55.9 million has been recognised.

Supplemental information about EBITA

EBITA is calculated as operating profit before amortisation and depreciation of intangible non-current assets. The purpose is to assess the Group's operating activities. EBITA serves as a complement to operating profit, as it provides an indication of the cash results of operations.

Since EBITA is an important performance measure for the Group, EBITA is also calculated on pro forma information to illustrate EBITA based on the general pro forma assumptions.

The period 1 January–31 December 2020

Table 13

1 January – 31 December 2020	Storskogen Group	Acquired entities ¹	Total
Operating profit	773.8	1,087.9	1,861.7
Amortisation of intangible assets	111.0	272.1	383.1
EBITA	884.8	1,360.0	2,244.8

¹⁾ The results for the acquired entities for the stub period included in the pro forma, including GAAP adjustments and acquisition related adjustments.

Breakdown of Pro forma information by operating segment

Table 14

1 January – 31 December 2020	Operating segment Trade	Operating segment Industry	Operating segment Services	Eliminations	Total
EBITA	643.9	513.7	1,107.3	(20.0)	2,244.8

The period 1 January–30 June 2021

Table 15

1 January – 30 September 2021	Storskogen Group	Acquired entities ¹	Total
Operating profit	979.6	447.1	1,426.7
Amortisation of intangible assets	149.0	113.4	262.4
EBITA	1,128.6	560.5	1,689.1

¹⁾ Acquired entities for the stub period included in the proforma, including GAAP-adjustments and acquisition related adjustments.

¹⁾ Acquired entities for the stub period included in the proforma, including GAAP-adjustments and acquisition related adjustments.

Breakdown of Pro forma information by operating segment

Table 16

1 January – 30 September 2021	Operating segmen Trade	Operating segment Industry	Operating segment Services	Eliminations	Total
EBITA	667.0	427.3	731.9	(137.0)	1,689.1
1 January – 30 June 2021	Operating segment Trade	Operating segment Industry	Operating segment Services	Eliminations	Total
EBITA	478.1	217.5	515.3	(81.0)	1,130.0

TERMS AND CONDITIONS FOR THE BONDS

TERMS AND CONDITIONS



Storskogen Group AB (publ)

Maximum SEK 5,000,000,000

**Senior Unsecured Callable Floating Rate Bonds
2021/2025**

ISIN: SE0017084650

First Issue Date: 1 December 2021

SELLING RESTRICTIONS

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. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

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

PRIVACY STATEMENT

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

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

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

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

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

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

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: www.storskogen.com, www.nordictrustee.com and www.nordea.com.

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TERMS AND CONDITIONS

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

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

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the aggregate Nominal Amount of all Bonds owned by a Group Company, an Affiliate of a Group Company, a Main Shareholder or any other person or entity owning any Bonds that has undertaken towards a Group Company, an Affiliate of a Group Company or a Main Shareholder to vote for such Bonds in accordance with each instruction given from time to time by a Group Company, an Affiliate of a Group Company or a Main Shareholder, in each case irrespective of whether such Person is directly registered as owner of such Bonds.

“**Advance Purchase Agreement**” means

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than one hundred twenty (120) calendar days after the date of supply; or
- (b) any other trade credit incurred in the ordinary course of business.

“**Affiliate**” means, in respect of any Person, 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 agreement entered into on or prior to the First Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the First Issue Date between the Issuer and an Agent.

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

“**Base Rate**” means STIBOR or any reference rate replacing STIBOR in accordance with Clause 20 (Base Rate Replacement).

“Base Rate Administrator” means Swedish Financial Benchmark Facility AB (SFBF) in relation to STIBOR or any person replacing it as administrator of the Base Rate.

“Bond” means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act, issued by the Issuer 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. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to a Bond.

“Bondholders’ Meeting” means a meeting among the Bondholders held in accordance with Clause 16.2 (*Bondholders’ Meeting*).

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

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

“Call Option Amount” means:

- (a) an amount equivalent to the sum of (i) one hundred one and five tenths (101.50) per cent. of the Nominal Amount and (ii) the remaining interest payments up until (but not including) the First Call Date, if the call option is exercised on or after the First Issue Date up to (but not including) the First Call Date;
- (b) one hundred one and five tenths (101.50) per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but not including) the date falling thirty-six (36) months after the First Issue Date;
- (c) subject to paragraph (d) below, one hundred and seventy-five hundredths (100.75) per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty-six (36) months after the First Issue Date up to (but not including) the Final Redemption Date; or
- (d) one hundred (100.00) per cent. of the Nominal Amount if, the call option is exercised on or after the date falling forty-five (45) months after the First Issue Date up to (but not including) the Final Redemption Date, provided that such early redemption is financed in part or in full by way of the Issuer issuing Market Loan(s) in one or several issues.

For the purpose of calculating the remaining interest payments pursuant to (a) above it shall be assumed that the Interest Rate for the period from the relevant Redemption Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders.

“Cash and Cash Equivalents” means cash and cash equivalents of the Group in accordance with the applicable Accounting Principles.

“**Change of Control**” means the occurrence of an event or series of events whereby: one or more Persons (other than a Main Shareholder) acting together, acquire control over the Issuer and where “**control**” means:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or
- (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“**Compliance Certificate**” means a certificate substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*) unless otherwise agreed between the Agent and the Issuer.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB, reg. no. 556112-8074.

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

“**Debt Register**” means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in which an owner of Bonds is directly registered or an owner’s holding of Bonds is registered in the name of a nominee.

“**De-listing**” means a situation where:

- (a) the Issuer’s shares cease to be listed or admitted to trading on Nasdaq Stockholm or any other Regulated Market or trading of the Issuer’s shares on the relevant Regulated Market is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) once the Bonds are admitted to trading or listed on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

“**EBITDA**” means, in respect of the Relevant Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Statement(s):

- (a) *before deducting* any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) *before deducting* any Net Finance Charges;
- (c) *before taking into account* any extraordinary items and any non-recurring items which are not in line with the ordinary course of business of the Group (“**Exceptional Items**”), in an aggregate amount not exceeding seven and five tenths (7.50) per cent. of EBITDA for the Relevant Period (prior to any adjustments for Exceptional Items);
- (d) *before taking into account* any Transaction Costs;
- (e) *not including* any accrued interest owing to any Group Company;
- (f) *not including* any accrued interest on any Subordinated Debt;

- (g) *before taking into account* any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge accounting basis);
- (h) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) *not including* any revaluation of amounts payable under contractual non-interest bearing earn-out payments relating to acquisitions made by the Group regardless of how such earn-out payments are accounted for in the Accounting Principles;
- (j) *after deducting* the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (k) *after adding back or deducting*, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group;
- (l) *before deducting* any amounts received under business interruption insurance (or its equivalent); and
- (m) *after adding back* any amount attributable to the amortisation, depreciation or depletion of assets of Group Companies.

“Employee Ownership Program” means any employee ownership program approved by the general meeting of the Issuer, whereby the Issuer has an obligation to deliver matching shares and/or performance shares to participating employees under the program and where the Issuer's obligations are secured by the Issuer repurchasing own shares (subject to the board of directors being authorised by the general meeting of the Issuer to resolve to repurchase such shares) which may subsequently be transferred free of charge to participants in the program or applied towards hedging of costs of the Issuer, mainly social security contributions, attributable to such program.

“Event of Default” means an event or circumstance specified as such in Clause 15 (*Termination of the Bonds*).

“Existing Bonds” means the Issuer's maximum SEK 4,000,000,000 senior unsecured callable floating rate bonds 2021/2024 with ISIN SE0015810460.

“Final Redemption Date” means 1 December 2025.

“Finance Charges” means, for the Relevant 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 Group Company according to the latest Financial Statements (calculated on a consolidated basis) other than Transaction Costs, interest in respect of any Subordinated Debt, interest on any loan owing to any Group Company 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 and including the interest (but not the capital) element of payments in respect of Finance Leases.

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

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

“Financial Indebtedness” means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any Finance Lease;
- (c) receivables sold or discounted (not including receivables sold on a non-recourse basis);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (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;
- (g) any amount payable under any contractual earn-out payments relating to acquisitions made by the Group regardless of how such earn-out payments are accounted for in the Accounting Principles; and
- (h) (without double counting) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

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

“Financial Statements” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated financial statements of the Group or the quarterly interim unaudited unconsolidated financial statements of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 12.1 (*Financial Statements*).

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

“First Issue Date” means 1 December 2021.

“Force Majeure Event” has the meaning set forth in Clause 25.1.

“Group” means the Issuer and each of its Subsidiaries from time to time.

“Group Company” means the Issuer or any of its Subsidiaries.

“**Hybrid Instruments**” means any subordinated (according to its terms) instruments issued by the Issuer which are, entirely or partly permitted to be accounted for as equity in accordance with the Accounting Principles at the date of issuance of the relevant subordinated instrument(s).

“**Incurrence Test**” has the meaning set forth in Clause 13.1 (*Incurrence Test*).

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

“**Initial Bond Issue**” has the meaning set forth in Clause 3.3.

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

“**Interest Coverage Ratio**” means the ratio of consolidated EBITDA to Net Finance Charges.

“**Interest Payment Date**” means 1 March, 1 June, 1 September and 1 December each year (with the first Interest Payment Date on 1 March 2022 and the last Interest Payment Date being the last relevant Redemption Date) or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

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

“**Interest Rate**” means the Base Rate plus three hundred (300) basis points *per annum* as adjusted by any application of Clause 20 (*Base Rate Replacement*). For the avoidance of doubt, if the Interest Rate is below zero then the Interest Rate will be deemed to be zero.

“**Issue Date**” means the First Issue Date or any date when Subsequent Bonds are issued pursuant to these Terms and Conditions, as agreed between the Issuing Agent and the Issuer.

“**Issuer**” means Storskogen Group AB (publ), a public limited liability company incorporated in Sweden with reg. no. 559223-8694.

“**Issuing Agent**” means Nordea Bank Abp, filial i Sverige, reg. no. 516411-1683, or another party replacing it as Issuing Agent, in accordance with these Terms and Conditions.

“**Listing Failure**” means a situation where:

- (a) the Initial Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date; or
- (b) any Subsequent Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the relevant Issue Date,

in each case, with an intention to complete such admission to trading within thirty (30) calendar days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations).

“Main Shareholder” means each of Daniel Kaplan (personal identity no. 710429-0312), Ronnie Bergström (personal identity no. 600806-1456), Alexander Bjärgård (personal identity no. 740401-0436) and Peter Ahlgren (personal identity no. 720608-0330) or any of their spouses or any of their direct heirs, by way of direct or indirect ownership of shares, and their respective Affiliates.

“Market Loan” means any loan or other indebtedness where an entity issues commercial papers, certificates, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, under medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on a Regulated Market or 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 Issuer’s ability to perform and comply with its payment obligations and/or other undertakings under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

“Material Group Company” means:

- (a) the Issuer; and
- (b) any Subsidiaries which individually or in the aggregate represent more than five (5.00) per cent. of the Group’s consolidated sales according to the annual audited Financial Statements for the previous financial year and which during the Relevant Period ending on 31 December the following financial year have been subject to any event specified in Clauses 15.3(b), 15.4, 15.5, 15.6(a), 15.7 and 15.9(b).

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

“Net Finance Charges” means, for the Relevant Period, the Finance Charges according to the latest Financial Statements:

- (a) *after deducting* any interest payable for that Relevant Period to any Group Company; and
- (b) *after deducting* any interest income of the Group relating to Cash and Cash Equivalents.

“Net Interest Bearing Debt” means the consolidated interest bearing Financial Indebtedness of the Group less Cash and Cash Equivalents in accordance with the Accounting Principles (for the avoidance of doubt, excluding any Bonds owned by the Issuer, guarantees, bank guarantees, Hybrid Instruments, Subordinated Debt, claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing Financial Indebtedness borrowed from any Group Company and including, in the case of Finance Leases only, their capitalised value).

“Net Proceeds” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue after deduction has been made for the transaction costs payable by the Issuer to the relevant

Issuing Agent and the bookrunner(s) in respect of the Initial Bonds (or any other bookrunners, arrangers or issuing agent in respect of any Subsequent Bonds) (if they have requested that their respective fees and costs shall be deducted) for the services provided in relation to the placement and issuance of the Bonds.

“**Nominal Amount**” has the meaning set forth in Clause 3.3.

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

- (a) incurred under the Finance Documents (save for any Subsequent Bonds);
- (b) taken up from a Group Company (including under any cash pool arrangements);
- (c) 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 any Permitted Debt or in connection with any acquisition or disposal permitted under these Terms and Conditions, but not any transaction for investment or speculative purposes;
- (d) arising under any interest rate hedging transactions in the ordinary course of business or in respect of payments to be made under any Permitted Debt or in connection with any acquisition or disposal permitted under these Terms and Conditions, but not any transaction for investment or speculative purposes;
- (e) incurred as a result of any Group Company acquiring, or having acquired, another entity or asset and which is due to that such acquired entity, any subsidiary of it, or any such asset holds indebtedness, provided however that such indebtedness:
 - (i) is repaid, refinanced or reclassified with Financial Indebtedness constituting Permitted Debt pursuant paragraphs (a) to (d) above or (f) to (r) below, in each case no later than one hundred eighty (180) calendar days from the date of completion of the relevant acquisition (the “**Grace Period**”); or
 - (ii) if such indebtedness is in the form of a Market Loan, (A) is redeemed in full during the Grace Period, and (B) if such redemption during the Grace Period is not permitted, or only permitted by paying a make-whole amount (*e.g.*, an amount corresponding to all remaining interest payments up to the earliest permitted redemption date which is not subject to make-whole) to the holders of that Market Loan, as soon as practicably possible once permitted or permitted without paying such make-whole amount, and provided however that the Incurrence Test is met on a *pro forma* basis on the last day of the Grace Period if that Market Loan remains outstanding at such time and that such Market Loan may not be extended beyond its original maturity;
- (f) incurred by the Issuer if such Financial Indebtedness is incurred as a result of a vendor loan or promissory note in connection with an acquisition made by the Group, provided that such Financial Indebtedness (i) is settled in full by way of set-off against new shares in the Issuer within ninety (90) calendar days after the incurrence or (ii) does not exceed fifty (50.00) per cent. of the total purchase price of the relevant

acquisition and has a term not exceeding twelve (12) months and meets the Incurrence Test on a *pro forma* basis;

- (g) arising under any non-interest bearing (i) earn-out payments regardless of how such earn-out payments are accounted for in the Accounting Principles or (ii) minority option rights pursuant to an agreement entered into with any minority interest holders in a Group Company on, to the Issuer, reasonable commercial terms, in each case relating to acquisitions made by the Group;
- (h) incurred in the ordinary course of business under Advance Purchase Agreements;
- (i) incurred by the Issuer if such Financial Indebtedness is incurred as a result of a Subsequent Bond Issue and meets the Incurrence Test on a *pro forma* basis);
- (j) incurred by the Issuer if such Financial Indebtedness (i) is unsecured and ranks *pari passu* with or is subordinated to the obligations of the Issuer under the Finance Documents and (ii) meets the Incurrence Test on a *pro forma* basis;
- (k) of the Group under any pension and tax liabilities incurred in the ordinary course of business;
- (l) incurred by the Issuer for the purpose of refinancing the Bonds in full provided that the net proceeds of such Financial Indebtedness shall be kept on an escrow account until such refinancing shall be made;
- (m) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company's business;
- (n) incurred pursuant to any Finance Leases, not otherwise permitted by paragraph (m) above, entered into by a Group Company in the ordinary course of the Group's business in an aggregate amount not at any time exceeding thirty (30) per cent. of EBITDA, where EBITDA shall be adjusted as set out in Clause 13.2 (*Calculation Principles*), and provided however that the Issuer shall be entitled to refer to EBITDA that has been calculated for any, current or previous, Relevant Period ending after the First Issue Date;
- (o) incurred under any Subordinated Debt;
- (p) incurred under any Permitted Issuer Financing;
- (q) incurred under any Permitted Subsidiary Financing;
- (r) incurred under the Existing Bonds; and
- (s) not permitted by paragraphs (a) to (r) above, in an aggregate amount not at any time exceeding five (5.00) per cent. of EBITDA, where EBITDA shall be adjusted as set out in Clause 13.2 (*Calculation Principles*) (all such Financial Indebtedness is together referred to as the "**Permitted Basket**").

"**Permitted Issuer Financing**" means (i) the unsecured multicurrency revolving credit facility entered into by the Issuer and DNB Sweden AB, Nordea Bank Abp, filial i Sverige, Skandinaviska Enskilda Banken AB (publ), Swedbank AB (publ), Danske Bank A/S,

Danmark, Sverige Filial, AB Svensk Exportkredit (publ), BNP Paribas SA, Bankfilial Sverige, Goldman Sachs Bank Europe SE, J.P. Morgan AG and National Westminster Bank Plc or (ii) or any other bilateral or syndicated term loans, bridge facilities, revolving credit facilities, working capital facilities, guarantees or other assurances against financial loss or other similar financing arrangements (including but not limited to any overdraft facilities and/or ancillary facilities) entered into by the Issuer with one or more reputable Nordic or international banks, financial institutions, trusts, funds or other lenders, in an aggregate maximum amount of EUR 1,000,000,000 (or its equivalent in other currencies).

“Permitted Security” means any guarantee or Security:

- (a) provided in accordance with the Finance Documents;
- (b) 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);
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (d) provided in relation to paragraph (c) of the definition Permitted Debt and provided for interest rate hedging transactions set out in paragraph (d) of the definition Permitted Debt;
- (e) incurred as a result of any Group Company acquiring another entity or asset and which is due to that such acquired entity, or any subsidiary of it, has provided security or that such acquired asset is secured, provided that the debt secured with such security is Permitted Debt in accordance with paragraph (e) of the definition Permitted Debt and that such security is released or replaced by security constituting Permitted Security pursuant to paragraphs (a) to (d) above or (f) to (j) below, in each case no later than at the time such Permitted Debt must be repaid or refinanced;
- (f) (i) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds in full are intended to be received or (ii) agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full, provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full;
- (g) provided in relation to any lease agreement entered into by a Group Company as set out in paragraph (m) of the definition Permitted Debt, but not consisting of security interest in shares of any Group Company;
- (h) provided in relation to any Finance Lease, not otherwise permitted by paragraph (g) above, permitted pursuant to paragraph (n) of the definition Permitted Debt, but not consisting of security interest in shares of any Group Company;
- (i) provided in relation to any Permitted Subsidiary Financing; and
- (j) provided in relation to the Permitted Basket.

“Permitted Subsidiary Financing” means any bilateral or syndicated term loans, bridge facilities, revolving credit facilities, working capital facilities, guarantees or other assurances against financial loss or other similar financing arrangements (including but not limited to any overdraft facilities and/or ancillary facilities but excluding, for the avoidance of doubt, Market Loans) entered into by a Subsidiary with one or more reputable banks, financial institutions, trusts, funds or other lenders, in an aggregate amount not at any time exceeding thirty (30.00) per cent. of EBITDA, where EBITDA shall be adjusted as set out in Clause 13.2 (*Calculation Principles*).

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

“Quotation Day” means:

- (a) in relation to an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, two (2) Business Days before the First Issue Date); or
- (b) in relation to any other period for which an Interest Rate is to be determined, two (2) Business Days before the first day of that period.

“Record Date” means the fifth (5th) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 15.11 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“Redemption Date” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 11 (*Redemption and repurchase of the Bonds*).

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

“Relevant Period” means each period of twelve (12) consecutive calendar months.

“Restricted Payment” has the meaning set out in Clause 14.1.

“Securities Account” means the account for dematerialised securities (Sw. *avstämningsregister*) maintained by the CSD pursuant to the Financial Instruments Accounts Act in which an owner of such securities is directly registered or an owner’s holding of securities is registered in the name of a nominee.

“SEK” denotes the lawful currency of Sweden.

“STIBOR” means:

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

“Subordinated Debt” means any loan incurred by a Group Company, if such loan:

- (a) pursuant to its terms, an intercreditor agreement and/or another subordination agreement (on terms and conditions satisfactory to the Agent), is subordinated to the obligations of the Issuer under the 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 Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date.

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

“Subsequent Bond Issue” means any issue of Subsequent Bonds.

“Subsidiary” means, in relation to any Person, any legal entity (whether incorporated or not), in respect of which such Person, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners;

- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or
- (d) exercises control as determined in accordance with the Accounting Principles.

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by a Group Company directly or indirectly in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue, (ii) the admission to trading of the Bonds (including Subsequent Bonds) on the relevant Regulated Market, (iii) the establishment of any Permitted Debt, (iv) any acquisition or divestment made by the Group (for the avoidance of doubt, excluding any payment of purchase price and earn-out payments) or (v) any rights issue or directed share issue by the Issuer.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 16.3 (*Written Procedure*).

1.2 Construction

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

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

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

1.2.3 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, any amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

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

1.2.5 No delay or omission of the 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.

1.2.6 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent (save for the privacy statement insofar it relates to the Agent).

- 1.2.7 Any Hybrid Instrument which is fully treated as equity in the balance sheet of the Issuer in accordance with the Accounting Principles shall, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness.

2. STATUS OF THE BONDS

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.

3. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.
- 3.3 The aggregate amount of the bond loan will be an amount of up to SEK 5,000,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 and integral multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 2,000,000,000 (the “**Initial Bond Issue**”).
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0017084650.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 5,000,000,000, always provided that no Event of Default is continuing or would result such issue and that the Incurrence Test (calculated *pro forma* including the Subsequent Bond Issue). Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The price of any Subsequent Bonds may be set at the Nominal Amount, at a discount to or at a higher price than the Nominal Amount.

4. USE OF PROCEEDS

An amount equivalent to the Net Proceeds from the Initial Bond Issue and any Subsequent Bond Issue shall be used for general corporate purposes of the Group, including acquisitions, investments in companies and repayment of existing debt incurred for such purposes, including any Permitted Issuer Financing.

5. CONDITIONS FOR SETTLEMENT

5.1 Conditions Precedent for the Initial Bond Issue

5.1.1 The Issuer shall provide to the Agent, as soon as reasonably possible but in any event no later than 11.00 a.m. three (3) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), all of the documents and other evidence listed in Part 1 (*Conditions precedent for the settlement of the Initial Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).

5.1.2 The Agent shall promptly, but in any event no later than 11.00 a.m. one (1) Business Day prior to the First Issue Date (or such later time as agreed to by the Issuing Agent), confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)).

5.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 5.1.2, the Issuing Agent shall settle the issuance of the Initial Bonds and transfer the Net Proceeds of the Initial Bond Issue to the Issuer on the First Issue Date.

5.2 Conditions Precedent for a Subsequent Bond Issue

5.2.1 The Issuer shall provide to the Agent, as soon as reasonably possible but in any event no later than 11.00 a.m. three (3) Business Days prior to the Issue Date (or such later time as agreed to by the Agent) in respect of Subsequent Bonds, all of the documents and other evidence listed in Part 2 (*Conditions precedent for a Subsequent Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).

5.2.2 The Agent shall promptly, but in any event no later than 11.00 a.m. one (1) Business Day prior to the Issue Date (or such later time as agreed to by the Issuing Agent), confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.2.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)).

5.2.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.2.2, the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds of such Subsequent Bond Issue to the Issuer on the Issue Date in respect of such Subsequent Bonds.

6. THE BONDS AND TRANSFERABILITY

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

- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.

7. BONDS IN BOOK-ENTRY FORM

- 7.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 7.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 7.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

8. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 8.1 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 authorisation from the Bondholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.
- 8.2 A Bondholder may issue one or several powers of attorney or other authorisations 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.

- 8.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that such document 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 or the Agent has actual knowledge to the contrary.
- 8.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

9. PAYMENTS IN RESPECT OF THE BONDS

- 9.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 9.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

10. INTEREST

- 10.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 10.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 10.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is two hundred (200.00) basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

11. REDEMPTION AND REPURCHASE OF THE BONDS

11.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the Bonds in full on the Final Redemption Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Redemption Date is not a Business Day, the redemption shall to the extent permitted under the CSD's applicable regulations occur on the Business Day following from an application of the Business Day Convention or, if not permitted under the CSD's applicable regulations, on the first following Business Day.

11.2 Purchase of Bonds by Group Companies

Each Group Company may, subject to applicable regulations, at any time and at any price purchase Bonds on the market or in any other way. Any Bonds held by a Group Company may at such Group Company's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

11.3 Early voluntary total redemption (call option)

- 11.3.1 Provided that the Existing Bonds have been redeemed in full, the Issuer may redeem all, but not some only, of the Bonds in full on any Business Day falling after the First Issue Date but before the Final Redemption Date at the applicable Call Option Amount together with accrued but unpaid Interest.

- 11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.
- 11.4 **Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)**
- 11.4.1 Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.
- 11.4.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) 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, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 12.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.4.1.
- 11.4.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 11.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.
- 11.4.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.4, if a third party in connection with the occurrence of a Change of Control, De-listing or Listing Failure, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 11.4 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 11.4, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 11.4.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

12. INFORMATION UNDERTAKINGS

12.1 Financial Statements

The Issuer shall make available to the Agent and on its website:

- (a) as soon as they are available, but in any event within four (4) months after the end of each financial year:
 - (i) the audited consolidated financial statements of the Group for that financial year; and
 - (ii) the annual audited unconsolidated financial statements of the Issuer for that financial year; and
- (b) as soon as they are available, but in any event within two (2) months after the end of each quarter of each of its financial years:
 - (i) the unaudited consolidated financial statements or year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Group for that financial quarter; and
 - (ii) the unaudited unconsolidated financial statements of the Issuer or year-end report (as applicable) for that financial quarter.

12.2 Requirements as to Financial Statements

- 12.2.1 The Issuer shall prepare the Financial Statements in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm (or any other Regulated Market, as applicable) (as amended from time to time) and the Swedish Securities Market Act (Sw. *lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).
- 12.2.2 Each of the Financial Statements shall include a profit and loss account and a balance sheet. In addition, each of the consolidated Financial Statements shall include a cash flow statement and a management commentary or report from the Issuer's board of directors.

12.3 Compliance Certificate

- 12.3.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:
 - (a) in connection with the incurrence of any new Financial Indebtedness or the making of any Restricted Payment, which requires that the Incurrence Test is met; and
 - (b) at the Agent's request, within twenty (20) calendar days from such request.
- 12.3.2 In each Compliance Certificate, the Issuer shall:
 - (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it; and
 - (b) if provided in connection with an application of the Incurrence Test, include calculations and figures in respect of the Net Interest Bearing Debt to EBITDA and

Interest Coverage Ratio (calculated *pro forma* and in accordance with the Calculation Principles).

12.4 **Information: miscellaneous**

The Issuer shall:

- (a) promptly notify:
 - (i) the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing or a Listing Failure; and
 - (ii) the Agent upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default,and shall provide the Agent with such further information as it may reasonably request in writing following receipt of any such notice;
- (b) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on its website; and
- (c) provide the Agent with any information which the Agent deems necessary (acting reasonably) relating to (i) all disposals made pursuant to Clause 14.7 (*Disposal of assets*) during the relevant financial year if the Annual Disposal Threshold is exceeded, (ii) any merger or demerger of any Material Group Company/ies as stipulated in Clause 15.6 (*Mergers and demergers*) or (iii) any cessation of business in relation to the Issuer or any Group Company/ies as stipulated in Clause 15.9 (*Cessation of business*).

12.5 **Restrictions**

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 12 (*Information undertakings*) if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that 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 12 (*Information undertakings*).

13. **FINANCIAL COVENANTS**

13.1 **Incurrence Test**

- 13.1.1 The Incurrence Test shall be applied in connection the incurrence of Financial Indebtedness or the making of a Restricted Payment which requires that the Incurrence Test is met, until and including the Final Redemption Date.
- 13.1.2 The Incurrence Test shall be tested on the date on which the relevant Financial Indebtedness is incurred or Restricted Payment is made, as applicable (the “**Incurrence Test Date**”).

13.1.3 The Incurrence Test is met if:

- (a) the ratio of Net Interest Bearing Debt to EBITDA is less than 3.50:1;
- (b) the Interest Coverage Ratio exceeds 3.00:1; and
- (c) no Event of Default is continuing or would occur upon the relevant incurrence, distribution or payment (as applicable),

in each case calculated in accordance with the Calculation Principles.

13.2 **Calculation Principles**

13.2.1 For the purpose of the Incurrence Test (without double counting):

- (a) The calculation of the ratio of Net Interest Bearing Debt to EBITDA shall be made as per the relevant Incurrence Test Date.
- (b) The Net Interest Bearing Debt shall be measured on the relevant Incurrence Test Date, but include the new Financial Indebtedness (and any Financial Indebtedness owed by any entity acquired with such Financial Indebtedness) and exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred, in each case provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce Net Interest Bearing Debt). EBITDA shall be calculated as set out below.
- (c) The calculation of the Interest Coverage Ratio shall be made for the Relevant Period ending on the last day of the period covered by the most recent Financial Statement.
- (d) The figures for EBITDA, Finance Charges and Net Finance Charges for the Relevant Period ending on the last day of the period covered by the most recent Financial Statement (including any new Financial Indebtedness, for the avoidance of doubt, always including the Financial Indebtedness incurred under the Initial Bond Issue and any previous Subsequent Bond Issues and excluding any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness, in each case on a *pro forma* basis) shall be used for the Incurrence Test, but adjusted so that:
 - (i) entities, assets or operations acquired, disposed of or discontinued by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant Incurrence Test Date (as applicable), shall be included or excluded (as applicable), *pro forma*, for the entire Relevant Period; and
 - (ii) any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Relevant Period.

14. **SPECIAL UNDERTAKINGS**

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 14.

14.1 Distributions

The Issuer shall not, and shall procure that no other Group Company will:

- (a) make or pay any dividend on its shares;
- (b) repurchase any of its own shares (other than for the purpose of (i) repurchasing or redeeming any minority interest holders in any Group Company or (ii) securing any of its obligations or costs under any Employee Ownership Program);
- (c) redeem its share capital or other restricted equity with repayment to shareholders (other than to any minority interest holders in any Group Company for the purpose of increasing the Group's ownership share in the relevant Group Company);
- (d) repay principal or pay interest under any shareholder loan (for the avoidance of doubt, not including payment under vendor loans, promissory notes or earn-out payments relating to acquisitions made by the Group), Hybrid Instruments or Subordinated Debt; or
- (e) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to a direct or indirect shareholder or any Affiliates of the Issuer,

(the transactions set out in paragraphs (a) to (e) above are together and individually referred to as a "**Restricted Payment**"), provided however that any such Restricted Payment may be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, by:

- (A) any Group Company if such Restricted Payment is made to another Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, (i) is made on a *pro rata* basis or (ii) if not made on a *pro rata* basis as a result of any Group Company waiving its right to receive its *pro rata* share, follows from an agreement entered into with any minority interest holders in the relevant Group Company on, to the Issuer, reasonable commercial terms;
- (B) the Issuer if such Restricted Payment constitutes payment of interest under Hybrid Instruments, provided that such Hybrid Instruments have been initially issued pursuant to a customary public offering of hybrid instruments in the Nordic capital markets on terms and conditions customary for such transaction;
- (C) the Issuer, provided that (i) the Incurrence Test (calculated pro forma including the relevant Restricted Payment) is met and (ii) at the time of such Restricted Payment, the aggregate amount of all Restricted Payments of the Group in a financial year (including the Restricted Payment in question, but excluding any Restricted Payment made in accordance with paragraphs (A) above and (D) below, does not exceed fifty (50.00) per cent. of the Group's consolidated net profit (Sw. *årets resultat*), in each case calculated according to the annual audited Financial Statements for the previous financial year (and without accumulation of profits from previous financial years);

- (D) the Issuer if such Restricted Payment constitutes payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by an issuance of new Hybrid Instruments, an incurrence of Subordinated Debt or an equity injection in cash by way of a share issue in the Issuer or an unconditional shareholder contribution to the Issuer; and
- (E) the Issuer, provided that such Restricted Payment is mandatory by law for the protection of minority shareholders' rights and requested by a requisite minority of shareholders in accordance with Chapter 18, Section 11 of the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

14.2 **Admission to trading**

Without prejudice to Clause 11.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*), the Issuer shall ensure that:

- (a) the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within twelve (12) months after the First Issue Date; and
- (b) any Subsequent Bonds are admitted to trading on the relevant Regulated Market promptly and not later than four (4) months after the relevant Issue Date (unless the Subsequent Bonds are issued before the date falling twelve (12) months after the First Issue Date in which case such Subsequent Bonds shall be admitted to trading within the later of (A) twelve (12) months after the First Issue Date and (B) the date falling four (4) months after the relevant Issue Date).

14.3 **Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business of the Group as carried out by the Group on the First Issue Date.

14.4 **Financial Indebtedness**

The Issuer shall not, and shall procure that none of the Subsidiaries will incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain and prolong Financial Indebtedness which constitute Permitted Debt.

14.5 **Loans out**

The Issuer shall not, and shall procure that none of the Subsidiaries will, provide any loan to any party, save for (i) to another Group Company, (ii) in the ordinary course of business of the relevant Group Company or (iii), if not permitted by item (i) or (ii) above, in an aggregate amount not at any time exceeding SEK 100,000,000 (or its equivalent in other currencies).

14.6 **Negative Pledge**

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

14.7 **Disposals of assets**

The Issuer shall not, and shall procure that none of the Subsidiaries will, sell or otherwise dispose of shares in any Subsidiaries which individually or in the aggregate represent more than five (5.00) per cent. of the Group's consolidated sales according to the annual audited Financial Statements for the previous financial year (the "**Annual Disposal Threshold**"), or of all or substantially all of its or such Subsidiaries' assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

14.8 **Dealings with related parties**

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

14.9 **Compliance with laws and regulations**

The Issuer shall, and shall procure that the Subsidiaries will, comply in all material respects with all laws and regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm (or any other Regulated Market on which the Issuer's securities from time to time are listed), where failure to do so has or is reasonably likely to have a Material Adverse Effect.

14.10 **Authorisations**

The Issuer shall, and shall procure that the Subsidiaries will, obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, where failure to do so has or is reasonably likely to have a Material Adverse Effect.

14.11 **Agency Agreement**

- (a) The Issuer shall, in accordance with the Agency Agreement:
 - (i) pay fees to the Agent;
 - (ii) indemnify the Agent for costs, losses and liabilities;
 - (iii) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and

- (iv) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.
- (b) The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

14.12 **CSD related undertakings**

The Issuer shall keep the Bonds affiliated with a CSD and comply with all applicable CSD Regulations.

15. **TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.10 (*Termination*) and Clause 15.11 (*Distribution of proceeds*)).

15.1 **Non-payment**

The Issuer fails to pay an amount on the date it is due in accordance with these Terms and Conditions unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date.

15.2 **Other obligations**

- (a) The Issuer does not comply with any provision of these Terms and Conditions in any other way than as set out under Clause 15.1 (Non-payment).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied and is remedied within fifteen (15) Business Days of the earlier of:
 - (i) the Agent giving notice to the Issuer; and
 - (ii) the Issuer becoming aware of the failure to comply,
 provided that if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written notice.

15.3 **Cross-payment default and cross-acceleration**

- (a) Any Financial Indebtedness of a Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described).
- (b) Any security interest securing Financial Indebtedness over any asset of any Material Group Company/ies is enforced.
- (c) No Event of Default will occur under this Clause 15.3 if:
 - (i) the Financial Indebtedness is owed by a Group Company to another Group Company; or

- (ii) the aggregate amount of Financial Indebtedness falling within paragraphs (a) to (b) above is equal to or less than SEK 75,000,000 (or its equivalence in other currencies).

15.4 **Insolvency**

- (a) Any Material Group Company/ies:
 - (i) is unable or admits inability to pay its debts as they fall due;
 - (ii) is declared to be unable to pay its debts under applicable law;
 - (iii) suspends making payments on its debts generally; or
 - (iv) by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under these Terms and Conditions) with a view to rescheduling its Financial Indebtedness.
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company/ies.

15.5 **Insolvency proceedings**

- (a) Any corporate action, legal proceedings or other procedures are taken in relation to:
 - (i) 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/ies;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company/ies or any of its/their assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company/ies.
- (b) Paragraph (a) above shall not apply to:
 - (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised; or
 - (ii) in relation to the members of the Group other than the Issuer, solvent liquidations.

15.6 Mergers and demergers

- (a) A decision is made that any Material Group Company/ies shall be merged or demerged into a company which is not a Group Company if such merger and/or demerger has or is reasonably likely to have a Material Adverse Effect; or
- (b) the Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity.

15.7 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company/ies having an aggregate value equal to or exceeding SEK 75,000,000 (or its equivalence in other currencies) and is not discharged within thirty (30) calendar days.

15.8 Impossibility or illegality

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

15.9 Cessation of business

- (a) The Issuer ceases to carry on its business; or
- (b) any Material Group Company/ies (save for the Issuer) ceases to carry on its business, except if due to
 - (i) a permitted disposal permitted under Clause 14.7 (*Disposals of assets*); or
 - (ii) a merger or demerger permitted under Clause 15.6 (*Mergers and demergers*),

in each case provided that such cessation is likely to have a Material Adverse Effect.

15.10 Termination

- 15.10.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.10.3 or 15.10.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 15.10.2 The Agent may not terminate the Bonds in accordance with Clause 15.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 15.10.1.

- 15.10.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 15.1 (*Non-payment*)) up until the time stipulated in Clause 15.10.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 15.10.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 16 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 15.10.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 16 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 15.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 16 (*Decisions by Bondholders*).
- 15.10.9 If the Bonds are declared due and payable in accordance with Clause 15.10.1, the Issuer shall redeem all Bonds with an amount per Bond together with a premium on the due and payable amount as set forth in the Call Option Amount for the relevant period, and shall up until the First Call Date be at the price set out in paragraph (a) of the definition Call Option Amount (plus accrued and unpaid interest).

15.11 Distribution of proceeds

15.11.1 If the Bonds have been declared due and payable in accordance with this Clause 15, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *firstly*, in or towards payment *pro rata* of:
 - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
 - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights as may have been incurred by the Agent;
 - (iii) any non-reimbursed costs incurred by the Agent for external experts; and
 - (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a bondholders' meeting or a written procedure;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions, including any default interest.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer. The application of proceeds in accordance with paragraphs (a) to (d) above shall, however, not restrict a Bondholders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

15.11.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.11.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.11.1.

15.11.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. lag (1944:181) om *redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15.11 as soon as reasonably practicable.

15.11.4 If the Issuer or the Agent shall make any payment under this Clause 15.11, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

16. DECISIONS BY BONDHOLDERS

16.1 Request for a decision

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of 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.
- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if 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 the suggested decision is not in accordance with applicable regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 16.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 16.3.1. After a request from the Bondholders pursuant to Clause 18.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

16.2 Bondholders' Meeting

16.2.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.

16.2.2 The notice pursuant to Clause 16.2.1 shall include:

- (a) the time for the meeting;
- (b) the place for the meeting;
- (c) an agenda for the meeting (including each request for a decision by the Bondholders);
- (d) a form of power of attorney; and
- (e) should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting.

16.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.

16.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.

16.2.5 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.

16.3 Written Procedure

16.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.

16.3.2 A communication pursuant to Clause 16.3.1 shall include:

- (a) each request for a decision by the Bondholders;

- (b) a description of the reasons for each request;
- (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;
- (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 16.3.1); and
- (f) if the voting shall be made electronically, instructions for such voting.

16.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

16.4 **Majority, quorum and other provisions**

16.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 16.3.2, 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 Adjusted Nominal Amount.

16.4.2 The following matters shall require 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 16.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 14 (*Special undertakings*);
- (b) a mandatory exchange of the Bonds for other securities;
- (c) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer (other than as a result of an application of Clause 20 (*Base Rate Replacement*));
- (d) amend the provisions in Clause 15.11;
- (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or

- (f) amend the provisions in this Clause 16.4.2 or in Clause 16.4.3.
- 16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than fifty (50.00) 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 16.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 17.1) or a termination of the Bonds.
- 16.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 16.4.3.
- 16.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 16.4.6 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 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), 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 16.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 16.4.7 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 these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.4.8 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.
- 16.4.9 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.
- 16.4.10 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.

- 16.4.11 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.
- 16.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, 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) their 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 of a Group Company.
- 16.4.13 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 Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant 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. AMENDMENTS AND WAIVERS

- 17.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders;
 - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
 - (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
 - (d) is necessary for the purpose of having the Bonds admitted to trading on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders;
 - (e) has been duly approved by the Bondholders in accordance with Clause 16 (Decisions by Bondholders) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders; or
 - (f) the Agent is satisfied that such amendment or waiver is made pursuant to Clause 20 (*Base Rate Replacement*).
- 17.2 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 17.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

- 17.3 An amendment or waiver 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.

18. THE AGENT

18.1 Appointment of the Agent

- 18.1.1 By subscribing for Bonds, each initial Bondholder 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, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 18.1.2 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 under no obligation to represent a Bondholder which does not comply with such request.
- 18.1.3 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.
- 18.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 18.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

18.2 Duties of the Agent

- 18.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents.
- 18.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 18.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 18.2.4 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 as a group 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.

18.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.

18.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:

- (a) after the occurrence of an Event of Default;
- (b) for the purpose of investigating or considering:
 - (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or
 - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
- (c) in connection with any Bondholders' Meeting or Written Procedure;
- (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15.11 (*Distribution of proceeds*).

18.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.

18.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:

- (a) whether any Event of Default has occurred;
- (b) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
- (c) whether any other event specified in any Finance Document has occurred.

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.

18.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 12.3.2 and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.9.

- 18.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 18.2.11 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 regulation.
- 18.2.12 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, 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.
- 18.2.13 The Agent shall give a notice to the Bondholders 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 the Agency Agreement or if it refrains from acting for any reason described in Clause 18.2.12.
- 18.2.14 Upon the reasonable request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.
- 18.2.15 Subject to any restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Bondholders any document, information, 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 (save for that any delay in disclosing an Event of Default, which event shall be governed by Clause 15.10.3).

18.3 **Liability for the Agent**

- 18.3.1 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.

- 18.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 18.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the 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.
- 18.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 18.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

18.4 **Replacement of the Agent**

- 18.4.1 Subject to Clause 18.4.6, 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.
- 18.4.2 Subject to Clause 18.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, 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.
- 18.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice 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.
- 18.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
 - (b) the Agent was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.

- 18.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 18.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) 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; and
 - (b) the period pursuant to paragraph (b) of Clause 18.4.4 having lapsed.
- 18.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the 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.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, 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 and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

19. THE ISSUING AGENT

- 19.1 The Issuer shall when necessary appoint an Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 19.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 19.3 The Issuing 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 gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

20. BASE RATE REPLACEMENT

20.1 General

- 20.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 20 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

20.1.2 If a Base Rate Event has occurred, this Clause 20 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

20.2 Definitions

20.2.1 In this Clause 20:

“**Adjustment Spread**” means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof to be applied to a Successor Base Rate and that is:

- (a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (b) if (a) is not applicable, the adjustment spread that the Independent Adviser determines is reasonable to use in order to minimise any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

“**Base Rate Amendments**” has the meaning set forth in Clause 20.3.4.

“**Base Rate Event**” means one or several of the following circumstances:

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period); or
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*), or in respect of EURIBOR, from the equivalent entity with insolvency or resolution powers over the Base Rate Administrator, containing the information referred to in (b) above.

“**Base Rate Event Announcement**” means a public statement or published information as set out in paragraph (b) to (e) of the definition of Base Rate Event that any event or circumstance specified therein will occur.

“**Independent Adviser**” means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

“**Relevant Nominating Body**” means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (*Finansiella stabilitetsrådet*) or any part thereof.

“**Successor Base Rate**” means:

- (a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of Bonds, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or
- (b) if there is no such rate as described in paragraph (a), such other rate as the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply *mutatis mutandis* to such new Successor Base Rate.

20.3 **Determination of Base Rate, Adjustment Spread and Base Rate Amendments**

- 20.3.1 Without prejudice to Clause 20.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 20.3.2.
- 20.3.2 If (i) a Base Rate Event has occurred or (ii) a Base Rate Event Announcement has been made and the announced Base Rate Event will occur within six (6) months, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer’s expense, appoint an Independent Adviser to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate.
- 20.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 20.3.2, within thirty (30) calendar days, the Bondholders shall, if so decided at a Bondholders’ Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer’s expense) for the purposes set forth in Clause 20.3.2.
- 20.3.4 The Independent Adviser shall also determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice (“**Base Rate Amendments**”).

20.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been determined no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, taking into account any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

20.4 **Interim measures**

20.4.1 If Base Rate Event has occurred but no Successor Base Rate and Adjustment Spread have been determined prior to the relevant Quotation Day in relation to the next succeeding Interest Period, the Interest Rate applicable to the next succeeding Interest Period shall be:

- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
- (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

20.4.2 For the avoidance of doubt, Clause 20.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 20.

20.5 **Notices**

The Issuer shall promptly following the determination by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 24 (*Notices and press releases*) and the CSD. The notice shall also include the time when the amendments will become effective.

20.6 **Variation upon replacement of Base Rate**

20.6.1 No later than giving the Agent notice pursuant to Clause 20.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and a duly authorised signatory of the Issuer confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 20. The Successor Base Rate, the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any determination, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

20.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 20.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 20.

20.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 20. Neither the Agent nor the Issuing

Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Terms and Conditions.

20.7 Limitation of liability for the Independent Adviser

Any Independent Adviser appointed pursuant to Clause 20.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with the Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

21. THE CSD

21.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.

21.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

22. NO DIRECT ACTIONS BY BONDHOLDERS

22.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company 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 their equivalents in any other jurisdiction) of any Group Company in relation to any of the obligations or liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.

22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 18.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 18.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.13 before a Bondholder may take any action referred to in Clause 22.1.

- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 11.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

23. TIME-BAR

- 23.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void.
- 23.2 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 the right to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

24. NOTICES AND PRESS RELEASES

24.1 Notices

- 24.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) 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 to such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Agent to the Issuer from time to time;
 - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Agent by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Agent, to such e-mail address as notified by the Issuer to the Agent from time to time; and
 - (c) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

- 24.1.2 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (or, if between the Agent and the Issuer, by e-mail) and will only be effective:
- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1;
 - (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1; or
 - (c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 24.1.1.
- 24.1.3 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.
- 24.2 **Press releases**
- 24.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 11.3 (*Early voluntary total redemption (call option)*), Clause 11.4 (*Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)*), paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) or Clauses 15.10.3, 15.11.4, 16.2.1, 16.3.1, 16.4.13, 17.2, 18.2.13, 18.4.1 or 20.5 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 24.2.2 In addition to Clause 24.2, if any information relating to the Bonds, the Issuer or the Group contained in a notice that 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.

25. **FORCE MAJEURE**

- 25.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism 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 Issuing Agent itself takes such measures, or is subject to such measures.
- 25.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 25.3 The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

26. GOVERNING LAW AND JURISDICTION

- 26.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 26.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 26.3, be determined by Swedish courts and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 26.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
-

SCHEDULE 1

CONDITIONS PRECEDENT

Part 1

Conditions Precedent for the settlement of the Initial Bond Issue

1. The Issuer

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer.
- (b) A copy of a resolution of the board of directors of the Issuer:
 - (i) approving the terms of, and the transactions contemplated by, the documents set out in Section 2(a) to (b) below and resolving that it execute, deliver and perform such documents;
 - (ii) authorising a specified person or persons to execute the documents set out in Section 2(a) to (b) below on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the documents set out in Section 2(a) to (b) below.

2. Documents

- (a) A duly executed copy of the Terms and Conditions.
- (b) A duly executed copy of the Agency Agreement.

Part 2

Conditions Precedent for a Subsequent Bond Issue

1. The Issuer

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer.
- (b) A copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into documents necessary in connection therewith.

2. Miscellaneous

- (a) A Compliance Certificate from the Issuer confirming that no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue.
- (b) Such other documents and evidence as is agreed between the Agent and the Issuer.

SCHEDULE 2

FORM OF COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

To: Nordic Trustee & Agency AB (publ) as Agent

From: Storskogen Group AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

Storskogen Group AB (publ)

**Maximum SEK 5,000,000,000 senior unsecured callable floating rate bonds 2021/2025
with ISIN: SE0017084650
(the “Bonds”)**

(1) We refer to the terms and conditions for the Bonds (the “**Terms and Conditions**”). This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

(2) **[Incurrence Test]**

This is an Incurrence Test in respect of [*describe relevant Financial Indebtedness incurred or Restricted Payment made*] (the “**Relevant Event**”). We confirm that the Incurrence Test is met and that in respect of the Incurrence Test Date, being [date].

- (a) *Net Interest Bearing Debt to EBITDA*: The Net Interest Bearing Debt was SEK [●], EBITDA was [♦] and therefore the ratio Net Interest Bearing Debt to EBITDA was [●] (and should be less than 3.50:1);
- (b) *Interest Coverage Ratio*: The consolidated EBITDA was SEK [●], the Net Finance Charges were [●] and therefore the Interest Coverage Ratio was [●] (and should exceed 3.00:1)
- (c) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or would occur upon the Relevant Event,

in each case including the Relevant Event on a *pro forma* basis and otherwise calculated in accordance with Clause 13.2 (*Calculation principles*).

Computations as to compliance with the Incurrence Test are attached hereto.⁷⁸

(3) [We confirm that, as far as we are aware, no Event of Default is continuing.]⁹

⁷ To include calculations of the Incurrence Test and any adjustments pursuant to Clause 13.2.

⁸ This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.

⁹ Should be included in each Compliance Certificate. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

Storskogen Group AB (publ)

Name:

Authorised signatory

Name:

Authorised signatory

We hereby certify that the above Terms and Conditions are binding upon ourselves.

Stockholm, 25 November 2021

The Issuer

Storskogen Group AB (publ)

Name:

We hereby undertake to act in accordance with the above Terms and Conditions to the extent they refer to us.

Stockholm, 25 November 2021

The Agent

Nordic Trustee & Agency AB (publ)

Name:

ADDRESSES

Issuer

Storskogen Group AB (publ)
Hovslagargatan 3, SE-111 48 Stockholm, Sweden
Web page: www.storskogen.com

Issuing agent and Joint Bookrunner

Nordea Bank Abp, filial i Sverige
Smålandsgatan 17, SE-105 71 Stockholm, Sweden
Web page: www.nordea.com

Joint Bookrunners

DNB Bank ASA, filial Sverige
Regeringsgatan 59, SE-105 88, Stockholm, Sweden
Web page: www.dnb.se

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8, SE-111 47, Stockholm, Sweden
Web page: www.seb.se

Swedbank AB (publ)
Malmskillnadsgatan 23, 111 57 Stockholm, Sweden
Web page: www.swedbank.com

Auditor

Ernst & Young Aktiebolag
Hamngatan 26, SE-111 47 Stockholm, Sweden
Web page: www.ey.com

Legal advisor

Gernandt & Danielsson Advokatbyrå KB
P.O. Box 5747, SE-114 87 Stockholm, Sweden
Web page: www.gda.se

Agent

Nordic Trustee & Agency AB (publ)
P.O. Box 7329, SE-103 90 Stockholm, Sweden
Web page: www.nordictrustee.com

Central securities depository

Euroclear Sweden AB
P.O. Box 7822, SE-103 97 Stockholm, Sweden
Web page: www.euroclear.com