



## Mölnlycke Holding AB (publ)

(incorporated in the Kingdom of Sweden with limited liability)

€3,000,000,000

### Euro Medium Term Note Programme

Under the €3,000,000,000 Euro Medium Term Note Programme described in this Offering Circular (the “**Programme**”), Mölnlycke Holding AB (publ) (the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue euro medium term notes (the “**Notes**”) denominated in any currency agreed between it and the relevant Dealer (as defined below).

Notes may be issued in bearer or registered form. The aggregate nominal amount of Notes outstanding will not at any time exceed €3,000,000,000 (or its equivalent in other currencies subject to increase as described herein). The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” or any additional Dealer appointed under the Programme from time to time by the Issuer (each a “**Dealer**” and together the “**Dealers**”), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the “**relevant Dealer**” shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer, subject to a negative pledge provision. See “*Terms and Conditions of the Notes — Status*” and “*Terms and Conditions of the Notes – Negative Pledge*”.

Application has been made to the Luxembourg Stock Exchange for the approval of this document for the purposes of Part IV of the Luxembourg Law dated 16 July 2019 on Prospectuses for Securities (the “**Luxembourg Law**”). Application has also been made to the Luxembourg Stock Exchange for the Notes to be admitted to the official list of the Luxembourg Stock Exchange (the “**Official List**”) and to be admitted to trading on the Luxembourg Stock Exchange’s Euro MTF market (the “**Euro MTF**”). References in this Offering Circular to the Notes being “**listed**” (and all related references) shall mean that the Notes have been admitted to the Official List and admitted to trading on the Euro MTF. The Euro MTF is not a regulated market for the purposes of the Markets in Financial Instruments Directive (2014/65/EU) (as amended, “**EU MiFID II**”). This Offering Circular constitutes a base prospectus, and a Pricing Supplement will constitute final terms, for the purposes of the Luxembourg Law.

This document does not constitute a prospectus for the purposes of article 3 of Regulation (EU) 2017/1129 (the “**EU Prospectus Regulation**”) and of article 3 of the EU Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”) (the “**UK Prospectus Regulation**”). The Issuer has prepared this Offering Circular solely for the use in connection with the listing of Notes issued under the Programme on the Euro MTF market. This Offering Circular must only be used for the purposes for which it has been published. The Notes may not be offered to the public or indirectly to the public unless the requirements of the Luxembourg Law have been satisfied. Any person making or intending to make any offer of the Notes in any Member State of the European Economic Area (the “**EEA**”) or in the United Kingdom (the “**UK**”) may only do so in circumstances in which no obligations arise for the Issuer to prepare a prospectus pursuant to article 3 of the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable). The Issuer has not authorised, nor does the Issuer authorise, the making of any offer of the Notes in circumstances in which an obligation arises for it to publish a prospectus for such offer in any jurisdiction.

The Notes of each Series (as defined in “*Overview of the Programme – Method of Issue*”) issued in bearer form (“**Bearer Notes**”) will be represented on issue by a temporary global note in bearer form (each a “**Temporary Global Note**”) or a permanent global note in bearer form (each a “**Permanent Global Note**”) (collectively, the “**Global Notes**”). If the Global Notes are stated in the relevant Pricing Supplement to be issued in new global note (“**NGN**”) form, the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”). Notes in registered form (“**Registered Notes**”) will be represented by registered certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Notes in registered form of one Series. Certificates representing Registered Notes that are held in one or more clearing systems are referred to as global certificates (“**Global Certificates**”). If a Global Certificate is held under the New Safekeeping Structure (the “**NSS**”) the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

Global notes which are not issued in NGN form (“**Classic Global Notes**” or “**CGN**”) and Global Certificates which are not held under the NSS will be deposited on the issue date of the relevant Tranche with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the “**Common Depository**”).

The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in “*Summary of Provisions Relating to the Notes while in Global Form*”.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”). Notes are subject to certain restrictions on transfer, see “*Subscription and Sale*”.

Tranches of Notes to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be disclosed in the relevant Pricing Supplement and will not necessarily be the same as the ratings assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Pricing Supplement. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the EEA or the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies (the “**CRA Regulation**”) or the CRA Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK CRA Regulation**”) respectively, will be disclosed in the relevant Pricing Supplement.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

An investment in the Notes under the Programme involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Offering Circular and in the relevant Pricing Supplement and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances. Investors should also have the financial capacity to bear the risks associated with an investment in the Notes. Investors should not purchase the Notes unless they understand and are able to bear risks associated with the Notes. Prospective investors should have regard to the factors described under the section headed “*Risk Factors*” in this Offering Circular.

The Luxembourg Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in the Offering Circular.

*Arranger*

**BNP PARIBAS**

*Dealers*

**BNP PARIBAS**

**HSBC**

**Nordea**

**SEB**

The date of this Offering Circular is 13 June 2023

## IMPORTANT NOTICE

The Issuer accepts responsibility for the information contained in this Offering Circular and, having made all reasonable enquiries, confirms that this Offering Circular contains all information with respect to the Issuer, the Issuer and its subsidiaries and affiliates taken as a whole and the Notes which is material in the context of the issue and offering of the Notes. To the best of the knowledge of the Issuer the information contained in this Offering Circular is in accordance with the facts and the Offering Circular makes no omission likely to affect the import of such information.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes*” (the “**Conditions**”) as amended and/or supplemented by the Pricing Supplement specific to such Tranche. This Offering Circular must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Pricing Supplement.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers (as defined in “*Subscription and Sale*”) to subscribe or purchase, any of the Notes. The distribution of this Offering Circular and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. This Offering Circular may only be used for the purposes for which it has been published. None of the Issuer, the Arranger or the Dealers represents that this Offering Circular or any Pricing Supplement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which would permit a public offering of any Notes or distribution of this Offering Circular or any Pricing Supplement in any jurisdiction where action for such purposes is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and none of this Offering Circular, any Pricing Supplement or any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

There are restrictions on the offer and sale of the Notes and the circulation of documents relating thereto, in certain jurisdictions including, but not limited to, the United States of America, the EEA, the UK, the Kingdom of Sweden, Switzerland, Belgium, Italy, Japan and Singapore, and to persons connected therewith. The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States or to, or for the account or benefit of, U.S. persons. The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. For a description of further restrictions on offers and sales of Notes and distribution of this Offering Circular, see “*Subscription and Sale*” below.

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor has any of the foregoing authorities passed upon or endorsed the merits of the offering of Notes or the accuracy or the adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

Admission to trading on the Euro MTF market and listing on the Official List of the Luxembourg Stock Exchange are not to be taken as an indication of the merits of the Issuer or the Notes. In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the offering, including the merits and risks involved. See “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Notes.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other document entered into in relation to the Programme and the sale of the Notes and, if given or made, such information or representation should not be relied upon as having been authorised by or on behalf of the Issuer, the Arranger or any Dealer. Neither the delivery of this Offering Circular or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Offering Circular is true subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date hereof or, if later, the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Offering Circular nor any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Arranger, the Dealers or any director, officer, employee, agent or affiliate of any such person or any of them that any recipient of this Offering Circular or any Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Offering Circular or any Pricing Supplement shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €3,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes calculated in accordance with the provisions of the Dealer Agreement as defined under “*Subscription and Sale*”). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the “**Stabilisation Manager**”) (or persons acting on behalf of any Stabilisation Manager(s)) in the relevant Pricing Supplement may, to the extent permitted by applicable laws and rules, over-allot the Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes.

None of the Arranger, the Dealers or any Agents (as defined under “*Terms and Conditions of the Notes*”) has separately verified the information contained in this Offering Circular and can give no assurance that this information is accurate, truthful or complete. To the fullest extent permitted by law, none of the Arranger, the Dealers or any Agent or any director, officer, employee, agent or affiliate of any such person makes any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy, completeness or sufficiency of any of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the Programme and nothing contained or incorporated in this Offering Circular is, or shall be relied upon as, a promise, warranty or representation by the Arranger, the Dealers or any Agents. To the fullest extent permitted by law, none of the Arranger, the Dealers or any Agent or any director, officer,

employee, agent, affiliate or adviser of any such person accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made, by an Arranger, any Dealer, any Agent, or any director, officer, employee, agent, affiliate or adviser of any such person or on its behalf in connection with the Issuer the Notes, or the issue and offering of the Notes. Each of the Arranger, the Dealers, the Agents and its respective affiliates and advisers accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of the Arranger, the Dealers, the Agents or any of their respective directors, officers, employees, agents, affiliates or advisers undertake to review the financial condition or affairs of the Issuer for so long as the Notes remain outstanding nor to advise any investor or potential investor of the Notes of any information coming to the attention of any of the Arranger, the Dealers, the Agents or their respective affiliates or advisers.

This Offering Circular does not describe all of the risks and investment considerations (including those relating to each investor's particular circumstances) of an investment in Notes of a particular issue. Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Arranger, any of the Dealers or any of the Agents that any recipient of this Offering Circular should purchase any Notes. Each potential purchaser of Notes should refer to and consider carefully the relevant Pricing Supplement for each particular issue of Notes, which may describe additional risks and investment considerations associated with such Notes. The risks and investment considerations identified in this Offering Circular and the relevant Pricing Supplement are provided as general information only. Investors should consult their own financial and legal advisers as to the risks and investment considerations arising from an investment in an issue of Notes and should possess the appropriate resources to analyse such investment and the suitability of such investment in their particular circumstances. Each potential purchase of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

Neither this Offering Circular nor any other information provided or incorporated by reference in connection with the Programme are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers, or any director, officer, employee, agent or affiliate of any such person that any recipient, of this Offering Circular or of any such information, should purchase the Notes. Each potential purchaser of Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arranger, the Dealers or the Agents or any agent or affiliate of any such person undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger, the Dealers, the Agents or any of them.

In this Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

Each potential investor in any Notes 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 relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular, any applicable supplement to this Offering Circular or any Pricing 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 relevant Notes and the impact such investment 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 relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the purchaser's overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio. Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase of any Notes.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk based capital or similar rules.

**Prohibition of Sales to EEA Retail Investors:** If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**Prohibition of Sales to UK Retail Investors** – If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK MiFIR**"); or (iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, no key information document required by the EU PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise

making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**EU MiFID II product governance / target market:** The Pricing Supplement in respect of any Notes may include a legend entitled “EU MiFID II product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the “**EU MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise none of the Arranger or the Dealers or any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

**UK MiFIR product governance / target market:** The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise none of the Arranger or the Dealers or any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**Singapore CMP Regulations classification:** In connection with Section 309B of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), unless otherwise stated in the Pricing Supplement, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes to be issued under the Programme are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## **Forward-Looking Statements**

This Offering Circular includes certain “forward-looking statements”. Statements that are not historical facts, including statements about the beliefs and expectations of the Issuer and its subsidiaries and their respective directors or management, are forward-looking statements. Words such as “believes”, “anticipates”, “estimates”, “expects”, “intends”, “plans”, “aims”, “potential”, “will”, “would”, “could”, “considered”, “likely”, “estimate” and variations of these words and similar future or conditional expressions, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur, many of which are beyond the control of the Issuer and all of which are based on their current beliefs and expectations about future events. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Issuer and its subsidiaries and the environment in which they will operate in the future. These forward-looking statements speak only as at the date of this Offering Circular.

Except as may be required by any applicable law or regulation, the Issuer expressly disclaims any obligations or undertakings to release publicly any updates or revisions to any forward-looking statements contained in this Offering Circular to reflect any change in the expectations of the Issuer with regard thereto or any change in events, conditions or circumstances on which any such statement is based.



## Documents Incorporated by Reference

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement and all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents.

The following documents shall be incorporated in, and form part of, this Offering Circular:

- the audited consolidated financial statements relating to the Issuer's Group for the year ended 31 December 2022 including the notes thereto (the "**2022 Financial Statements**"), the independent auditor's report thereon, the section entitled "Definitions" and the section entitled "Five-Year Overview" which appear on pages 60 to 99 of the Issuer's Annual Report for the year ended 31 December 2022; and
- the audited consolidated financial statements relating to the Issuer's Group for the year ended 31 December 2021 including the notes thereto (the "**2021 Financial Statements**" and, together with the 2022 Financial Statements, the "**Financial Statements**"), the independent auditor's report thereon, the section entitled "Five-Year Overview" and the section entitled "Definitions" which appear on pages 84 to 124 of the Issuer's Annual Report for the year ended 31 December 2021.

Any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Offering Circular.

Copies of all such documents which are incorporated by reference in, and to form part of, this Offering Circular will be available free of charge during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the office of the Issuer at Mölnlycke Holding AB (publ), c/o Mölnlycke Health Care AB, Gamlestadvägen 3c, SE-402 52 Göteborg, Sweden.

The documents incorporated by reference in this Offering Circular will also be published on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)). For the avoidance of doubt, the content of the websites included in this Offering Circular are for information purposes only and does not form part of this Offering Circular, unless specifically incorporated by reference herein.

## **Presentation of Financial and Other Information**

*This section describes the financial information included in this document, identifies any unaudited information and any information which has not been prepared in accordance with IFRS, describes certain conventions used in this document and alerts investors to certain limitations associated with third party information and any market share or other comparative or statistical information provided in this document.*

### **PRESENTATION OF FINANCIAL INFORMATION**

#### **Historical financial statements**

Prospective investors should consult their own professional advisers to gain an understanding of the financial information incorporated by reference in this document.

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU, which includes interpretations from the IFRS Interpretations Committee (together, “**IFRS**”).

The Issuer’s financial year ends on 31 December and unless the context otherwise requires, references in this document to **2022** and **2021** are to the 12 month period ending on 31 December in each such year.

#### **Auditors and unaudited information**

The Financial Statements have been audited by Deloitte AB, independent auditors (the “**Auditors**”) in accordance with International Standards on Auditing, who have issued unqualified audit reports on the Financial Statements.

#### **Certain non-IFRS financial information**

This document includes certain financial information which has not been prepared in accordance with IFRS. None of this financial information is subject to any audit or review by independent auditors.

#### ***EBITDA***

Certain sections of this document discuss EBITDA, which is not a measure of financial performance under IFRS. In determining EBITDA for any financial period, the Group adds back to profit for such period the following items:

- income tax expense;
- net finance costs;
- depreciation, amortisation and write-downs; and
- restructuring costs and other exceptional items of a non-recurring nature.

The Issuer believes that the presentation of EBITDA is helpful to investors because these and other similar measures are widely used by certain investors, security analysts and other interested parties as supplemental measures of performance and liquidity. However, EBITDA is not a measure of financial performance under IFRS and should not be considered in isolation or as a substitute for operating profit, cash flow from operating activities or other financial measures of the Issuer’s Group’s results of operations or liquidity computed in accordance with IFRS. Other companies, including those in the Issuer’s Group’s industry, may calculate EBITDA differently from the Issuer’s Group. As all companies do not calculate EBITDA in the same manner, the Issuer’s Group’s presentation of EBITDA may not be comparable to other similarly titled measures of other companies.

Some of the limitations of using EBITDA as a financial measure are:

- it does not reflect the Issuer’s Group’s cash expenditures or future requirements for capital expenditure or contractual commitments;
- it does not reflect changes in, or cash requirements for, the Issuer’s Group’s working capital needs; and

- although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often have to be replaced in the future, and the measure does not reflect any cash requirements for such replacement.

The table below shows a reconciliation of the Issuer’s Group’s reported profit for the period to EBITDA for each of 2022 and 2021.

	<b>Year ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>(€ millions)</i>	
Profit for the period .....	279.3	285.3
Income tax expense.....	80.2	79.4
Net finance costs.....	32.3	37.4
Depreciation, amortisation and write-downs.....	84.5	83.5
Exceptional items.....	0	0
<b>EBITDA</b>	<b>476.3</b>	<b>485.6</b>

## PRESENTATION OF OTHER INFORMATION

Unless otherwise indicated, in this document, all references to:

- the “**Group**” are to Mölnlycke AB and its subsidiaries, including the Issuer; and
- the “**Issuer’s Group**” are to the Issuer and its subsidiaries.

### Currencies

Unless otherwise indicated, in this document, all references to:

- “**SEK**” and “**Swedish kronor**” are to the lawful currency of Sweden;
- “**pounds sterling**” and “**£**” are to the lawful currency of the UK;
- “**U.S. dollars**” and “**U.S.\$**” are to the lawful currency of the United States;
- “**euro**” or “**€**” are to the currency introduced at the third stage of the European economic and monetary union pursuant to the Treaty Establishing the European Community, as amended;
- “**Malaysian ringgit**” are to the lawful currency of the Malaysian Federation;
- “**Czech korona**” are to the lawful currency of the Czech Republic; and
- “**Thai baht**” are to the lawful currency of the Kingdom of Thailand.

Unless otherwise indicated, the financial information contained in this document has been expressed in euro. The Issuer’s Group’s functional currency is euro and the Issuer’s Group prepares its financial statements in euro.

### Geographical regions

Unless otherwise indicated, in this document, all references to:

- “**APAC**” are to the Asia-Pacific region;
- “**EMEA**” are to the Europe, Middle East and Africa region;

- “EU” are to the European Union;
- “NAM” are to North America; and
- “UK” are to the United Kingdom.

### **Market share data**

Any Group market share data included in this document has been derived from the Group’s internal estimates using external market data where available. The Issuer believes that these estimates of market share are helpful as they give prospective investors a better understanding of the industry in which the Group operates as well as its position within that industry. Although all such estimations have been made in good faith based on the information available and the Issuer’s knowledge of the market within which the Group operates, the Issuer cannot guarantee that a third party expert using different methods would reach the same conclusions.

Where information has not been independently sourced in this document, it is the Group’s own information.

### **Definitions**

Where used in this document, the following technical terms have the meanings set out opposite them:

<b>alginate</b>	a substance produced by brown seaweeds and used to make highly absorbent, biodegradable wound dressings.
<b>antimicrobial</b>	a substance that kills or inhibits the growth of microbes such as bacteria, fungi, viruses and parasites.
<b>debridement</b>	the removal of dead tissue from chronic wounds.
<b>Exudate</b>	a fluid rich in protein and cellular elements that oozes out of blood vessels due to inflammation and is deposited in nearby tissues.
<b>pharmaceutical</b>	a chemical, drug or medicine.

### **Rounding**

Certain data in this document has been rounded. As a result of such rounding, the totals of data presented in tables in this document may vary slightly from the arithmetic totals of such data.

## Table of Contents

	<b>Page</b>
Forward-Looking Statements .....	viii
Documents Incorporated by Reference .....	ix
Presentation of Financial and Other Information .....	x
Overview of the Programme .....	1
Risk Factors .....	6
Terms and Conditions of the Notes .....	24
Form of Pricing Supplement .....	54
Summary of Provisions relating to the Notes while in Global Form .....	66
Description of the Issuer and the Group .....	72
Use of Proceeds .....	89
Taxation .....	90
Subscription and Sale .....	93
General Information .....	101

## Overview of the Programme

*This overview must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of this Offering Circular as a whole, including any information incorporated by reference. Words and expressions defined in “Terms and Conditions of the Notes” below or elsewhere in this Offering Circular have the same meanings in this overview.*

<b>Issuer</b>	Mölnlycke Holding AB (publ)
<b>Issuer Legal Entity Identifier (LEI)</b>	549300WAUZKYD5PU9L16
<b>Description</b>	Euro Medium Term Note Programme.
<b>Programme Size</b>	Up to €3,000,000,000 (or the equivalent in other currencies calculated as described in the Dealer Agreement) aggregate nominal amount of Notes outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Risk Factors</b>	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer in fulfilling its obligations in respect of the Notes are discussed under the section “ <i>Risk Factors</i> ” below.
<b>Arranger</b>	BNP Paribas
<b>Dealers</b>	<p>BNP Paribas, HSBC Continental Europe, Nordea Bank Abp and Skandinaviska Enskilda Banken AB (publ).</p> <p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “<b>Permanent Dealers</b>” are to persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “<b>Dealers</b>” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p>
<b>Transfer Agent and Registrar</b>	Deutsche Bank Luxembourg S.A.
<b>Fiscal Agent</b>	Deutsche Bank AG, London Branch
<b>Method of Issue</b>	<p>The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “<b>Series</b>”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “<b>Tranche</b>”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment date of interest and nominal amount of the Tranche, will be identical</p>

to the terms of other Tranches of the same Series) will be completed in the Pricing Supplement.

**Clearing Systems**

Euroclear and Clearstream, Luxembourg and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

**Form of Notes**

Notes may be issued in bearer form or in registered form. Registered Notes will not be exchangeable for Bearer Notes and *vice versa*.

Each Tranche of Bearer Notes will be represented on issue by a Temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the TEFRA D Rules (as defined in the “*Selling Restrictions*” below), otherwise such Tranche will be represented by a Permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series.

**Currencies**

Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

**Status of the Notes**

The Notes constitute senior, direct, unconditional, unsubordinated and unsecured (subject to Condition 4 (*Negative Pledge*)) obligations of the Issuer which will at all times rank *pari passu* and without preference among themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

**Issue Price**

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

**Maturities**

Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the UK or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the UK, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other

	<p>circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.</p>
<b>Fixed Rate Notes</b>	<p>Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.</p>
<b>Floating Rate Notes</b>	<p>Floating Rate Notes will bear interest determined separately for each Series by reference to EURIBOR or STIBOR or such other reference rate as specified in the relevant Pricing Supplement each as adjusted for any applicable margin.</p> <p>Interest periods will be specified in the relevant Pricing Supplement.</p>
<b>Zero Coupon Notes</b>	<p>Zero Coupon Notes (as defined in “<i>Terms and Conditions of the Notes</i>”) may be issued at their nominal amount or at a discount to it and will not bear interest.</p>
<b>Final Redemption</b>	<p>Notes may be redeemed at par or at such other amount as may be specified in the relevant Pricing Supplement. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).</p>
<b>Redemption for tax reasons</b>	<p>The Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole but not in part) for tax reasons as described in Condition 6(c).</p>
<b>Optional Redemption</b>	<p>The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders and if so the terms applicable to such redemption.</p>
<b>Clean-up Call Option</b>	<p>The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed by the Issuer (in full but not in part) on the date specified in such notice, the remaining Notes in that Series at their Clean-up Call Redemption Amount together with any interest accrued to (but excluding) the date fixed for redemption.</p>
<b>Change of Control Put Option</b>	<p>The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed before their stated maturity at the option of the Noteholders if a Change of Control Put Event (as defined in the Conditions) occurs at the Change of Control Redemption Amount specified in the relevant Pricing Supplement.</p>
<b>Interest Periods and Interest Rates</b>	<p>The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum</p>



interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

**Benchmark Replacement**

In the event that a Benchmark Event occurs, such that any Rate of Interest (or any component part thereof) cannot be determined by reference to the relevant reference rate specified in the relevant Pricing Supplement, then the Issuer must appoint an Independent Adviser, to determine a successor, replacement or alternative reference rate and the applicable adjustment spread (which could be positive, negative or zero) (with consequent amendment to the terms of such Series of Notes).

**Denominations**

Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

**Events of Default**

The Notes will contain certain events of default provisions, including a cross-default provision as further described in Condition 10 (*Events of Default*).

**Withholding Tax**

All payments of principal and interest in respect of Notes will be made free and clear of withholding taxes of the Kingdom of Sweden unless the withholding is required by law. In that event, the Issuer will (subject to certain customary exceptions as described in Condition 8 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

**Listing and admission to trading**

Notes issued under the Programme may be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's Euro MTF market.

However, unlisted Notes and Notes to be listed, traded or quoted on or by any other competent authority, stock exchange or quotation system may be issued pursuant to the Programme. The relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's Euro MTF market or listed, traded or quoted on or by any other competent authority, exchange or quotation system.

**Governing Law**

English law.

**Ratings**

Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement and will not necessarily be the same as the ratings assigned to Notes already issued.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension and withdrawal at any time by the relevant rating organisation.

**Selling Restrictions**

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the EEA, the UK, the Kingdom of Sweden, Switzerland, Belgium, Italy, Japan and Singapore, see “*Subscription and Sale*” below.

**Initial Delivery of Notes**

On or before the issue date for each Tranche, if the relevant Global Note is a NGN or the relevant Global Certificate is held under NSS, the Global Note or Global Certificate (as applicable) will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Global Note is a CGN or the relevant Global Certificate is not held under the NSS, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depository for Euroclear and Clearstream, Luxembourg or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealers.

Registered Notes that are to be credited to one or more clearing systems on issue will be held in Euroclear and Clearstream, Luxembourg or a common depository on their behalf.

## **Risk Factors**

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.*

***Factors that may affect the Issuer's ability to fulfil its obligations under or in connection with the Notes issued under the Programme. A significant economic downturn and/or credit and financial market problems could pose additional risks and exacerbate existing risks to the Group's business***

A serious slowdown in the global economy following a global economic crisis, geopolitical tension or the pandemic crisis, as well as associated problems in the credit and financial markets, could have a negative effect on demand for the Group's products, the availability and reliability of suppliers and third party contract manufacturers, the Group's ability to collect its accounts receivables on a timely basis and the availability of financing for acquisitions and working capital requirements.

Any future significant reduction in economic activity or lack of available financing could impact the Group's business in a variety of ways, including the following:

- loss of jobs and lack of health insurance as a result of an economic slowdown could depress demand for health care services and the Group's products;
- significant customers and group purchasing organisations could exert downward pressure on the prices of the Group's products;
- shortage of available credit for working capital could lead customers who buy goods from the Group to curtail their purchases or cause them difficulty in meeting payment obligations;
- tightening of credit and disruption in the financial markets could disrupt or delay performance by the Group's suppliers and contractors and adversely affect its business; and
- problems in the credit and financial markets could limit the availability and size of alternative or additional financing for the Group's working capital or other corporate needs and could make it more difficult and expensive to obtain waivers under or make changes to its existing credit arrangements.

The geopolitical tension from the Russian invasion of Ukraine together with the imposition of sanctions against certain companies and natural persons who are associated with the Russian government may have a material impact on the global economy and international financial market in general and on the markets in which the Group operates. The Group has no factories or suppliers in Russia, Belarus or Ukraine. The Group closed down its business in Russia at the beginning of 2023. In 2022, the group had a representative office employing five people. The focus of this office was to train healthcare professionals in treating epidermolysis Bullosa ("EB") patients out of humanitarian reasons. In Ukraine, the Group sells to a purchasing office that has been selected by the Ukrainian Ministry of Health on the basis of a national tender for the supply of EB treatment. As at 31 December 2022, the Group's sales into

Russia accounted for €6.2 million and sales in Ukraine (through the Ukrainian Ministry of Health) were €2.5 million, together representing less than 0.5 per cent. of the Issuer's Group's total sales.

A number of factors that are important for the Group to successfully conduct its business could be materially affected by the Russian invasion of Ukraine such as raw material price increases, inflation (and, as a result, interest rates), logistic costs and longer delivery times.

The outbreak of SARS-CoV-2 first identified in December 2019 and its associated disease (“COVID-19”), together with any measures aimed at mitigating a further expansion thereof, such as restrictions on travel, imposition of quarantines, prolonged closures of workplaces, curfews or other social distancing measures, have had and may continue to have a material adverse effect on the global economy and international financial markets in general and on the markets in which the Group operates. The implications resulting therefrom may result in an increase of credit risk, liquidity risk and operational risk for the Group and, ultimately, have material adverse effect on the operating results of the Group and its business and financial situation.

A number of factors that are important for the Group to successfully conduct its business could be materially affected by the spread of COVID-19. The social distancing measures implemented by countries around the world to slow the spread of COVID-19 have had a significant negative impact on the global economy and have contributed to economic contraction and financial crises in several markets where the Group conducts its business. Parts of the world are emerging from the pandemic and the restrictive containment measures associated therewith, due, in part, to the effective roll out of vaccination programmes. However, the pace of recovery across the globe remains uneven, with some countries and regions continuing to face high infection rates and restrictive containment measures. The risk also remains that new strains of COVID-19 may emerge against which current vaccines may prove ineffective which could result in the re-imposition of containment measures in the future. Some economies, including China and Malaysia where the Group has operations, also continue to grapple with COVID-19 and its consequences. Where economic activity has been drastically reduced for several months, many businesses could be forced to close, leading to a dramatic increase in unemployment and corporate and bank defaults. As businesses and unemployed workers no longer have the income to pay their outstanding debts, the number of defaults could significantly increase. Such developments have had, and may continue to have, a number of effects on the Group's business, including the following:

- drop in elective surgeries affecting tray business, surgical gloves and surgical dressings and a slow-down in sales of dressings for chronic wounds resulting from fewer visits to wound clinics and fewer dressing changes;
- negative impact on production capacity as a result of ‘lock down’ and isolation measures immobilising the Group's workforce;
- supply chain disruptions including transportation disruptions and single-source supply and/or export bans on surgical products (gloves and personal protection equipment);
- increase in raw material prices and/or a shortage of raw materials in the core surgical business following high global demand for personal protective equipment; and
- restrictions on hospital access and conducting clinical studies which may cause delays in product development and the product registration process.

***The Group is dependent on sales in certain key geographic markets***

The Group's key geographic markets in terms of sales are the United States (the “U.S.”), France, Germany, the UK, Spain and Sweden. Any event or factor (including infrastructure disruption or a change in prevailing market conditions) which results in a significant reduction of sales or a significant reduction in selling prices in any of these markets could have a material adverse effect on the Group's business, results of operations or financial performance.

Following a referendum held in the UK on the UK's continued membership of the EU on 23 June 2016, the UK left the EU on 31 January 2020 ("**Brexit**"). The UK is also no longer part of the EEA. An agreement in principle was reached in relation to the EU-UK Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**") on 24 December 2020 and the Trade and Cooperation Agreement was signed on 30 December 2020. The purpose of the Trade and Cooperation Agreement is to govern the future relations between the EU and the UK following the end of the transition period and it is expressed to include a free trade agreement, a new partnership for citizens' security and an agreement on how the Trade and Cooperation Agreement is to be governed. However, notwithstanding the Trade and Cooperation Agreement, Brexit has resulted in substantial changes to the law in the UK and the Trade and Cooperation Agreement is not comprehensive in all respects. For example, the Trade and Cooperation Agreement does not create a detailed framework to govern the cross-border provision of financial services from the UK into the EU and from the EU into the UK. Accordingly, there remains uncertainty as to the terms under which the UK will trade with EU countries as well as with third party countries with whom trade is currently conducted under EU free trade agreements. The continuing effects of Brexit are difficult to predict and there remains both short-term and long-term political and economic uncertainty around the departure that may have a negative impact on the UK economy and trade between the UK and the EU more generally. The impact of Brexit will depend in part on the Trade and Cooperation Agreement and the nature of any future arrangements (or lack thereof) that are put in place between the UK and the EU. As a result of this, it is possible that additional tariffs and taxes could also impact the demand for some of the Group's products. This could potentially reduce demand for the Group's products which combined with the potential adverse changes in macroeconomic conditions in both the EU and the UK, could have a material adverse effect on the Group's business, results of operations or financial performance.

***Fluctuations in exchange rates may adversely affect the Group's business and results of operations***

The Group has significant manufacturing operations in a number of different countries. In addition, the Group makes purchases and sales in a large number of other countries and currencies which creates a transaction exposure that impacts both the Group's profit and loss statement and its cash flows. The Group's largest net transaction exposures are income and cash inflows in euro, pounds sterling and U.S. dollars and cost and cash outflows in Swedish kronor, Malaysian ringgit, Czech koruna and Thai baht.

In addition, the operating results of all of the Group companies are consolidated in euro (the Group's reporting currency), which creates a translation exposure that impacts its profit and loss statement but not its cash flows. The principal translation exposure is operating profits in Swedish kronor which is translated into euro.

The Group also has balance sheet currency exposure in relation to its financial and operational receivables and liabilities in foreign currency and this may also negatively affect the Group's results in the event of exchange rate fluctuations. This exposure principally arises as a result of loan receivables in pounds sterling, euro and U.S. dollars in companies with SEK as their reporting currency.

***A failure by the Group in managing its manufacturing capabilities, including a major disruption at one or more of the Group's manufacturing facilities or a failure to secure future capacity, may have a material adverse effect on its business, results of operations or financial performance***

The Group's manufacturing production facilities are located in Belgium, the Czech Republic, Denmark, Finland, Malaysia, Thailand, the UK and the U.S.. Some of these facilities are fully owned by the Group, while others are operated under various forms of leasing agreements. The manufacture of certain of the Group's products is concentrated in, and reliant upon, certain of the facilities operated by the Group. In addition, the Group's primary distribution centre is located in Waremmé, Belgium, supported by a number of regional distribution centres.

The Group is reliant on this international network of manufacturing facilities to meet the production expectations of the Group's customers. Failure by the Group to maintain this network or maintain adequate back-up and disaster

recovery systems could have a negative effect on product quality, operational flexibility and productivity and overall profitability by causing disruptions in supply or labour disputes. A failure by the Group to maintain efficient global manufacturing capabilities in the future, could also compromise the Group's competitiveness which could have a material effect on the Group's business, results of operations and financial condition.

A major disruption, for example as a result of fire, flood or other catastrophe, the outbreak of an infectious disease such as the outbreak of COVID-19 in 2020, labour unrest (including union action) or economic or political upheaval, including escalation of geopolitical tensions or war, at any of the Group's facilities or in the countries in which they are located, could also disrupt the Group's ability to manufacture certain products and thus have a material adverse effect on its business, results of operations or financial performance.

***Failure to develop new and innovative products which gain market acceptance may have an adverse effect on the Group's business, results of operations or financial performance***

In order to remain competitive, the Group must continue to develop, manufacture and commercialise innovative products in a timely manner that satisfy physician and patient needs and preferences, provide cost savings or other advantages.

The Group's new products may not gain market acceptance among independent third parties, including distributors, physicians, hospitals, general practitioners, government representatives or other purchasers. Sales of medical products depend on purchasers' willingness to use or recommend the use of the product, which is likely to be based on their determination that the products are, relative to competing products, safe and effective from a therapeutic, infection management or cost perspective. Purchasers may elect not to recommend, and patients may elect not to use, the Group's products for a variety of reasons, including advantages of alternative products, ineffective marketing and distribution support, a lack of availability of reimbursement from managed care plans and other third party payers, a lack of cost-effectiveness, the timing of market introduction of competitive products in light of sustainability considerations. If any of the Group's products fail to achieve market acceptance, the Group may fail to maintain its margins and its business, results of operations or financial performance may be adversely affected.

Developing new products is a costly, lengthy and uncertain process which entails a high degree of business risk. A potential product may not be brought to market for any number of reasons, including:

- failure to work optimally, to receive regulatory approval or to be cost-competitive;
- infringement of patents or other intellectual property rights; and
- changes in consumer demand.

Delays or unanticipated costs in any part of the process or the Group's failure to obtain regulatory approval for its products could adversely affect the Group's business, results of operations or financial performance by restricting or delaying the introduction of new products.

***The Group's business, results of operations or financial performance could be materially affected if demand for its products declines or does not continue to grow***

The Group's success and growth going forward will depend substantially on the general level of demand for its key products. The market for advanced wound care products, in particular, is developing and it is difficult to predict future growth of that market. If education and other publicity initiatives fail to raise general levels of awareness amongst purchasers and users of wound care products of the benefits of advanced wound care products, or it is not perceived that such products are cost effective, purchasers and users of wound care products may not convert from conventional to advanced wound care products at the rate expected by the Group, or at all. Similarly, if market acceptance of the benefits of certain surgical products, such as synthetic surgical gloves and, outside the United States, custom procedure trays does not continue, or if it is not perceived that these products provide the cost and

logistical efficiencies expected, purchasers of surgical products may not convert to these products at the rate expected by the Group, or at all. As for many other sectors, sustainability is increasingly shaping the future of the healthcare sector. In all tender-based markets, healthcare providers are increasing their sustainability investments and at the same time placing higher demands on their suppliers. This is reflected in areas such as increased focus on net zero, waste and plastic reduction, alternative to fossil and virgin materials, human rights and inclusiveness. In the event that demand (and therefore sales) for the Group's key products declines or does not continue to grow, its business, results of operations or financial performance may be materially adversely affected.

Healthcare professionals are struggling to cope with the immense pressure on the healthcare system. The trend to deliver more with less has been increasing for several years. This will most likely result in tasks being performed by less qualified and experienced people, and more care given closer to the patient. In consequence, the Group expects to see an increased need for intuitive products and solutions as well as greater investments in digital and connected health. Any failure by the Group to develop such products and solutions may result in a decline in demand for the Group's products which could materially adversely affect the Group's business, results of operations or financial performance.

***The Group's ability to control the pricing of certain of its products may be limited by the policies of governmental reimbursement authorities and other third party payers***

Pricing of certain of the Group's products (in particular in the wound care market) is significantly affected in most major markets by the policies of governmental reimbursement authorities and other third party payers. The Group is exposed to changes in reimbursement policy and pricing imposed by these authorities and other third parties, over which the Group may have little influence or with whom the Group may have little bargaining power. Any such change could have an adverse effect on the Group's business, results of operations or financial performance.

Governments and other third party payers are increasingly seeking to contain health care costs by limiting the coverage and level of reimbursement for new products, as well as restricting reimbursement in relation to new uses of existing, approved products. If adequate reimbursement levels are not provided by government and other third-party payers for the Group's products, industry acceptance of these products and therefore the Group's business, results of operations or financial performance may be adversely affected.

***The wound care and surgical products industries are highly competitive and the Group may not be able to compete effectively***

The Group competes across a range of product and geographic markets. These markets contain a number of different competitors, including specialised and international corporations such as Smith & Nephew, ConvaTec, Coloplast, Essity, 3M, Hartmann, Cardinal Health and Medline. See "Description of the Issuer and the Group—Business segments—Wound care—Competition" and "Description of the Issuer and the Group—Business segments—Surgical—Competition". Some of the Group's competitors have greater financial, marketing and other resources than the Group. These competitors may be able to deliver products on more attractive terms, more aggressively market their products or invest larger amounts of capital and research and development into their businesses. Consolidation among the Group's competitors could strengthen their market position, expand their product portfolio, increase their negotiating leverage or improve their access to markets. If such competitors develop and market products which are safer, more effective or less expensive than the Group's equivalent products, obtain regulatory approval for and market such products earlier than the Group, the Group's commercial opportunity and the available growth rates for its products may be reduced or eliminated. In addition, significant product innovations, technical advances or the intensification of price competition by competitors could adversely affect the Group's business, results of operations or financial performance.

***Consolidation among customers may increase the Group's dependence on a limited number of key customers***

In the United States and several European jurisdictions, sectors of the health care industry, such as hospitals and nursing homes, have been consolidating. Consolidation among the Group's customer base could increase its reliance on key customers and, due to the increased pricing leverage of these customers, this could negatively impact the Group's bargaining position, business, results of operations or financial performance. If a customer of the Group were acquired by a company that has a relationship with a competitor of the Group, the loss of that customer's business could have a material adverse effect on the Group's business, results of operations or financial performance.

***The Group is subject to cost-containment efforts of group purchasing organisations and other significant purchasers of its products***

Many of the Group's customers, particularly in the United States, have joined group purchasing organisations in an effort to contain costs. These organisations conduct tender processes and/or negotiate pricing arrangements with medical supply manufacturers and distributors, and these negotiated prices are made available to the organisation's affiliated hospitals and other members. If the Group is not one of the providers selected by a group purchasing organisation, affiliated hospitals and other members may be less likely to purchase the Group's products, and if the relevant organisation has negotiated a strict compliance contract for another manufacturer's products, the Group may be precluded from making sales to its members for the duration of the contractual arrangement.

Any failure by the Group to respond to group purchasing organisations' or other significant customers' cost-containment may cause it to lose market share to its competitors and could have a material adverse effect on its business, results of operations and financial condition.

***Parallel imports of the Group's products may have an adverse effect on the Group***

The Group's products are sold at different prices in different geographical markets. There is a risk that products may be purchased in bulk by third parties in less expensive markets and resold in more expensive markets at a discount to the Group's selling price in such markets. Any such activities could have an adverse effect on the Group's business, results of operations or financial performance.

***The Group is reliant on certain key suppliers***

The Group is reliant on certain key suppliers of raw materials and finished products. Moreover, the Group is reliant on certain companies as its major suppliers for certain products. If any of the Group's key suppliers is unable to meet the Group's needs or substantially increases its prices, the Group may be forced to seek alternative suppliers. If the Group is obliged to find a new supplier on short notice, the likely delay caused by the establishment of the necessary internal processes and the obtaining of regulatory approval (in the case of a number of the Group's products) for such a new supplier may cause disruption to the Group's supply chain. The Group may not be able to find alternative suppliers at short notice or at competitive prices. In addition, some of the raw materials used may become unavailable, and there can be no assurance that the Group will be able to obtain suitable and cost-effective substitutes. Any interruption of supply caused by these or other factors (including relating to the indirect impact of the war in Ukraine) could have a material impact on the Group's business, results of operations or financial performance.

***If the Group is unable to pass on price increases in its raw materials to its customers, its business, results of operations or financial performance may be materially adversely affected***

The Group's ability to pass on increases in the cost of raw materials to its customers may be limited and thus such cost increases could materially adversely affect its business, results of operations or financial performance. The Group's principal raw materials include plastics and latex, the prices of which are strongly affected by a number of factors outside the Group's control. Other principal raw materials are pulp-based, the price of which may also



increase due to extraneous factors. More generally, various parts of the world, including key markets in which the Group operates, are experiencing high levels of inflation which have been increasing since 2021, driven in part by increases in energy prices resulting from the war in Ukraine and sanctions levied against certain companies and natural persons who are associated with the Russian government. According to the IMF World Economic Outlook (April 2023), global inflation is set to fall from 8.7 per cent. in 2022 to 7.0 per cent. in 2023 as a result of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases. There can be no assurance that the Group will not be exposed to significant price increases for key raw materials or other production-related costs which it may not be able to pass on to consumers. This could have a material adverse effect on the Group's results of operations.

***The Group may be exposed to environmental, health and safety and sustainability ("EHS&S") liabilities and increased EHS&S compliance costs***

The Group's customers and other stakeholders have increasingly high and sophisticated expectations with regard to emission targets, sustainable energy and materials, and reporting. In particular, there is increased focus on environmental and climate-related risks linked to the Group's factories and production processes. Any failure or perceived failure by the Group in setting sufficiently ambitious targets and meeting such sustainability expectations could have a material adverse effect on the Group's reputation and its results of operation.

The Group is subject to a variety of governmental regulations relating to the protection of the environment and health and safety matters including, without limitation, regulations relating to the use, storage, discharge and disposal of the materials used in and waste generated by its manufacturing processes. Although the Group believes that its activities currently comply in all material respects with presently applicable EHS&S regulations, the failure to comply with present or future EHS&S regulations or to control the use of, or adequately restrict the discharge of, hazardous substances could result in liability. Such liability may include regulatory action, the imposition of fines against the Group, payment of compensation to third parties for related damages, suspension of production or cessation of certain operations. New regulations could require the Group to modify its operations, acquire costly equipment or incur other significant expenses that could have an adverse effect on the Group's business, results of operations or financial performance.

Many of the Group's manufacturing sites have a history of manufacturing, industrial and related activities. The Group employs hazardous substances in certain of its manufacturing activities and the Group may be required to investigate and remediate, or pay for the investigation or remediation of, environmental pollution or contamination at or migrating from these sites, as well as properties formerly owned and operated by it. The Group could also incur liability for investigation and remediation of contamination at off-site locations where the Group has disposed of, or arranged for the disposal or treatment of, hazardous waste. In addition, the Group could also be subject to claims by government authorities, individuals and other third parties seeking damages for alleged personal injury or property damage resulting from exposure to hazardous substances, environmental pollution or contamination caused by the Group's operations, facilities (both current and former) or products. Such matters could require the Group to incur material costs or could have a material adverse effect on the Group's business, results of operations or financial performance.

***The Group's products may not obtain and maintain required regulatory approvals***

The Group is subject to extensive and complex regulation by the governments of the countries in which it has manufacturing operations and in which it sells its products. This regulation is constantly evolving and may be costly to comply with.

All of the Group's products must meet and continue to comply with regulatory and safety standards to receive the regulatory approvals required to launch and maintain a product on the market. The submission of an application to a regulatory authority does not guarantee that approval to market any product will be granted. Furthermore, each local

regulatory authority may impose its own requirements and may refuse to grant, or may require additional data or product modifications before granting an approval even though the relevant product has been approved in another country. Once approval has been obtained, there can be no assurance that it will not be withdrawn as a result of the Group failing to maintain compliance with the terms of such approval. If the Group is not able to obtain and maintain the required regulatory approvals for its products, there may be an adverse impact on its business, results of operations or financial performance.

***The Group's manufacturing activities may not meet regulatory standards***

The manufacture of certain of the Group's products is highly exacting and complex, due in part to strict regulatory requirements governing their manufacture. The facilities of the Group are subject to periodic inspection by regulatory authorities. Plant inspections are conducted to determine whether the methods used by the Group in, and facilities and controls used for, the manufacture, processing, packing, and holding of its products conform to, and are operated and administered in conformity with, the relevant regulations (European directives, U.S. Food and Drug Administration (FDA) regulations or other local regulatory requirements and the international standards ISO 9001:2000, 13485:2003 and 14001). Following these inspections, the relevant regulator may issue notices or warning letters listing conditions that the inspectors believe may violate applicable regulations, and specifying corrective action plans that require the Group to modify certain activities identified during the inspection.

Problems may arise during manufacturing for a variety of reasons including equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials and environmental factors. If problems are not discovered before the product is released to the market, recall and product liability costs may be incurred. In addition, if the problems are severe or if a regulatory authority otherwise determines that the Group's manufacturing facilities or controls do not meet the relevant regulatory requirements, the Group may lose, or have suspended, its regulatory approvals and certifications; it may be prohibited from manufacturing and distributing some or all products; and the most serious cases could result in injunctions and/or civil fines. The suspension or loss of regulatory approvals and certifications, or a partial or complete shutdown of one or more of its facilities could severely harm the Group's reputation and have a material adverse effect on the Group's business, results of operations or financial performance.

***The Group is subject to risks associated with cross border operations***

The Group is present in more than 100 different countries. The Group is also exposed to cross border risks through its manufacturing operations in Belgium, the Czech Republic, Denmark, Finland, Malaysia, Thailand, the UK and the United States. Cross border operations are subject to risks including, but not limited to:

- difficulties and costs associated with complying with a wide variety of complex domestic and foreign laws, regulations and treaties, some of which are subject to change;
- legal uncertainties regarding, and timing delays associated with, customs procedures, tariffs, import or export licensing requirements and other trade barriers;
- risk of loss of goods at sea or other delays in the delivery of products caused by transportation problems (such as the transportation and logistical issues caused by the Suez Canal obstruction in March 2021, which had a negative impact on global trade between Europe and Asia and had pushed up transportation costs as a result);
- differing local product preferences and product requirements;
- inadequate protection of intellectual property;
- increased difficulty in collecting delinquent or unpaid accounts;
- difficulties in staffing, mobilisation of workforce, training and managing local operations; and
- differing tax regimes.

In particular, as a result of Brexit it is possible that the Group may experience delays and additional cost in moving products between the UK and the EU. The Group continues to address the impact of Brexit on its supply chain management and quality oversight between the UK and the EU and is developing and deploying appropriate contingency plans to avoid interruption of supply (for example, the Group has built a new distribution centre in the UK to support its UK commercial business through the impact of Brexit).

The Group will continue to face these risks as it expands into new markets. Any of these factors, individually or in the aggregate, could adversely affect the Group's business, results of operations or financial performance and any resultant disruption to the Group's supply chain, ability to manage its production, inventory or transportation may adversely affect the Group's business, results of operations or financial performance.

***The Group's operations could suffer from political or economic upheaval in any of the countries in which it sells its products***

The Group is exposed to risk that political or economic upheaval in any of the countries in which the Group sells its products, or in the regions surrounding those countries, may impact the Group's business, results of operations or financial performance. Political changes in a country could prevent the Group from receiving remittances of profit from a member of the Group located in that country or from selling its investments in that country. Furthermore, legislative measures in a country could result in changes in tariffs, import quotas or taxation that could adversely affect the Group's business, results of operations or financial performance. Terrorist activities and on-going global political uncertainties could also adversely impact the Group. Political or economic upheaval in any of the countries where the Group has its manufacturing facilities may prejudice the Group's ability to continue manufacturing from the relevant facility, the enforceability of the Group's rights in relation to the relevant facility and to distribute the products manufactured at those facilities to the Group's distribution network and/or its customers.

Furthermore, economic sanctions and restrictions on exports and other transfers of goods may be implemented by the U.S. and the EU in relation to certain countries in which the Group does business. The U.S. and the EU have also enacted sanctions that prohibit transactions by U.S. or EU persons and entities involving certain specially designated individuals and entities from sanctioned countries or participating in sanctioned activities including, but not limited to, terrorism and drug trafficking. Changes in these regulations and their enforcement could affect the Group's sales to such countries. In addition, failure to comply with these regulations could result in significant fines, debarment from the ability to contract with the U.S. government or its agencies, as well as reputational damage. Any of the foregoing could result in a material adverse effect on the Group's business, results of operations or financial performance.

***Tax risks***

The Group conducts its operations through companies in a number of countries. The Group's interpretation of all applicable laws, tax treaties and tax regulations, or its interpretation of how these or established administrative practices are interpreted by the relevant authorities, might be challenged by the relevant authorities. Such rules may over time also be subject to change, possibly with retroactive effect. If changes to the tax rules, or their interpretation by the relevant tax authorities, arise, this may adversely impact the Group's business, results of operations or financial performance.

***If interest rates rise, the Group's net result may decline due to higher borrowing costs***

To limit the effects of interest rate variations, the Group policy is that 50-100 per cent. of external funding should be held with fixed interest. This can be done by issuing fixed rate debt or entering into derivative contracts. The weighted average duration of fixed interest should be between six months and eight years in each currency. The Group has borrowings which, as at 31 December 2022, stood at €1,893 million, all with fixed interest for an average duration of 4.3 years as at 31 December 2022. A EUR/USD cross currency swap was entered into in June 2022 of EUR 500 million. Going from fixed EUR interest (inflow) to fixed USD interest (outflow) increased the average interest rate

to 1.65 per cent. Any significant increase in the Group's borrowings, the portion of borrowings with a variable interest or the average rate of interest payable would increase its cost of borrowing and reduce its profitability.

***The Group's international operations, particularly those in developing countries, expose the Group to risks related to conducting business outside developed markets and could cause reputational damage***

As the Group increases its operations in developing countries, its exposure to suppliers, vendors, agents and intermediaries in those markets will also increase and the Group will become increasingly dependent on local distributors for compliance and adherence to local laws and regulations with which the Group may not be familiar. The Group can give no assurances that any of its distributors, suppliers, vendors, agents and intermediaries whether located in those emerging markets or elsewhere will adhere to such laws and regulations or adhere to the Group's own business practices and policies. Any violation of laws and regulations by local distributors, suppliers, vendors, agents or intermediaries or a failure of such distributors to comply with the Group's business practices and policies could result in legal investigation and/or prosecution and/or regulatory sanctions against the Group and potentially damage the Group's reputation in that respective market. A failure by the Group to manage these risks effectively could have a material adverse effect on its business, results of operations and financial condition.

***A major IT systems failure could have an adverse effect on the Group's business, results of operations or financial performance***

The Group is reliant on its IT systems in the ordinary course of its business and as a result of the geographical spread and integrated structure of its operations. Some of these systems are managed by third parties. The Group's systems process, transmit and store electronic information and manage or support a variety of business processes and activities. In addition, the Group collects and stores sensitive data, including proprietary business information and customer data which may be subject to data protection regulation.

Despite security measures and business continuity plans, the Group's information technology networks and infrastructure may be vulnerable to damage, disruptions or shutdowns due to cyber-attack, employee error, fraud or misconduct, power outages, computer viruses, telecommunications failures, system failures, inadequate security or controls giving access to third parties, natural disasters or other catastrophic events. Any major failure of the Group's IT systems, including but not limited to a lack of adequate back-up and disaster recovery systems, could seriously impede the Group's operations and could have a detrimental effect on the Group's reputation and its business, results of operations or financial performance. In certain cases, the Group could also be exposed to legal claims or proceedings, liability and penalties under privacy laws.

***Product quality and safety issues may result in damage to the reputation of the Group's brands, may affect its relationship with its customers and may result in substantial claims being made against the Group, which may not be covered by the Group's insurance policies***

The Group's products are subject to a number of supply and manufacture processes, many of which are highly exacting and complex. A failure to control the quality of these processes, an inherent defect in one of the Group's products which arises despite the fact that it has been correctly manufactured and has received all necessary regulatory approvals, the failure to provide adequate product instructions, or the occurrence of some other, perhaps external event (for example, a third-party contamination or tampering incident), may result in the need to take remedial action such as issuing warnings or withdrawing one or more batches of the Group's products. The Group relies to a significant extent on the strength of its brands and reputation. Unfavourable publicity concerning any of the Group's products or brands, whether caused by such events or otherwise, may harm the Group's relationship with its customers and may damage the reputation of the Group and the brand in question.

In addition, any such issues may result in substantial claims against the Group, the scope of such claims being dependent upon the nature of the product and the extent of the deficiency. Although the Group carries product liability

insurance cover, it is possible that a particular event may not fall within the scope of such insurance coverage or may exceed the financial limits on that insurance.

Any of these circumstances may have an adverse effect on the results of the Group's business, results of operations or financial performance.

***The Group may not be able to attract and retain suitably qualified personnel or deter fraudulent acts***

It is important for the Group to be able to attract and retain suitably qualified management and personnel at all levels. In particular, the Group depends on its sales force to market and sell its products and the success of such sales and marketing efforts depends to a significant extent on the personal relationships between particular sales representatives and their customers. The Group faces competition for scientific and technical personnel from other companies, academic institutions, government entities and organisations. Loss of the services of, or failure to recruit, key technical or sales personnel could be materially detrimental to the Group's business, results of operations or financial performance.

It is not always possible to deter both external and employee fraud or misconduct and the precautions that the Group takes to prevent and detect such acts may not be effective in all cases. Any such fraud or misconduct may have an adverse impact on the Group's reputation and on its business, results of operations or financial performance.

***The Group may not be able to establish, protect and enforce its proprietary rights***

Patents and other intellectual property rights provide a level of protection and a barrier to new entrants and copycat products, although, in practice, there are other barriers including branding, sales force distribution and the accumulation of process know-how. Where appropriate, the Group seeks the protection of patents, trademarks and other intellectual property rights. As such, the success of the Group depends, to a certain extent, on its ability to establish, protect and enforce proprietary rights in relation to the manufacture, use and sale of its existing and proposed products.

There can be no assurance that all patent applications will mature into granted patents or that any existing patents, patents which may be issued, or protection under patents owned by third parties, will provide the Group with sufficient protection in the case of an infringement of its technology or that competitors will not independently develop technology comparable with or superior to that employed by the Group. There can be no assurance that existing patents will provide any competitive advantage to the Group or that they will not be successfully challenged, revoked or circumvented in the future. In addition, there can be no assurance that competitors will not seek to apply for and obtain patents that will prevent, limit or interfere with the Group's ability to make, use and sell its current or potential products internationally.

The Group uses certain patents under licence from third parties. Any decision by such third parties to withdraw or limit such licences, whether or not in breach of its terms, may have a material adverse effect on the Group's business, results of operations or financial performance.

Certain of the Group's products and processes constitute trade secrets. Other parties may breach confidentiality agreements or other protective contracts entered into and the Group may not be able to enforce its rights, or repair the injuries it suffers, in the event of these breaches.

Although the Group believes that the products sold by it do not infringe the patents or violate the proprietary rights of others, it is not possible to determine conclusively that such infringement or violation has not occurred or will not occur. Even if the Group has breached any third party rights, it may become involved in litigation where third parties assert such breaches. All such litigation is expensive and uncertain in nature. Where the Group fails to defend any litigation successfully, it could incur substantial damages and it may be prevented from selling certain products.

***The Group may be required to enforce or defend its proprietary rights through formal proceedings which are costly and time-consuming and the outcome is uncertain***

The defence and prosecution of intellectual property litigation and related legal and administrative proceedings involve complex legal and technical questions. As a result, such proceedings, which may be necessary to enforce patents, protect know-how or determine the scope of proprietary rights, are costly and time-consuming to pursue and their outcome is uncertain. Such proceedings may lead to a significant diversion of effort by the Group's technical and management personnel. An adverse determination in litigation or proceedings could:

- subject the Group to significant liabilities in damages to third parties or an injunction preventing it from manufacturing, selling or using some of its products;
- require the Group to seek licences from third parties; or
- prevent the Group from selling its products in certain industries, geographical areas, or at all.

Although patent and intellectual property disputes may be settled through licensing or similar arrangements, the costs associated with such arrangements may be substantial and could include the payment of on-going royalties. Furthermore, the necessary licences may not be available to the Group on satisfactory terms, if at all.

***Failure to manage and integrate future acquisitions by the Group may have an adverse effect on the results of its operations***

The Group has historically made acquisitions and its strategy envisions future acquisitions of complementary products or businesses. Any future material acquisitions may significantly affect the Group's business, results of operations or financial performance. Furthermore, any new acquisitions will require the attention of the Group's management and may require the diversion of other resources. The Group may encounter difficulties in managing future acquisitions profitably or in integrating such acquisitions successfully without substantial costs, delays or other problems. The Group may also encounter difficulties in the assimilation of different corporate structures and management and decision-making practices which, if not applied consistently across the Group's business, could lead to inaccurate management of business performance and increased costs.

In addition, any products or businesses that may be acquired may not achieve, and any products and businesses recently acquired may not continue to achieve, levels of profitability that would justify the investment which the Group makes or has made in them. The Group's ability to pursue its strategy and to expand its business in the future may be affected if it is unable to identify, consummate and integrate acquisitions successfully and ensure the business is being managed consistently and efficiently across the whole Group.

***Pension risk***

Pension risk is the risk that there may be insufficient assets to meet the liabilities of the Group's defined benefit pension schemes.

The Group offers pension benefits in most countries in which it operates, although these vary depending on the local situation and local laws. These commitments are either covered by external funds or insurance or the pension liability provisions are recorded in the Group's financial statements. Where externally funded, all external funding complies with local minimum funding regulations. Where funded via a separate trustee-administered pension plan (as in the U.S.) the net difference between assets and liabilities is carried on the balance sheet. Where insured with an insurance company (as in Belgium, the Netherlands and Norway) the net difference between the insurance policy assets and the liability is carried on the balance sheet. Where completely unfunded (as in Germany and for part of the entitlement in Sweden) the unfunded liability is carried on the balance sheet. Another part of the Swedish pension plan, secured by insurance with Alecta, is, based on recommendation from The Swedish Financial Accounting Standards Council's

Interpretations Committee, not carried on the balance sheet even though it is a defined benefit pension multi-employer plan. All amounts recorded in the financial statements are recognised in accordance with IAS19.

As at 31 December 2022, the Group had an aggregate net liability in respect of such pension benefits of €61.8 million. There can be no assurance that the Group's financial performance will not be adversely affected should unforeseen events relating to pension risks arise in the future, which would impact the ability of the Issuer to make payments in respect of the Notes.

### ***Factors which are material for the purpose of assessing the market risks associated with the Notes***

#### ***Risks relating to the Notes generally***

Set out below is a brief description of certain risks relating to the Notes generally:

#### ***The Issuer is a holding company with no revenue generating operations of its own***

The business of the Group is carried out through the operating subsidiaries of the Issuer and depends upon receipt of funds from those subsidiaries to fund payments in respect of the Notes. In addition, none of the subsidiaries of the Issuer have guaranteed the Notes. Noteholders will have a direct claim against the Issuer based on holding the Notes but will not have a direct claim against the Issuer's other operating subsidiaries. The right of the Noteholders is to receive payments under the Notes and this right will be structurally subordinated to all liabilities of operating subsidiaries in the Group.

#### ***Modification of the Notes***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Issuer may, without the consent of Noteholders, permit any modification of any of the Conditions or the terms of the fiscal agency agreement relating to the Notes (the "**Agency Agreement**") for the purpose of curing, correcting or supplementing any defective provisions contained in the Conditions or the Agency Agreement or in any manner which could not reasonably be expected to be materially prejudicial to the interests of the Noteholders. The Conditions further provide that no consent or the approval of the Noteholders or Couponholders will be required to give effect to any Benchmark Amendments (as defined in the Conditions).

#### ***A change in English law which governs the Notes may adversely affect Noteholders***

The Conditions are governed by English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

#### ***Enforceability of judgments***

The Issuer has submitted to the jurisdiction of the courts of England in the Conditions of the Notes. As at the date of this Offering Circular, the UK has not entered into any agreement, treaty or instrument with either the EU or Sweden which relates to mutual recognition and enforcement of judgements that may be delivered in connection with the Notes. As a result, a final judgment in civil or commercial matters relating to the Notes obtained in the courts of England against the Issuer will, in principle, neither be recognised nor enforceable in Sweden. However, if a Noteholder brings a new action in a competent court in Sweden, the final judgment rendered in an English court may be submitted to the Swedish court, but will only be regarded as evidence of the outcome of the dispute to which such judgment relates, and the Swedish court has full discretion to rehear the dispute *ab initio*. Any retrial on a judgment's merits could significantly delay or prevent the enforcement by Noteholders of the Issuer's obligations under the Notes.

***The Notes may be represented by Global Notes or Global Certificates and holders of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s).***

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes and Global Certificates will be deposited with a common depository for Euroclear and Clearstream, Luxembourg, (each of Euroclear and Clearstream, Luxembourg, a “Clearing System”).

Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive definitive Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes and the Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by one or more Global Notes or Global Certificates, the Issuer will discharge its payment obligations under the Notes by making payments to the relevant Clearing Systems for distribution to their account holders. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes and the Global Certificates.

Holders of beneficial interests in the Global Notes and the Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies.

***Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.***

Notes may be issued with a minimum denomination. The Pricing Supplement for a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note or a Global Certificate and the relevant Clearing System(s) so permit, the Notes will be tradable in nominal amounts (a) equal to, or integral multiples of, the minimum denomination, and (b) the minimum denomination plus integral multiples of an amount lower than the minimum denomination.

Definitive Notes will only be issued if the relevant Clearing System(s) is/are closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business. The Pricing Supplement may provide that, if Definitive Notes are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Issuer (including rights to receive principal or interest or to vote) in respect of such Notes.

#### ***Risks relating to a particular issue of Notes***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

***The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to such “benchmarks”***

Interest rates and indices which are deemed to be “benchmarks”, (including the Euro Interbank Offered Rate (“EURIBOR”) the Stockholm Interbank Offered Rate (“STIBOR”)) are the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing benchmarks, the progressive transition of existing and future activity to reference different rates and indices, with further changes anticipated. These reforms may cause such benchmarks to perform differently than in the past, to



disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the “**EU Benchmarks Regulation**”) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the “**UK Benchmarks Regulation**”) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (the “**FCA**”) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Work is underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on Euro risk-free rates (the “**Working Group**”) recommended Euro Short-term Rate (“**ESTR**”) as the new risk-free rate. ESTR was published by the European Central Bank (the “**ECB**”) in October 2019. In addition, on 21 January 2019, the Working Group published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the Working Group published its recommendations on EURIBOR fallback trigger events and fallback rates. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing or otherwise depending (in whole or in part) upon, a benchmark.

It is not possible to predict with certainty whether, and to what extent, EURIBOR and STIBOR will continue to be supported going forward. This may cause EURIBOR and STIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted.

The Terms and Conditions of Notes provide for certain fallback arrangements in the event that a Benchmark Event (as defined in the Conditions) occurs, including if an Original Reference Rate and/or any screen page on which an Original Reference Rate may be published, becomes unavailable, or if the Issuer, the Fiscal Agent, the Calculation Agent, any Paying Agent or any other party responsible for the calculation of the Rate of Interest (as specified in the relevant Pricing Supplement) are no longer permitted lawfully to calculate interest on any Notes by reference to such an Original Reference Rate under the Benchmarks Regulation or otherwise. Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Rate (both as

defined in the Conditions), with the application of an adjustment spread and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the successor or alternative benchmark, all as determined by the Independent Advisor (acting in good faith and in a commercially reasonable manner). An adjustment spread could be positive or negative or zero and would be applied with a view to reducing or eliminating to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of an Original Reference Rate. However, it may not be possible to determine or apply an adjustment spread and even if an adjustment is applied, such adjustment spread may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment spread can be determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Rate of Interest. The use of a Successor Rate or Alternative Rate (including with the application of an adjustment spread) will still result in any Notes linked to or referencing an Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Rate or (in either case) Adjustment Spread is determined, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. Due to the uncertainty concerning the availability of Successor Rates and Alternative Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes referencing a benchmark.

***Notes subject to optional redemption by the Issuer may have a lower market value than Notes that cannot be redeemed.***

The Notes may be redeemed at the option of the Issuer pursuant to Condition 6(c) (*Redemption for Taxation and Other Reasons*), Condition 6(d) (*Redemption at the Option of the Issuer (Issuer Call)*) and Condition 6(e) (*Redemption at the Option of the Issuer (Issuer Par Call)*) of the Terms and Conditions of the Notes. An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***The market prices of Notes issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities.***

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest bearing securities with comparable maturities.

***Fixed/Floating Rate Notes***

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary

market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

### ***Risks relating to the market generally***

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### ***Notes issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity.***

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no established trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued), and one may never develop. If a market does develop, it may not be liquid. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances investors may not be able to sell their Notes at all or at their fair market value. Although application has been made to the Luxembourg Stock Exchange for the Notes issued under the Programme to be admitted to listing on the Official List and to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. In addition, the market for investment grade has been subject to disruptions that have caused volatility in prices of securities similar to the Notes issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

#### ***Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected.***

The Issuer will pay principal and interest on the Notes in the currency specified in the relevant Pricing Supplement (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (a) the Investor's Currency-equivalent yield on the Notes, (b) the Investor's Currency equivalent value of the principal payable on the Notes, and (c) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### ***Changes in market interest rates may adversely affect the value of the Fixed Rate Notes.***

Investment in the Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

***The ratings of the Notes may be downgraded or withdrawn***

Each Tranche of Notes may be rated or unrated, as specified in the relevant Pricing Supplement. The rating represents the opinion of the relevant rating agency and its assessment of the ability of the Issuer to perform its obligations under the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating is not a recommendation to buy, sell or hold securities. The rating can be lowered or withdrawn at any time. The Issuer is not obliged to inform holders of the Notes if a rating is lowered or withdrawn. A reduction or withdrawal of a rating may adversely affect the market price of the Notes.

## Terms and Conditions of the Notes

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme. References in these Conditions to “www.bourse.lu” should be read to mean “www.luxse.com”.*

The Notes are issued pursuant to an Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 13 June 2022 between the Issuer, Deutsche Bank AG, London Branch as fiscal agent and the other agents named in it and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the “**Deed of Covenant**”) dated 23 August 2019 executed by the Issuer in relation to the Notes. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Registrar**”, the “**Transfer Agents**” and the “**Calculation Agent(s)**”. The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these terms and conditions (the “**Conditions**”), “**Tranche**” means Notes which are identical in all respects.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

### 1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of

any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

## 2 No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(f)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d),

“**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (e) **Transfer Free of Charge:** Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

### 3 Status

The Notes and the Coupons constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

### 4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Agency Agreement), the Issuer will not, and will ensure that none of its Material Subsidiaries (as defined below) will, create or have outstanding any mortgage, charge, lien (not being a lien arising solely by operation of law), pledge or other security interest (“**Security**”) upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Notes and Coupons the same Security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other Security or other arrangement (whether or not it includes the giving of Security) as shall first be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders, provided that the foregoing provisions shall not apply to any Security (i) arising by operation of law; or (ii) created by an entity which becomes a Material Subsidiary after the date of creation of such Security where the Security was not created in connection with or in contemplation of such entity becoming a Material Subsidiary and does not extend to or cover any undertaking, assets or revenues (including any uncalled capital) of the Issuer or any of its other Material Subsidiaries.

In these Conditions:

- (a) “**Relevant Indebtedness**” means any indebtedness for borrowed money which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;
- (b) “**Subsidiary**” means any entity (i) whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer, (ii) more than 50 per cent. of whose voting share capital is owned or controlled, directly or indirectly, by the Issuer or by one or more Subsidiaries of the Issuer or (iii) in respect of which the Issuer is entitled to appoint or remove a majority of the board of directors;

- (c) **“Material Subsidiary”** means each Subsidiary of the Issuer the EBITDA of which (on an unconsolidated basis) as at the date at which its latest audited financial statements were prepared or, as the case may be, for the financial period to which those financial statements relate accounts for 7.5 per cent. or more of the Consolidated EBITDA (all as calculated by reference to the latest audited consolidated financial statements of the Issuer), provided that if a Subsidiary has been acquired since the date as at which the latest audited consolidated financial statements of the Issuer were prepared, the financial statements shall be deemed to be adjusted in order to take into account the acquisition of that Subsidiary (that adjustment being certified by the auditors as representing an accurate reflection of the Consolidated EBITDA of the Issuer). A report by the auditors that a Subsidiary is or is not a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties; and
- (d) **“Consolidated EBITDA”** means, for any financial period, the consolidated profit or loss of the Issuer and its Subsidiaries (the **“Group”**), as shown in the income statement:
- (i) **before deducting** any income tax expense, as shown in the income statement;
  - (ii) **before deducting** any finance costs and excluding any finance income, as shown in the income statement;
  - (iii) **after adding back** any amount attributable to the amortisation or depreciation of assets of the Group or any members of the Group;
  - (iv) **before taking into account** any exceptional items of a one-off or non-recurring nature (including, without limitation, the costs associated with any restructuring programme or with any disposal not made in the ordinary course of business);
  - (v) **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 on any upward or downward revaluation of any asset (including without limitation any impairment of goodwill);
  - (vi) **before taking in to account** any unrealised gains or loss on any derivative instrument;
  - (vii) **after deducting** the amount of profit (or adding back the amount of any loss) of any member of the Group which is attributable to non-controlling interests; and
  - (viii) **after excluding** any amortisation or gains or losses under IFRS 9 arising from the discontinuation of hedging agreements,

where, for the purposes of this definition, the exchange rate to be used shall be the exchange rate used in the financial statements of the Group for the relevant financial period.

Consolidated EBITDA shall be adjusted by including (or excluding), on a pro-forma basis, EBITDA attributable to companies or businesses acquired (or divested) during the relevant financial period as if they had been acquired (or divested) on the first day of the relevant financial period.

## 5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f).



(b) **Interest on Floating Rate Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to Screen Rate Determination shall apply.

(A) Screen Rate Determination for Floating Rate Notes

- (x) Subject to Condition 5(b)(iii)(C), where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (Brussels time in the case of EURIBOR, or Stockholm time in the case of STIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than EURIBOR or STIBOR, the Rate of Interest will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or, if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is STIBOR, the principal Stockholm office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is STIBOR, at approximately 11.00 a.m. (Stockholm time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to the Calculation Agent (at the request of the Issuer) by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is STIBOR, at approximately 11.00 a.m. (Stockholm time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is STIBOR, the Stockholm inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is STIBOR, at approximately 11.00 a.m. (Stockholm time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is STIBOR, the Stockholm inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(B) Linear Interpolation

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the

relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) , which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as the Issuer in consultation with an Independent Adviser determines appropriate and notifies to it.

“**Applicable Maturity**” means in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

“**Independent Adviser**” means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, appointed by the Issuer for the purposes of determining the Rate of Interest in accordance with this Condition 5(b)(iii)(B). For the avoidance of doubt, an Independent Adviser appointed pursuant to Condition 5(b)(iii)(B) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Calculation Agent, the Noteholders or the Couponholders for any determination made by it pursuant to Condition 5(b)(iii)(C).

(C) Benchmark Discontinuation

Notwithstanding the provisions above in this Condition 5, if the Issuer, in consultation with the party responsible for determining the Rate of Interest (being the Fiscal Agent, the Paying Agents, the Calculation Agent or such other party specified hereon, as applicable), determines that a Benchmark Event occurs in relation to an Original Reference Rate at any time when the Conditions provide for any Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply:

(a) *Independent Adviser*

The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine (acting in good faith and in a commercially reasonable manner) a Successor Rate, failing which an Alternative Rate (in accordance with 5(b)(iii)(C)(b)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(b)(iii)(C)(d) no later than five Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the “**IA Determination Cut-off Date**”) for purposes of determining the Rate of Interest applicable to the Notes for such next succeeding Interest Period and for all future Interest Periods (subject to the subsequent operation of this Condition 5(b)(iii)(C) during any other future Interest Period(s)).

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or Alternative Rate (as applicable) or, in either case, an Adjustment Spread pursuant to this provision prior to the IA Determination Cut-off Date, the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided elsewhere in these Conditions will continue to apply to such determination.

(b) *Successor Rate or Alternative Rate*

If the Independent Adviser (acting in good faith and in a commercially reasonable manner) determines that:

- (A) there is a Successor Rate, then such Successor Rate (as adjusted by the applicable Adjustment Spread) shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iii)(C)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate (as adjusted by the applicable Adjustment Spread) shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iii)(C)).

(c) *Adjustment Spread*

If a Successor Rate or Alternative Rate is determined in accordance with Condition 5(b)(iii)(C)(b), the Independent Adviser acting in good faith and in a commercially reasonable manner shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable), subject to the subsequent further operation and adjustment as provided in this Condition 5(b)(iii)(C)(d);

(d) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(b)(iii)(C) and the Independent Adviser (acting in good faith and in a commercially reasonable manner) determines (i) that amendments to these Conditions or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(b)(iii)(C)(e), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, the Fiscal Agent, the Paying Agents, the Calculation Agent, the Registrar and the Transfer Agents shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments required to the Agency Agreement and these Conditions.

Notwithstanding any other provision of this Condition 5(b)(iii)(C), neither the Fiscal Agent nor the Calculation Agent is obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 5(b)(iii)(C) which, in the sole opinion of the Fiscal Agent or the Calculation Agent (as

applicable), would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement, as applicable.

In connection with any such variation in accordance with this Condition 5(b)(iii)(C)(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(e) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5(b)(iii)(C) will be notified no later than the IA Determination Cut-off Date by the Issuer to the Calculation Agent, the Paying Agents and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Fiscal Agent, the Calculation Agent and the Paying Agents a certificate signed by two authorised signatories of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(b)(iii)(C); and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Fiscal Agent shall display such certificate at its offices, for inspection by the Noteholders at all reasonable times during normal business hours.

Each of the Fiscal Agent, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Fiscal Agent's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(f) *Survival of the Original Reference Rate*

Without prejudice to the obligations of the Issuer under Conditions 5(b)(iii)(C)(a), 5(b)(iii)(C)(b), 5(b)(iii)(C)(c) and 5(b)(iii)(C)(d), the Original Reference Rate and the fallback provisions provided for in Conditions 5(b)(iii)(A)(y) and (z) will continue to apply unless and until the party responsible for determining the Rate of Interest (being the Fiscal Agent, the Calculation Agent or such other party specified hereon, as applicable) has been notified of the Successor Rate or the Alternative Rate (as the case may be), or, in either case, the applicable Adjustment Spread and Benchmark Amendments (if applicable), in accordance with Condition 5(b)(iii)(C)(e).

If, in the case of any Benchmark Event, any Successor Rate, Alternative Rate and/or Adjustment Spread is notified to the Fiscal Agent or, as applicable, the Calculation Agent pursuant to Condition 5(b)(iii)(C)(e), and the Fiscal Agent or, as applicable, the Calculation Agent is in any way uncertain as to the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Rate of Interest (or any component part thereof), it shall promptly notify the Issuer thereof and the Issuer shall direct the Fiscal Agent or, as applicable, the Calculation Agent in writing (which direction may be by way of a written determination of an Independent Advisor) as to which course of action to adopt in the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the determination of such Rate of Interest. If the Fiscal Agent or, as applicable, the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Fiscal Agent or, as applicable, the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Fiscal Agent or, as applicable, the Calculation Agent remains uncertain of the application of the Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Rate of Interest (or any component part thereof), the Original Reference Rate and the fallback provisions provided for in Conditions 5(b)(iii)(C)(y) and (z) will continue to apply will continue to apply.

For the avoidance of doubt, none of the Fiscal Agent, any Paying Agent and the Calculation Agent shall be obliged to monitor or inquire whether a Benchmark Event has occurred or have any liability in respect thereof.

(g) *Definitions:*

As used in this Condition 5(b)(iii)(C):

“**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case, which the Independent Advisor acting in good faith and in a commercially reasonable manner determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- A. in the case of a Successor Rate, is formally recommended or formally provided as an option for parties to adopt in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- B. if no such recommendation has been made or made available, or in the case of an Alternative Rate, the Independent Adviser acting in good faith determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- C. if the Independent Adviser determines that no such spread is customarily applied, the Independent Adviser acting in good faith determines to be appropriate to reduce or eliminate to the fullest extent reasonably practicable in the circumstances any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

“**Alternative Rate**” means an alternative to the Original Reference Rate which the Independent Adviser acting in good faith determines in accordance with Condition 5(b)(iii)(C)(u) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes or, if the Independent Adviser determines there is no such rate, such other rate as the Independent Adviser acting in good faith determines is most comparable to the Original Reference Rate.

“**Benchmark Amendments**” has the meaning given to it in Condition 5(b)(iii)(C)(w).

“**Benchmark Event**” means:

- A. the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- B. the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling three months prior to the date specified in (i); or
- C. a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been permanently or indefinitely discontinued; or
- D. the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a certain date, be permanently or indefinitely discontinued and (ii) the date falling three months prior to the date specified in (i); or
- E. the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, in each case on or before a specified date and (ii) the date falling three months prior to the date specified in (i); or
- F. it has or will before the next Interest Determination Date become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011 or under the Benchmarks Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, if applicable); or
- G. a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is or will be deemed by such supervisor to be no longer representative of its relevant underlying market.

“**Independent Adviser**” means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in

each case appointed by the Issuer under Condition 5(b)(iii)(C)(a). For the avoidance of doubt, an Independent Adviser appointed pursuant to Condition 5(b)(iii)(C) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to Condition 5(b)(iii)(C).

“**Original Reference Rate**” means the originally-specified Reference Rate used to determine the Rate of Interest (or any component part thereof) in respect of any Interest Periods(s) (provided that if, following one or more Benchmark Events, such originally-specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term “Original Reference Rate” shall include any such Successor Rate of Alternative Rate).

“**Relevant Nominating Body**” means, in respect of an Original Reference Rate:

- A. the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- B. any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the Original Reference Rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof.

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (d) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (e) **Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding:**
  - (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph
  - (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be



- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (f) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Change of Control Redemption Amount and Clean-Up Call Redemption Amount:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Change of Control Redemption Amount or Clean-up Call Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Change of Control Redemption Amount, Clean-up Call Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (h) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the TARGET System is operating (a “**TARGET Business Day**”) and/or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual - ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/365 (Sterling)**” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30

- (vii) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30

- (viii) if “**Actual/Actual-ICMA**” is specified hereon,

if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in

such Determination Period and (y) the number of Determination Periods normally ending in any year; and

if the Calculation Period is longer than one Determination Period, the sum of:

- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

**“Determination Period”** means the period from and including a Determination Date in any year to but excluding the next Determination Date

**“Determination Date”** means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

**“Euro-zone”** means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

**“Interest Accrual Period”** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date

**“Interest Amount”** means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period

**“Interest Commencement Date”** means the Issue Date or such other date as may be specified hereon

**“Interest Determination Date”** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro

**“Interest Period”** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified hereon

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified hereon

“**Rate of Interest**” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon

“**Reference Banks**” means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in the case of a determination of STIBOR, the principal Stockholm office of four major banks in the Stockholm inter-bank market, in each case selected by the Issuer or as specified hereon

“**Reference Rate**” means the rate specified as such hereon

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service)

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (i) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Change of Control Redemption Amount or Clean-up Call Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

## **6 Redemption, Purchase and Options**

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).
- (b) **Early Redemption:**
- (i) *Zero Coupon Notes:*
- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f) or Condition 6(g) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f) or Condition 6(g) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f) or Condition 6(g) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation and other Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Sweden or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.
- (d) **Redemption at the Option of the Issuer (Issuer Call):**
  - (i) If Issuer Call is specified as being applicable hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be

specified hereon) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to (but excluding) the Optional Redemption Date.

- (ii) If Spens Amount or Make-whole Amount is specified hereon as the Optional Redemption Amount, any such notice of redemption may, at the Issuer's discretion, be subject to one or more conditions precedent, in which case such notice shall state that, in the Issuer's discretion, the Optional Redemption Date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date, or by the Optional Redemption Date so delayed.
- (iii) If either Spens Amount or Make-whole Amount is specified hereon as the Optional Redemption Amount, the Optional Redemption Amount will be equal to the higher of the following:
  - (A) the nominal amount outstanding of the Notes to be redeemed; and
  - (B) (x) if Spens Amount is specified hereon as the Optional Redemption Amount, the nominal amount outstanding of the Notes to be redeemed multiplied by the price, as reported to the issuer by the Determination Agent, at which the gross redemption yield to maturity on such Notes on the Reference Date is equal to the Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time specified hereon on the Reference Date of the Reference Bond, plus the Redemption Margin; or (y) if Make-whole Amount is specified hereon as the Optional Redemption Amount, the sum of the present values of the nominal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Notes (exclusive of interest accrued to the date of redemption) and such present values shall be calculated by discounting such amounts to the date of redemption on an annual basis (based on the Day Count Fraction specified in the applicable Pricing Supplement) at the Reference Bond Rate, plus any applicable Redemption Margin specified hereon, in each case as determined by the Determination Agent.

Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount specified hereon and no greater than the Maximum Redemption Amount specified hereon.

Subject to Condition 6(d)(ii) above, all Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In this Condition:

“**DA Selected Bond**” means a government security or securities (which if the Specified Currency is Euro, will be a German *Bundesobligationen*) selected by the Determination Agent as having an actual or interpolated maturity comparable with the remaining term of the Notes, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new

issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the remaining term of the Notes;

“**Determination Agent**” means a leading investment bank or financial institution of international standing selected by the Issuer;

“**Gross Redemption Yield**” means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper “Formulae for Calculating Gilt Prices from Yields”, page 4, Section One: Price/Yield Formulae “Conventional Gilts”; “Double dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date” (published 8 June 1998, as amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent;

“**Reference Bond**” means the Reference Bond specified hereon or the DA Selected Bond;

“**Reference Bond Price**” means, with respect to any date of redemption, (a) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (b) if the Determination Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

“**Reference Bond Rate**” means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

“**Reference Date**” will be set out in the relevant notice of redemption;

“**Reference Government Bond Dealer**” means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and any date of redemption, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time on the Reference Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer; and

“**Remaining Term Interest**” means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term to maturity of such Note (or, if Issuer Par Call is specified hereon as being applicable, the remaining term up to the Par Call Period Commencement Date) determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 6(d).

- (e) **Redemption at the Option of the Issuer (Issuer Par Call):** If Issuer Par Call is specified hereon as being applicable, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all, but not some, of the



Notes at any time during the Par Call Period as specified hereon. Any such redemption of Notes shall be at their Final Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption.

- (f) **Redemption at the Option of Noteholders:** If Put Option is specified hereon as being applicable, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to (but excluding) the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (g) **Change of Control Put Option:** If Change of Control Put Option is specified hereon as being applicable and if at any time while any Note remains outstanding and a Change of Control Put Event occurs, the holder of any such Note will have the option (a "**Change of Control Put Option**") (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under Condition 6(c), 6(d) above or 6(e) above) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Put Date (as defined below) at its Change of Control Redemption Amount specified hereon together with interest accrued to (but excluding) the Change of Control Put Date.

A "**Change of Control Put Event**" will be deemed to occur if:

- (i) a Change of Control (as defined below) and, if at the start of the Change of Control Period the Notes are rated by any Rating Agency, a Rating Downgrade occurs within the Change of Control Period, provided that the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such Rating Downgrade resulted, in whole or part, from or in connection with the occurrence of the Change of Control; or
- (ii) a Change of Control and, at the time of the occurrence of the Change of Control, the Notes are not rated by any Rating Agency and, within the Change of Control Period, the Issuer fails to obtain an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being, or better) of the Notes or otherwise of its unsecured and unsubordinated long-term debt generally from a Rating Agency.

In these Conditions:

- (i) a "**Change of Control**" shall be deemed to have occurred each time (whether or not approved by the board of directors of the Issuer) that any person or persons acting in concert or any person or persons acting on behalf of any such person(s) (the "**Relevant Person(s)**") at any time, directly or indirectly, come(s) to own or acquire(s) (A) more than 50 per cent. of the issued ordinary share capital of the Issuer or (B) such number of shares in the capital of the Issuer as carries more than 50

per cent. of the voting rights normally exercisable at a general meeting of the Issuer, provided that a Change of Control shall not be deemed to have occurred if:

- (A) an event which would otherwise have constituted a Change of Control occurs or is carried out for the purpose of a reorganisation on terms approved in writing by an Extraordinary Resolution of the Noteholders; or
  - (B) all or substantially all of the shareholders of the Relevant Person immediately after the event which would otherwise have constituted a Change of Control were the shareholders of the Issuer with the same (or substantially similar) *pro rata* economic interests in the share capital of the Relevant Person as such shareholders had in the share capital of Issuer immediately prior to such event taking place, provided that such event is not part of a pre-determined series of events which, taken together, would have constituted a Change of Control;
- (ii) “**Change of Control Period**” means the period (A) commencing on the date that is the earlier of (x) the date of the first public announcement of the relevant Change of Control and (y) the date of the earliest Potential Change of Control Announcement (as defined below), if any, and (B) ending on the date which is 120 days after the date of the first public announcement of the relevant Change of Control (such 120th day, the “**Initial Longstop Date**”); provided that, unless any other Rating Agency has on or prior to the Initial Longstop Date effected a Rating Downgrade in respect of its rating of the Notes, if a Rating Agency publicly announces, at any time during the period commencing on the date which is 60 days prior to the Initial Longstop Date and ending on the Initial Longstop Date, that it has placed its rating of the Notes under consideration for rating review either entirely or partially as a result of the relevant public announcement of the Change of Control or Potential Change of Control Announcement, the Change of Control Period shall be extended to the date which falls 90 days after the date of such public announcement by such Rating Agency;
- (iii) “**Potential Change of Control Announcement**” means any public announcement or statement by the Issuer, any actual or potential bidder or any designated advisor thereto relating to any specific and near-term potential Change of Control (where “**near-term**” shall mean that such potential Change of Control is reasonably likely to occur, or is publicly stated by the Issuer, any such actual or potential bidder or any such designated advisor to be intended to occur, within 120 days of the date of such announcement or statement);
- (iv) “**Rating Agency**” means any of the following: (A) S&P Global Ratings Europe Limited or (B) any other rating agency of equivalent international standing specified from time to time by the Issuer, and, in each case, their respective successors or affiliates; and
- (v) a “**Rating Downgrade**” shall be deemed to have occurred in respect of a Change of Control if, within the Change of Control Period, the rating previously assigned to the Notes by any Rating Agency is (A) withdrawn and such rating is not within the Change of Control Period reinstated to its earlier credit rating or better by such Rating Agency, or (B) changed from an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being, or better) to a non-investment grade rating (BB+/Ba1, or their respective equivalents for the time being, or worse) and such rating is not within the Change of Control Period upgraded to an investment grade rating by such Rating Agency or (C) if such rating previously assigned to the Notes by any Rating Agency was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+ to BB or their respective equivalents) and such rating is not within the Change of Control Period reinstated upgraded to its earlier credit rating or better by such Rating Agency.

Promptly but in any event within 21 days of the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer shall give notice (a “**Change of Control Put Event Notice**”) to the Noteholders

in accordance with Condition 14 specifying the nature of the Change of Control Put Event and the circumstances giving rise to it, the Change of Control Put Date (as defined below) and the procedure for exercising the Change of Control Put Option contained in this Condition 6(g).

To exercise the Change of Control Put Option, the exercising Noteholder of a Bearer Note must deposit any applicable Note, together with each unmatured Coupon relating thereto (if any), with any Paying Agent on any day within the period (the “**Change of Control Put Period**”) of 45 days after the day on which the Change of Control Put Event Notice is given, together with a duly signed and completed put option notice in the form (for the time being current) obtainable from any Paying Agent (“**Change of Control Put Notice**”). Subject to the deposit of any such Notes and unmatured Coupons relating thereto (if any) with a Paying Agent as described above, the Issuer shall redeem the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above on the date which is the fifth business day following the end of the Change of Control Put Period (the “**Change of Control Put Date**”). The Paying Agent with which a Note, unmatured Coupons relating thereto (if any) and duly completed Change of Control Put Notice have been so deposited shall deliver a duly completed Change of Control put option receipt to the depositing Noteholder. No Note, once so deposited with a duly completed Change of Control Put Notice in accordance with this Condition 6(g), may be withdrawn; provided, however, that if, prior to the Change of Control Put Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on or prior to the end of the Change of Control Put Period, payment of the redemption moneys is improperly withheld or refused on the Change of Control Put Date, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Change of Control Put Notice and shall hold such Note(s) and unmatured Coupons relating thereto (if any), at its specified office for collection by the depositing holder against surrender of the relevant Change of Control put option receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 6(g), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of the Note for all purposes.

To exercise the Change of Control Put Option, the holder of a Registered Note must deposit the Certificate evidencing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly signed and completed Change of Control Put Notice obtainable from the Registrar or any Transfer Agent within the Change of Control Put Period. No Certificate so deposited and option so exercised may be withdrawn without the prior consent of the Issuer.

The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

If 80 per cent. or more in principal amount of the Notes outstanding at the beginning of the Change of Control Period have been redeemed or purchased pursuant to the foregoing provisions of this Condition 6(g), the Issuer may, at its option, on not less than five nor more than 10 business days' notice to the Noteholders (given in accordance with Condition 14), but within 60 days after the Change of Control Put Date, redeem or, at its option, purchase (or procure the purchase of) all (but not some only) of the remaining Notes, each at its principal amount together with (or, where purchased, together with an amount equal to) interest accrued to (but excluding) the date of such redemption or purchase.

- (h) **Clean-up Call Option:** If the Clean-up Call Option is specified hereon as being applicable, in the event that Notes representing an aggregate amount equal to or exceeding 75 per cent. of the principal amount of the Notes have been purchased and cancelled or redeemed by the Issuer (other than as a result of the exercise by the relevant Issuer of its redemption right under Condition 6(d)) the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon), redeem on the date specified in such notice all, but not some only, of the

remaining outstanding Notes in that Series. Any such redemption of Notes shall be at their Clean-up Call Redemption Amount, together with any interest accrued to (but excluding) the date fixed for redemption.

In this Condition:

“**Clean-up Call Redemption Amount**” means in respect of any Note, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

- (i) **Purchases:** The Issuer and its Subsidiaries may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Such Notes may be held, resold or, at the option of the Issuer, surrendered for cancellation. The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or otherwise for the purposes of these Conditions.
- (j) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

## 7 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank.

“**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

- (b) **Registered Notes:**
  - (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
  - (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with

specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

- (d) **Payments Subject to Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8; and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent in a jurisdiction within Europe other than the jurisdiction in which the Issuer is incorporated and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

- (f) **Unmatured Coupons and unexchanged Talons:**
- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, those Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon shall be deducted from the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Change of Control Redemption Amount or Clean-up Call Redemption Amount as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
  - (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
  - (ii) (in the case of a payment in euro) which is a TARGET Business Day.

## 8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature (together “**Taxes**”) imposed, levied, collected, withheld or assessed by the Kingdom of Sweden or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and/or the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Note or Coupon by reason of his having some connection with the Kingdom of Sweden other than the mere holding of the Note or Coupon or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date (as defined

below) except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Change of Control Redemption Amounts, Clean-up Call Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition.

## 9 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Events of Default

If any of the following events (“**Events of Default**”) occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (a) **Non-Payment:** the Issuer fails to pay the principal of or any interest on any of the Notes when due and such failure continues for a period of seven days in the case of principal and 14 days in the case of interest; or
- (b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in respect of the Notes which default is incapable of remedy or is not remedied within 30 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder; or
- (c) **Cross-Default:** (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due (subject to any originally applicable grace period) any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised; provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred at any point in time equals or exceeds €40,000,000 or its equivalent in any other currency (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates); or

- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries where the value of the claim in respect of which such enforcement is made is in excess of €20,000,000 or its equivalent in any other currency (on the basis as aforesaid) when aggregated with the value of any other such claims and is not discharged or stayed within 30 days; or
- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) provided (i) that any such enforcement has not been discharged or stayed within 30 days, (ii) that the value of the claim in respect of which such enforcement is made is in excess of €10,000,000 or its equivalent in any other currency (on the basis as aforesaid) when aggregated with the value of any other such claims, and (iii) that the Issuer can demonstrate that any such proceedings are being contested by the Issuer or the Material Subsidiary in good faith, diligently and by appropriate proceedings in a competent court; or
- (f) **Insolvency:** the Issuer or any of its Material Subsidiaries is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any particular type of the debts of the Issuer or any of its Material Subsidiaries; or
- (g) **Winding-up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries, or the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution of the Noteholders or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries.

## 11 Meeting of Noteholders and Modifications

- (a) **Meetings of Noteholders:** The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any provisions of these Conditions (except with regards to any amendments to these Conditions made pursuant to Condition 5(b)(iii)(C)(e), which are excluded from the requirements of this Condition 11) or any provisions of the Agency Agreement. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption



Amount, the Early Redemption Amount, the Optional Redemption Amount the Change of Control Redemption Amount or the Clean-Up Call Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes or the Coupons or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.*

- (b) **Modification:** The Fiscal Agent may agree to, and the Issuer may permit, without the consent of the Noteholders or Couponholders, to any modification of any of these Conditions or the terms of the Agency Agreement either (i) for the purpose of curing, correcting or supplementing any defective provision contained herein or therein or (ii) in any manner which could not reasonably be expected to be materially prejudicial to the interests of the Noteholders. Each Agent has further agreed to concur with the Issuer in effecting any Benchmark Amendments required to these Conditions or the terms of the Agency Agreement without any requirement for the consent or the approval of the Noteholders or Couponholders in accordance with the provisions of Condition 5(b)(iii)(C)(d).

## **12 Replacement of Notes, Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

## **13 Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes save for the amount and the date of the first payment of interest therein and the date from which interest starts to accrue (so that, for the avoidance of doubt, references in these Conditions to “Issue Date” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

## 14 Notices

Notices required to be given to the holders of Registered Notes pursuant to the Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to the Conditions shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). So long as the Notes are listed on the Luxembourg Stock Exchange, notices required to be given to holders of the Notes pursuant to the Conditions shall also be published either on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or in a daily newspaper with general circulation in Luxembourg (which is expected to be *the Luxemburger Wort*). If any such publication is not practicable, notice required to be given pursuant to the Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

## 15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

## 16 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **Jurisdiction:** The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes, Coupons or Talons) and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- (c) **Service of Process:** The Issuer irrevocably appoints Mölnlycke Health Care Limited of Unity House, Medlock Street, Oldham, Lancashire, OL1 3HS as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England based on any of the Notes, Coupons or Talons. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in England, the Issuer agrees to promptly appoint a substitute process agent and shall notify Noteholders of such appointment in accordance with Condition 14. Nothing herein shall affect the right to serve process in any manner permitted by law.

## Form of Pricing Supplement

*The Pricing Supplement in respect of each Tranche of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue.*

### **NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 OR REGULATION (EU) 2017/1129 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 FOR THE ISSUE OF NOTES DESCRIBED BELOW**

**[Prohibition of Sales to EEA Retail Investors:** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**EU MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**EU Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

**[Prohibition of Sales to UK Retail Investors –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of [Regulation (EU) 2017/1129]/[the EU Prospectus Regulation] as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently no key information document required by [Regulation (EU) No 1286/2014]/[the EU PRIIPs Regulation] as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[EU MiFID II Product Governance / Target Market -** Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**EU MiFID II**”)/EU MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[UK MiFIR Product Governance / Target Market -** Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target

market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“COBS”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018]/[EUWA] (“UK MiFIR”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any [person subsequently offering, selling or recommending the Notes (a “distributor”)] [distributor] should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[In connection with Section 309B of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and are [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).]<sup>1</sup>

Pricing Supplement dated [●]

**Mölnlycke Holding AB (publ)**  
**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**  
**under the €3,000,000,000 Euro Medium Term Note Programme**  
**Legal entity identifier (LEI): 549300WAUZKYD5PU9L16**

**PART A – CONTRACTUAL TERMS**

[Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer.]<sup>2</sup>

[Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the Financial Services and Markets Act 2000 or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer.]<sup>3</sup>

The document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular dated 13 June 2023. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular dated 13 June 2023 [and the supplemental Offering Circular dated [date]].

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<sup>1</sup> For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

<sup>2</sup> Delete this language if the “Prohibition of Sales to EEA Retail Investors” legend is included in the pricing supplement (because the Notes potentially constitute “packaged” products and no key information document will be prepared) and the “Prohibition of Sales to EEA Retail Investors” is specified to be “Applicable”.

<sup>3</sup> Delete this language if the “Prohibition of Sales to UK Retail Investors” legend is included in the pricing supplement (because the Notes potentially constitute “packaged” products and no key information document will be prepared) and the “Prohibition of Sales to UK Retail Investors” is specified to be “Applicable”.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]*

- |    |  |  |
|----|--|--|
| 1. | (i) Issuer:                                  | Mölnlycke Holding AB (publ)  |
| 2. | (i) Series Number:                           | [●]  |
|    | (ii) Tranche Number:                         | [●]  |
|    |  | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).</i>   |
| 3. | Specified Currency or Currencies:            | [●]  |
| 4. | Aggregate Nominal Amount:                    | [●]  |
|    | (i) Series:                                  | [●]  |
|    | (ii) Tranche:                                | [●]  |
| 5. | Issue Price:                                 | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (in the case of fungible issues only, if applicable)]   |
| 6. | (i) Specified Denominations <sup>4 5</sup> : | [●]  |
|    | (ii) Calculation Amount:                     | [●]  |
| 7. | (i) Issue Date:                              | [●]  |
|    | (ii) Interest Commencement Date:             | <i>[Specify/Issue Date/Not Applicable]</i>   |
| 8. | Maturity Date:                               | <i>[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i>  |
|    |  | <i>[If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the UK, or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the UK, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to</i> |

<sup>4</sup> Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year and must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

<sup>5</sup> If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows: €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No notes in definitive form will be issued with a denomination above €199,000. In relation to any issue of Notes which are a “Global Note exchangeable for Definitive Notes” in circumstances other than “in the limited circumstances specified in the Global Notes”, such Notes may only be issued in denominations equal to, or greater than, €100,000 (or equivalent) and multiples thereof.

*“professional investors” or (ii) another applicable exemption from section 19 of the FSMA must be available.]*

9. Interest Basis:  per cent. Fixed Rate  
 *[specify reference rate]* +/-  per cent. Floating Rate  
 Zero Coupon  
 other *(specify)*  
(further particulars specified below)
10. Redemption/Payment Basis:  Redemption at par  other *(specify)*
11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*  Not Applicable
12. Put/Call Options:  Investor Put  
 Issuer Call  
 Issuer Par Call  
 Change of Control Put Option  
 Clean-up Call  
 (further particulars specified below)  
 Not Applicable
13. Date Board approval for issuance of Notes obtained:   
*(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. **Fixed Rate Note Provisions**  Applicable/Not Applicable  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest:  per cent. per annum  payable  annually/semi annually/quarterly/monthly/other *(specify)*  in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s):  in each year up to and including the Maturity Date
- (iii) Fixed Coupon Amount(s):  per Calculation Amount

- (iv) Broken Amount(s): [[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]] / [Not Applicable]
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/365 (Fixed) /specify other]
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

**15. Floating Rate Note Provisions**

[Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Interest Period(s): [●][ [ , subject to adjustment in accordance with the Business Day Convention set out in (iv) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]]
- (ii) Specified Interest Payment Dates: [[●] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (iv) below/, not subject to any adjustment[, as the Business Day Convention in (iv) below is specified to be Not Applicable]]]
- (iii) Interest Period Date: [Not Applicable]/ [●][in each year[, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]]
- (iv) First Interest Payment Date: [●]
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (vi) Additional Business Centre(s): [Not Applicable/give details]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/other *(give details)*]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent): [[Name] shall be the Calculation Agent *(no need to specify if the Fiscal Agent is to perform this function)*]
- (ix) Screen Rate Determination:
  - Reference Rate: *[EURIBOR/STIBOR/specify other reference rate]*

- Interest Determination Date(s): [●]
  - Relevant Screen Page: [●]
  - Relevant Time: [11.00 a.m. [Brussels/Stockholm]]
  - Relevant Financial Centre: [Euro-zone (where Euro-zone means the region comprising the countries whose lawful currency is the euro)/Stockholm]
- (x) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (xi) Margin(s): [+/-][●] per cent. per annum
- (xii) Minimum Rate of Interest: [●] per cent. per annum
- (xiii) Maximum Rate of Interest: [●] per cent. per annum
- (xiv) Day Count Fraction: [●]
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]

**16. Zero Coupon Note Provisions**

[Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Accrual Yield: [●] per cent. per annum
- (ii) Reference Price: [●]
- (iii) Any other formula/basis of determining amount payable: *[Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition 5(c)]*

**PROVISIONS RELATING TO REDEMPTION**

**17. Issuer Call**

[Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):
  - [●] per Calculation Amount]
  - [Spens Amount]
  - [Make-whole Amount]



- (a) Reference Bond: [●]
- (b) Redemption Margin: [●]
- (c) Quotation Time: [●]
- (iii) If redeemable in part:
  - (a) Minimum Redemption Amount: [●]
  - (b) Maximum Redemption Amount [●]
- (iv) Notice period: [●]
- 18. **Issuer Par Call** [Applicable/Not Applicable]
 

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

  - (i) Par Call Period: From (and including [●] (the “**Par Call Period Commencement Date**”) to (but excluding) the Maturity Date)
  - (ii) Notice Period: [●]
- 19. **Put Option** [Applicable/Not Applicable]
 

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

  - (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[●] per Calculation Amount]
  - (iii) Notice period: [●]
- 20. **Change of Control Put Option** [Applicable/Not Applicable]
 

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

Change of Control Redemption Amount of each Note: [●] per Calculation Amount
- 21. **Clean-up Call Option** [Applicable/Not Applicable]
 

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

  - (i) Clean-up Call Redemption Amount: [●] per Calculation Amount
  - (ii) Notice period: [●]
- 22. **Final Redemption Amount of each Note** [●] per Calculation Amount
- 23. **Early Redemption Amount** [●]
 

Early Redemption Amount(s) per Calculation

Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. **Form of Notes:**

**Bearer Notes:**

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes]

[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

**Registered Notes:**

[Global Note Certificate exchangeable for Registered Certificates in the limited circumstances described in the Global Note Certificate]

25. New Global Note:

[Yes/No]

26. New Safekeeping Structure:

[Yes/No]

27. Additional Financial Centre(s) or other special provisions relating to payment dates:

[Not Applicable/give details. *Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraph 15(vi) relates]*

28. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No. *If yes, give details]*

29. Other terms or special conditions:

[Not Applicable/give details]

### Purpose of the Pricing Supplement

The Pricing Supplement comprises the final terms required for the application to the Luxembourg Stock Exchange for the listing of the Notes issued under the Euro Medium Term Note Programme during the 12 month period from the date of the Offering Circular on the Official List of the Luxembourg Stock Exchange and for the admission of the Notes to trading on the Euro MTF market of the Luxembourg Stock Exchange.

**Responsibility**

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Mölnlycke Holding AB (publ):

By:

*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING

[Application [has been made/is expected to be made] to Luxembourg Stock Exchange (*Société de la Bourse de Luxembourg S.A.*) (“**LuxSE**”) for the Notes to be (i) admitted to trading on the Euro MTF market, which is a market operated by the LuxSE and (ii) listed on the Official List of the LuxSE (the “**Official List**”).] [Other (*specify*)/None].

### 2. RATINGS

Ratings:

[Not Applicable]/[The Notes to be issued [have been]/[are expected to be] rated:

[S & P: [●]]

[[Other]: [●]]

*[The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]*

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[Save for any fees [of [*insert relevant fee disclosure*]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. (*Amend as appropriate if there are other interests*)]

### 4. USE OF PROCEEDS

[*Give details if different from the “Use of Proceeds” section in the Offering Circular.*] [Not Applicable]

### 5. OPERATIONAL INFORMATION

(i) ISIN [●]

(ii) Common Code: [●]

(iii) CFI: [See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(iv) FISN: [See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from

- the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream, Banking S.A. and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): [●]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] [*include this text for registered notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met./
- [No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] [*include this text for registered notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

## 6. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/*give names*]
- (iv) If non-syndicated, name of Dealer: [Not Applicable/*give name*]

- (v) US Selling Restrictions: [Reg. S Compliance Category 2;  
*(In the case of Bearer Notes)* - [TEFRA C/ TEFRA D/ TEFRA not applicable]  
*(In the case of Registered Notes)* – TEFRA not applicable]
- (vi) Additional Selling Restrictions: [Not Applicable/*give details*]
- (vii) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]  
*(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)*
- (viii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]  
*(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared in the EEA, “Applicable” should be specified.)*
- (ix) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]  
*(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared in the UK, “Applicable” should be specified.)*

## Summary of Provisions relating to the Notes while in Global Form

### 1 Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the relevant Pricing Supplement to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depository.

If the Global Note is a CGN, upon the initial deposit of a Global Note Common Depository or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time. Global Notes may also be deposited initially with other clearing systems which must be outside the United States and its possessions.

Notes that are initially deposited with the Common Depository or delivered to the Common Safekeeper may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

### 2 Clearing System Accountholders

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other permitted clearing system (“**Alternative Clearing System**”) as being entitled to an interest in a Global Note or a Global Certificate (each an “**Accountholder**”) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such Alternative Clearing System (as the case may be) for such Accountholder’s share of each payment made by the Issuer to the holder of such Global Note or Global Certificate and in relation to all other rights arising under such Global Note or Global Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Certificate will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). For so long as the relevant Notes are represented by a Global Note or Global Certificate, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Global Note or Global Certificate.

### 3 Exchange

#### 3.1 Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the TEFRA C Rules or in a transaction to which TEFRA is not applicable (as to which, see

“*Overview of the Programme – Selling Restrictions*”), in whole, but not in part, for the Definitive Notes defined and described below; and

- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

### **3.2 Permanent Global Notes**

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

- (i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

### **3.3 Global Certificates**

If the Pricing Supplement states that the Notes are to be represented by a Permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

### **3.4 Partial Exchange of Permanent Global Notes**

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if principal in respect of any Notes is not paid when due.



### 3.5 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes or if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

### 3.6 Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

## 4 Conditions applicable to Global Notes

Each Global Note and Global Certificate will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note or Global Certificate. The following is an overview of certain of those provisions:

### 4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the TEFRA D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. If the Global Note is a NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the

relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 7(h) (*Non-Business Days*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

So long as the Notes are represented by a Global Note or Global Certificate and the Global Note or Global Certificate is held on behalf of a clearing system, the Issuer has undertaken, *inter alia*, to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by the Global Note or Global Certificate.

#### **4.2 Prescription**

Claims against the Issuer in respect of Notes that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 9).

#### **4.3 Meetings**

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

#### **4.4 Cancellation**

Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Permanent Global Note.

#### **4.5 Purchase**

Notes represented by a Permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest thereon.

#### **4.6 Issuer's Option**

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or

Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion or any other Alternative Clearing System, as the case may be).

#### **4.7 Noteholders' Options**

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the Permanent Global Note is a CGN, presenting the Permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is a NGN or where the Global Certificate is held under the NSS, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

#### **4.8 NGN nominal amount**

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

#### **4.9 Events of Default**

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of a Deed of Covenant executed as a deed by the Issuer on 23 August 2019 (as amended or supplemented from time to time) to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

#### **4.10 Notices**

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note.

### **5 Electronic Consent and Written Resolution**

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

- (a) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an “**Electronic Consent**” as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Fiscal Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by (a) accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or Alternative Clearing System (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

## Description of the Issuer and the Group

### INTRODUCTION

Mölnlycke AB and its subsidiaries (together, the “**Group**”) is a world-leading provider of single-use surgical and wound care products for customers, health care professionals and patients. The Issuer is a subsidiary of Mölnlycke AB.

The Group develops and brings to market innovative wound care and surgical products for use in a range of settings – from prevention, through to acute care and home care. Products include:

- gentle, effective dressings with Safetac® technology, like Mepitel® and Mepilex®, to prevent, protect and remove barriers to heal a wide range of wounds; and
- safe, efficient, single-use surgical products, such as Biogel® surgical gloves, Mölnlycke® Procedure Trays, Barrier® drapes and gowns and Hibi® antiseptics, to minimise infections and increase efficiency in the operating room and beyond.

Mölnlycke is a well-known and respected professional health care brand. The Group is present in more than 100 countries. In 2022, the Group generated 56 per cent. of sales from markets within EMEA, 35 per cent. from Americas and 9 per cent. from APAC.

The Group plays an active role in industry bodies worldwide and engages with governments to shape health care policy where possible.

The Group holds a leading market position in the global advanced wound care dressings market and in premium powder-free surgical gloves for use in operating theatres. The Group is also the leading provider in Europe of surgical custom procedure trays, surgical drapes and gowns.<sup>6</sup>

The Group sells its products largely to institutions and health care providers in both the acute and post-acute settings and is also increasingly selling its products directly to patients and consumers.

The revenue for the Issuer and its subsidiaries (the “**Issuer’s Group**”) for 2022 was €1,828 million compared to €1,686 million in 2021 and its EBITDA was €476 million in 2022 compared to €486 million in 2021. Net cash from operating activities was €312 million in 2022 and €332 million in 2021. As at 31 December 2022, the Issuer’s Group’s total assets were €4,265 million.

EBITDA is defined in the Presentation of Financial and Other Information section.

The Issuer’s headquarters are in Gothenburg, Sweden.

### FINANCIAL INDEBTEDNESS OF THE ISSUER

As at 31 December 2022, total borrowings of the Issuer’s Group were €1,893 million. Available committed credit facilities amount to €2,243 million. All of the borrowings are owed by the Issuer.

See the risk factor headed “*The Issuer is a holding company with no revenue generating operations of its own*” for risks associated with the structural subordination of the Notes.

As at 31 December 2022, the Issuer had €1,900 million of senior fixed rate notes outstanding, of which €500 million is due on 28 February 2024, €500 million is due on 28 February 2025, €500 million is due on 5 September 2029 and the remaining €400 million is due on 15 January 2031.

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<sup>6</sup> Measured by sales in 2022 and based on internal estimates, using external market data where available.

## Maturity Profile

The Issuer currently reports borrowings under aggregated categories according to maturity. The table below sets out the actual maturity dates of the Issuer's borrowings as at 31 December 2022.

	Principal Amount	Year ended 31 December 2022 (€ millions)	Maturity
<i>Borrowings</i>			
Bank RCF (drawn) <sup>7</sup>		-	2024-07
Euro bond	500	499	2024-02
Euro bond	500	500	2025-02
Euro bond	500	498	2029-09
Euro bond	400	400	2031-01
Other debt		0	-
Paid arrangement fees		-4	
<b>Total</b>	<b>1,900</b>	<b>1,893</b>	-

## HISTORY

The Mölnlycke brand dates back to 1849 when the company was founded as a textile manufacturer in the town of Mölnlycke, not far from Gothenburg in Sweden.

In late 1997, Mölnlycke Health Care became an independent company through the acquisition of, and merger with, the Swedish SCA group's Clinical division and the Finnish Tamro group's Kolmi-Set division.

- In 2001, Mölnlycke Health Care acquired the single-use surgical product line, Barrier, from Johnson & Johnson.
- In 2005, Regent Medical Limited (a surgical glove and antiseptics business) and Medlock Medical Limited (a wound management business), were added to the Group and, in August 2005, it was reorganised into two separate divisions: wound care and surgical.

In 2007, Mölnlycke Health Care was acquired by Investor AB and Morgan Stanley Principal Investments and the Group was formed. In 2010, Investor AB acquired Morgan Stanley Principal Investments' shares in the Group and currently owns 99 per cent. of the shares in Mölnlycke AB, the parent company of the Group.

Between 2008 and 2022, the Group has completed some bolt-on acquisitions, including:

- Pharmaset, a leading French manufacturer of single-use kits for surgical interventions (2008);
- JKT, a leading Polish provider of single-use hospital clothing and surgical supplies (2009);
- Rynel, a strategic supplier and a manufacturer of specialty hydrophilic polyurethane foam products located in the United States (2010);
- The burn and wound care assets of Brennen Medical, U.S. (2012);

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<sup>7</sup> The Bank RCF was renewed on 28 April 2023 with a maturity of April 2029.

- Sundance Solutions, U.S., a leader in developing innovative solutions for the safe positioning and turning of patients to help prevent pressure ulcers (2016);
- The German company SastoMed GmbH, adding innovative oxygen therapy to the wound management portfolio (2018); and
- M&J, a strategic supplier and manufacturer of specialised and high-quality absorbent airlaid nonwoven materials located in Denmark (2019).

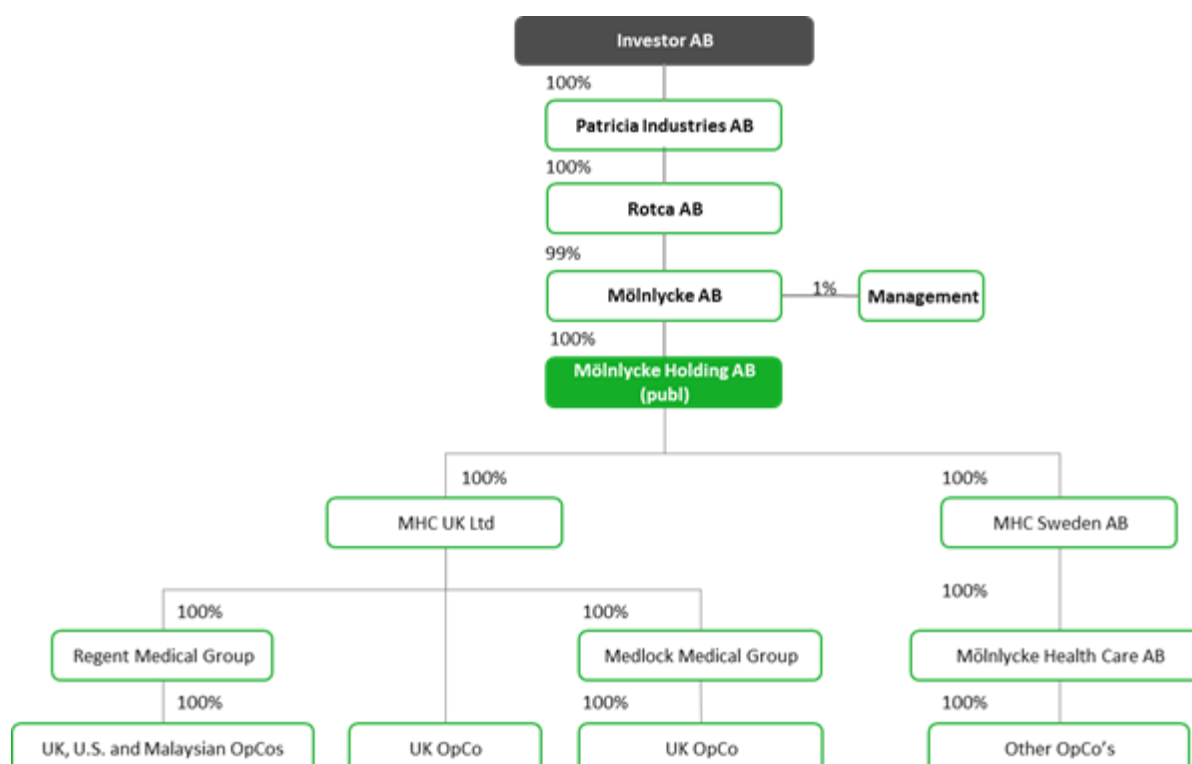
Furthermore in 2018 the Group formed a partnership with Tissue Analytics, pioneers of wound imaging technology, with the aim of leveraging the Group's expertise in wound care and Tissue Analytics' advanced digital capabilities.

The Issuer is an intermediate holding company of the Group (100 per cent. owned by Mölnlycke AB) which is incorporated in Sweden under the Swedish Companies Act (2005:551) as amended, as a public limited company and is registered by the Bolagsverket (the Swedish Companies Registration Office) in Sweden with registration number 556693-6729. The Issuer was incorporated on 2 November 2005 for an indefinite term.

## OWNERSHIP

The Issuer, Mölnlycke Holding AB (publ), is a wholly-owned intermediate holding company of the Group. Its parent company Mölnlycke AB is 99 per cent. owned by Investor AB (publ) via its subsidiaries Patricia Industries AB and Rotca AB. The remainder is owned by management of Mölnlycke AB. Investor AB (publ) is a Nordic-based holding company founded in 1916 by the Wallenberg family, listed on NASDAQ OMX Stockholm.

The following diagram shows, in abbreviated form, the ownership and the corporate structure of the Mölnlycke AB Group of companies.



The total share capital of the Issuer is 6,000,000,000 ordinary shares with a total value of €71,858. The share capital of the Issuer is fully paid up.

## **STRENGTHS**

The Group believes that it has the following key strengths.

### **Leading market positions in core markets**

The Group has leading positions in the majority of its addressable markets:

- the Group is the leading company in the global advanced wound care market in terms of sales of dressings (excluding both biologics and negative pressure wound therapy) in 2022. This market is also the Group's largest revenue source;
- the Group is the leading provider in Europe of surgical custom procedure trays, surgical drapes and gowns respectively, in each case measured by sales in 2022;
- the Group is a leading provider in Europe and the United States of powder-free surgical gloves for use in operating theatres in terms of sales in 2022; and
- the Group is one of the leading providers in the United States of patient skin cleansing solutions for the prevention of Hospital Acquired Infections (“**HAIs**”) through daily in-patient bathing. This is also one of the fastest growing product segments within the Group.

These market shares, which are based on internal estimates using external market data where available, help to ensure customer recognition and familiarity with the Group's products and brands as well as providing reputational benefits.

### **Strong industry performance**

In 2022, the Group maintained its market leading position in the advanced wound dressings market. In the surgical market, the Group has maintained its leadership positions in key surgical product categories for a number of years.

### **Strong financial performance**

The Issuer's Group has a long track record of delivering a strong financial performance in a challenging market. In particular, the Issuer's Group's:

- revenue grew from €1,119 million in 2012 to €1,828 million in 2022, a compound annual growth rate of 5 per cent.; and
- EBITDA grew from €326 million in 2012 to €476 million in 2022, a compound annual growth rate of 4 per cent.

The Issuer's Group has managed to increase sales and market share over recent years despite the mounting austerity in the global health care market.

It is also cash generative, with efficient working capital management helping to preserve capital and its limited capital expenditure requirements providing additional operating flexibility.

### **Solid organic growth**

The Group's organic growth is driven by product innovation, new channels to market, expansion in selected geographical markets and a differentiated product and service offering.

In the wound care segment, product development is focused on reducing pain for the patient and improving wound healing outcomes. The wound care value proposition builds on both clinical and health economic evidence. In order to accelerate growth and maintain its premium position within the wound care segment, the Group has launched a range of new innovative products in the self-adhesive foam category supported by clinical and health economic evidence.



## **Committed long-term owner**

Investor AB, the Group's ultimate parent company, has a strong track record of building leading international businesses since being established in 1916. Investor AB focuses on high quality assets with market or industry leading characteristics and seeks to add value through board participation, industry experience, its network and its financial strength. It applies a long-term ownership strategy to its core investments, of which the Group is one of the largest, which enables the Group to take long-term decisions to support sustainable growth.

## **STRATEGY**

The Group seeks to advance performance in healthcare by improving clinical and health economic outcomes. The Group's core business is in four areas:

- Wound Care;
- Operating Room Solutions;
- Gloves; and
- Antiseptics.

The Group's goal is to equip everyone in healthcare – from clinicians to procurement managers – to perform at their best. This is achieved through innovation, education and building strong and lasting relationships with the Issuer's Group's customers. Building on strong heritage and global presence, the Group's ambition is to be the global market leader in all product segments and all territories where it operates. Growth is enabled by innovating and developing existing products, expanding into new product areas and technologies, digitalising the supply chain, demonstrating positive clinical and health economic outcomes and continuously investing in sales and marketing capabilities to meet the changing needs of the Group's customers. The Group enables growth in its mature markets through an emphasis on clinical performance and through channel expansion. Sales and marketing capabilities are developed in markets with high potential, such as China, the Middle East and Brazil. As new challenges emerge, such as global supply chain disruption and increases in the cost of goods sold, the Group is also re-examining its sourcing and operations footprint, tackling price erosion and considering redundancies to ensure it can deliver to customers and add value, while remaining lean and efficient.

The Group is building a new strategy on the foundations of past successes and an in-depth understanding of customer needs to ensure the Group is fit for the future and can respond to customers in an agile way. The Group has distinct strategies and plans for each of its four business areas: Wound Care, Operating Room Solutions, Gloves and Antiseptics. The Group aims to continue to focus on premium solutions, but also invest in more radical innovation than in the past. Customer centricity, digitalisation and sustainability are the three corporate strategic priorities which cut across the four business areas.

### **Advancing customer-centricity**

In Wound Care, Operating Room Solutions, Gloves and Antiseptics, the Group has four business areas that meet the needs of four distinct customer groupings. During 2021, each business area undertook significant customer interviews applying an ethnographic approach. Such customer insights will form the new strategy for each business area and the Group.

### **Accelerating digitalisation**

The trend towards digitalisation has accelerated over the last few years. While the Group continues to meet customers in person, in the future, more of the Group's business models will be digitalised and big data and machine learning will be leveraged in developing products and services.

## Sustainability roadmap 2030

The Group’s sustainability vision is to transform its business to become a global leader in sustainable healthcare. Sustainability is a key business driver for the Group and is integral to its operations and product offering. It is the driver for growth, innovation and productivity and an essential part of the Group’s employee value proposition. In 2021, following a materiality analysis, the Group developed and launched WeCare, the 2030 sustainability roadmap. This reflects the Group’s commitments and actions toward a sustainable future and supports the objectives of the Paris Agreement on climate change and the UN Sustainable Development Goals (SDGs). WeCare builds on three pillars integral to the Group’s business approach: Green mindset, Responsible relationships and Ethical business. These pillars influence the Group’s business models, partnerships, resource management and innovation, and articulate how the Group strives to create a work environment where everyone can excel. WeCare supports the Group’s sustainable growth and determination to take a lead in sustainable healthcare. For each of the focus areas, the Group has set ambitious short and long-term targets. The Group tracks progress and reports on metrics in accordance with the Global Reporting Initiative (GRI) standards, or internal key performance indicators (KPIs) when no relevant GRI metrics are available

## FINANCIAL POLICIES

The Group has conservative financial policies in place to support an investment-grade rating on a continuous basis. These policies emphasise maintaining healthy liquidity on a continuous basis through the maintenance of cash balances and committed undrawn facilities with relationship banks. ‘Day-to-day’ operational demands and providing against possible future downturns are managed through detailed cash forecasting and modelling. In addition, the Group remains committed to maintaining an investment grade rating. The Group has a target for an ongoing leverage level of on average 3.0x–3.5x. The Group’s dividend policy requires that dividends should be scaled to meet the needs of the business and to ensure that the ratings target is achieved.

## BUSINESS AREAS

Since 2021, the Group reports by the four business areas of Wound Care, Operating Room (“OR”) Solutions, Gloves and Antiseptics. The table below shows the Issuer’s Group’s revenue by reporting segment and by geographic region and the Issuer’s Group’s EBITDA for the years ended 31 December 2022 and 31 December 2021.

	Year ended 31 December	
	2022	2021
	<i>(€ millions)</i>	
<b>Revenue</b>		
Wound Care .....	1,061	919
OR Solutions .....	458	503
Gloves .....	259	215
Antiseptics .....	50	48
<b>Total Revenue</b> .....	<b>1,828</b>	<b>1,686</b>
..... EMEA	1,022	1,018
..... NAM	635	517
..... APAC	171	151
<b>Total Revenue</b> .....	<b>1,828</b>	<b>1,686</b>
<b>Total EBITDA</b> .....	<b>476</b>	<b>486</b>

## ***WOUND CARE***

In 2022, the wound care reporting segment accounted for 58 per cent. of the Issuer's Group's revenue.

The Group's strategic focus within this segment is to deliver innovative and customer-focused solutions that:

- minimise unnecessary suffering for the patient;
- protect and treat wounds whilst reducing trauma to the wound and surrounding skin;
- remove barriers to wound healing such as infection and oxygen deficiency; and
- prevent conditions such as pressure ulcers from developing.

### ***Products and services***

The Group operates in two key product categories of the global wound care industry: advanced wound care and conventional wound care.

#### ***Advanced wound care***

Advanced wound care products are designed to support wound healing by keeping the wound moist while allowing it to breathe. By protecting delicate areas, some products are also used prophylactically to prevent pressure ulcers from developing.

The Group has an established portfolio of advanced wound care products. The majority of the products use the Group's *Safetac* soft silicone technology which serves as the foundation for an extensive number of the Group's innovative advanced wound care products.

*Safetac's* soft silicone technology is designed to minimise pain to the patient and trauma to the wound and surrounding skin during dressing changes. Many competing adhesive products feature a more aggressive level of adhesion which can result in skin stripping and unnecessary trauma and pain. A *Safetac* dressing can remain in place for several days (depending on the condition of the wound) minimising the number of dressing changes whilst maintaining a moist environment and protecting against infections, factors that can improve wound healing and reduce cost. In addition, the dressing is more easily removed without causing damage to the wound and reducing pain for the patient.

The Group's advanced wound care portfolio includes:

- antimicrobial products, which inactivate wound pathogens with silver and can be in a foam, gel or an alginate;
- a range of self-adhesive film dressings which are breathable, transparent and shower-proof and may or may not have *Safetac* technology;
- a range of foam dressings, with or without *Safetac* technology. These can be a wound contact layer or an absorbent dressing and may also have antimicrobial properties;
- a range of foam dressings with adherent borders, with *Safetac* technology, which are used to prevent pressure ulcers;
- nonwoven fibre dressings for highly exudating wounds, which can be used alongside products with *Safetac*;
- *Safetac* wound contact layers that are used to protect the sensitive granulated wound bed and to ensure a moist wound environment;
- a range of alginates, debriders and gels that are used to debride wounds, support exudate management and add moisture to dry wounds;

- unique and simple turning, positioning and offloading system that is easy to use and safe for both patients and caregivers. Together with its fluidised media technology, they complement the portfolio of advanced dressings with *Safetac* technology – offering clinicians a more complete and unique range of tools to ensure better patient outcomes in pressure ulcer prevention;
- *Granulox*: a haemoglobin-based topical oxygen therapy spray that is sprayed on wounds for faster wound healing; and
- *Granudacyn*: a hypochlorous wound irrigation solution for cleaning, moistening and rinsing of acute, chronic and contaminated wounds, and first and second degree burns.

The Group’s key advanced wound care brands by sales are *Mepilex* (wound foam dressings) and *Mepitel* (wound contact layers).

### *Conventional wound care*

Conventional wound care products are used in the treatment of minor and simple surgical wounds. They are used to provide basic absorbency and protection during the healing process. The Group’s conventional wound care product range comprises a variety of products including surgical dressings, swabs, gauze, tape and fixation products as well as a number of complementary niche products such as compression therapy, dermatology, orthopaedics and wound care antiseptics. The Group’s key conventional wound care brands by sales are *Mepore* (surgical dressings), *Tubigrip* and *Tubifast* (tubular support, compression and fixation bandages).

### **Competition**

The market for wound care products is fragmented. In the advanced wound care sector, the Group’s primary competitors are Smith & Nephew, ConvaTec, Coloplast and Medline. In the conventional wound care sector, there are a number of large providers, with the Group’s primary competitors being Hartmann, 3M and Essity.

### **Global market share**

The 2022 World Wide Advanced Dressings segment of the Advanced Wound Care Market was estimated to be worth U.S.\$4.44 billion, demonstrating a growth of 4.5 per cent. from the 2021 market value of U.S.\$4.25 billion.<sup>8</sup> The market is forecast to increase to U.S.\$5.42 billion in 2025, a five year compound annual growth rate of 5.0 per cent.<sup>9</sup>

## **OPERATING ROOM SOLUTIONS**

In 2022, the OR Solutions reporting segment accounted for 25 per cent. of the Issuer’s Group’s revenue. The Group’s strategic focus within this segment is on:

- increasing operating efficiency and customer value through integrating procedure trays, surgical instruments, surgical drapes and staff clothing into one coherent business;
- delivering a full range of custom procedure trays to improve operating room efficiency, with a focus on depth and complexity of procedure, especially in orthopaedic and laparoscopic segments; and
- creating a tiered portfolio of cost-effective, safe single-use surgical products.

### **Products and services**

OR Solutions includes custom procedure trays, drapes, gowns, facemasks and surgical instruments. The purpose is to create value with cost effective and safe surgical solutions.

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<sup>8</sup> Source: Smarttrak (<https://www.smarttrak.com/>)

<sup>9</sup> Source: Smarttrak (<https://www.smarttrak.com/>)

Custom procedure trays are assembled, customised, sterile sets of medical single-use items which comprise most of the single-use products required for a particular surgical procedure. A typical tray contains components such as drapes, gowns, swabs, syringes, scalpels, sutures, and single use surgical instruments and trocars.

The Group markets a wide range of surgical drapes and surgical staff clothing (all of which comply with the EU Medical Devices Directive) under the Barrier brand.

In the patient drapes sector, the Group has a range of surgical drapes which are used to cover the patient in the operating theatre and reduce the risk of infection. The Group's patient drapes include universal drapes as well as speciality drapes designed for particular types of surgical procedures. In the equipment drapes sector, the Group produces drapes for prevention of contamination from equipment used during surgical procedures.

In the surgical staff clothing sector, the Group produces gowns which range from basic gowns for short, dry operations to extra protection gowns for longer, higher risk procedures. In the caps and face masks product category, the Group's products offer varying degrees of filtration, comfort, breathing resistance, anti-fog and anti-reflection features. The Group's scrubs suits provide hygienic, single-use staff clothing for use under gowns and outside the operating theatre.

### ***Competition***

In the European custom procedure trays market, the Group's principal competitors are Medline Industries (a leading U.S. company), Hartmann, Lohmann & Ruascher, and Owens & Minor.

In the European surgical drapes and staff clothing sector, competition comes from both re-usable products (reusable surgical drapes and staff clothing tend to be supplied by regional companies) and single-use products driven by local (Onemed - Nordics, Rocialle - UK, Indas - Iberia, Lohmann & Rauscher - Germany/Austria) and global actors (Medline, Owens & Minor, Hartmann and 3M).

### ***Market shares***

The Group has the largest market share in Europe for surgical custom procedure trays, drapes and staff clothing.<sup>10</sup>

### ***GLOVES***

In 2022, the Gloves reporting segment accounted for 14 per cent. of the Issuer's Group's revenue. The Group's strategic focus within this segment is on building on the Group's premium position in surgical gloves with the aim to enhance the performance of clinicians by providing a better fitting and more comfortable glove while also increasing safety and protection.

### ***Products and services***

The Group's principal surgical gloves brand is Biogel under which it offers an extensive range of powder-free, natural rubber latex and powder free synthetic surgical gloves at different price points. Biogel gloves vary in sensitivity and texture to suit different comfort and protection needs. The Group offers the solution of double gloving, an under- and overglove system with puncture indication for maximum protection against surgical cross-infection between clinicians and patients. The latest addition to the Group's assortment, Biogel PI UltraTouch S, is a synthetic glove that reduces the occurrence of chemical associated contact dermatitis (allergic reactions) for clinicians and hospital staff.

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<sup>10</sup> In each case measured by sales in 2022 and based on internal estimates.

### ***Competition***

In the global surgical gloves market, the Group principally competes with Cardinal Health, Ansell, Medline and a number of regional companies.

### ***Market shares***

The Group has a leading market share for powder-free surgical gloves in Europe and is one of the leading companies in the United States.<sup>11</sup>

### ***ANTISEPTICS***

In 2022, the Antiseptics reporting segment accounted for 3 per cent. of the Issuer's Group's revenue. The Group's strategic focus within this segment is on developing innovative and evidence-based infection control solutions to protect patients and staff.

### ***Products and services***

The Group markets its antiseptics product range under the *Hibi* brand. The Group's products include skin cleansers, pre-surgical scrubs, surgical disinfectants and patient skin preparation products. The latest addition to the assortment, Hibiclens 4oz Foam Pump, is a 4 per cent. chlorhexidine gluconate solution used within U.S. hospitals for daily bathing of patients based within wards.

### ***Competition***

The Group's primary competitors in the antiseptics segment, are SAGE (Stryker) within the daily bathing segment and a combination of regional specific companies elsewhere globally.

### ***Market shares***

The Group is a leading supplier of antimicrobial cleansers for use in pre-operative and post-operative infection control, and in home care. The Group's largest markets are in the U.S. and Europe, including the UK, Belgium, the Netherlands and Luxembourg. The Group has a market share of the acute U.S. market of 8 per cent. in 2022.<sup>12</sup>

## **SALES AND MARKETING**

The Group structures its marketing organisation by business area at a Group level, and has a dedicated wound care, OR solution, gloves and antiseptics sales force in the majority of entities, while some countries are also organised as full-liners selling the total assortment in acute care segment to hospitals. The marketing and sales operations for all business areas share best practice and customer insights in order to provide a seamless service to customers.

Key account managers are dedicated to large customer accounts and the Group also has a sales support organisation with area managers in charge of regional distributors and product specialists being responsible for direct customer and distributor sales force education. The Group also has a number of clinical specialists who train health care professionals worldwide to advance clinical practice.

## **DISTRIBUTION**

There are three broad distribution channels:

- indirect to hospitals and clinics, through distributors or logistics partners when necessary or convenient;
- direct, through deliveries to key customers such as hospitals, clinics and health centres; and

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<sup>11</sup> In each case measured by sales in 2022 and based on internal estimates.

<sup>12</sup> In each case measured by sales in 2022 and based on internal estimates.

- through institutional health care providers, logistics partners for pharmacies and large pharmacy chains.

## **CUSTOMERS**

The Group sells its products largely to institutions and health care providers in both acute and post-acute settings, but it is also increasingly selling products directly to patients and consumers and personal protection equipment to federal authorities as a result of COVID-19.

Customers for the Group's wound care products in the acute sector include large hospitals and specialist, independent clinics. In most European jurisdictions, as well as other non-U.S. health care markets, the majority of hospitals and other health care institutions purchase independently and directly from manufacturers through a tendering process and multi-year contracts (typically two to three years). Contracts with hospitals are not necessarily single source and may include products from two or three suppliers, leaving the final choice to doctors, nurses or procurement officers. Additionally, contracts with hospitals do not generally include guaranteed minimum orders or minimum volumes. In essence, winning a contract with a hospital qualifies a manufacturer as a preferred supplier and provides it direct access to an extensive network of customers to which it may market its products. In the U.S., the major part of sales are being made through contracts with Group Purchasing Organisations ("GPOs"), which conduct tender processes and/or negotiate pricing arrangements with medical supply manufacturers and distributors, and these negotiated prices are made available to the organisation's affiliated hospitals and other members.

The Group's OR solutions, gloves and antiseptic products sales and distribution process varies by geography. In the United States, only surgical gloves, antiseptics and some staff clothing are sold, with the major part of the sales being made through contracts with GPOs. In the EMEA markets, the full range of OR solutions, gloves and antiseptics products is sold by the direct sales force in most markets. In Australia and Japan, the direct sales force sells all products except antiseptics and, in other APAC markets, products are principally sold by distributors.

The majority of the Group's sales of OR solutions, gloves and antiseptics products are made to the acute care sector. In the United States, GPO contracts provide a licence to sell to the acute care sector. In most other jurisdictions, the majority of hospitals and other acute care institutions purchase independently and directly from manufacturers through a tendering process and multi-year contracts (typically two to three years). As with the wound care sector, contracts with hospitals are not necessarily single source and may include products from two or three suppliers, leaving the final choice to doctors, nurses or procurement officers. Additionally, contracts with hospitals do not generally include guaranteed minimum orders or minimum volumes.

Within the home care sector in the United States and Europe, the Group sells its advanced wound care products through health care institutions. Products are then applied by the patient and/or the medical professional.

The Issuer also markets many of its advanced wound care products, emollients and antiseptics direct to consumers through both traditional retail and online channels.

## **PRODUCTION**

### **Manufacturing**

The Group has production facilities in Belgium, the Czech Republic, Denmark, Finland, Malaysia, Thailand, the UK and the United States. All facilities operate within the Mölnlycke Production System, a framework for continuous improvement, lean supply and logistics. The Group's manufacturing strategy is shaped by driving cost competitiveness and keeping the cost of goods sold to a minimum throughout the supply chain, while achieving sales growth and establishing a balanced footprint to support the business, risk management, cost efficiency and access to qualified personnel.

The Group maintains a quality management team at each of its manufacturing facilities as well as a central co-ordinating quality function. The Group is certified under the voluntary quality system standard ISO 9001:2015, ISO 13485:2016 (specific to medical companies) and ISO 14001:2015. The Group also has most of its manufacturing

locations certified ISO45001. The Group aims to maintain a FDA-level of compliance globally. The Group's primary inspector of procedures and processes in the EU is the British Standards Institution which imposes standards and/or minimum performance levels which are applicable to certain of the Group's functions and regularly conducts independent audits.

The Group seeks to continuously improve its safety and environmental processes and the protection of the environment is part of its corporate policy. The Group also aims to reduce waste and emissions through the use of the latest technology and the responsible actions of its employees.

### **Raw materials**

The Group's principal wound care raw materials are foam, chemicals, plastic films, yarns, silicones and packaging. The Group's principal raw materials for its OR solutions, gloves and antiseptics products are non-woven materials, latex, plastics and packaging. The Group's main raw material cost drivers are pulp, oil, polyethylene, polyisoprene and natural rubber latex, which can impact the Group through increased raw material and transportation costs.

### **Suppliers**

A centralised procurement process is in place, including sourcing for projects, the categorisation of suppliers, commercial and quality agreements, strict supplier evaluations and a code of conduct. The Group focuses on cost, quality, supplier performance, risk management and technical capability when making supply decisions and values long-term supply relationships given high change-over costs and possible regulatory implications when changing certain suppliers. It also seeks to improve innovation between the Group and its suppliers as well as the quality and flexibility of suppliers. The Group applies a Strategic Relationship Management framework allowing it to focus on a selection of suppliers to generate innovations, profitable growth and improved supply conditions.

The decision to manufacture or outsource is driven mainly by whether the Group has a manufacturing advantage it wishes to protect (such as proprietary techniques or technology), the Group's available capacity, flexibility, capability and cost efficiency. The Group's production of selected products and all of its antiseptics are outsourced to approximately 30 sub-contractors.

## **RESEARCH AND DEVELOPMENT**

The Group focuses its research and development on innovations in its core product categories of Wound Care, OR solutions, Gloves and Antiseptics. It invests in new product development, selective in-licensing of proven technology, new processes and cost-effective product extensions. For example, the Group is extending the complexity and depth of procedure trays to provide a more complete offering, and investing in product extensions by therapy.

The Issuer's Group's total expenditure on research and development (after excluding the amortisation and write-downs of capitalised development costs and including development costs capitalised in the year) was €50.2 million in 2022, €43.8 million in 2021 and €41.1 million in 2020, equal to 2.7 per cent., 2.5 per cent. and 2.4 per cent. of revenue of the Issuer's Group in those periods, respectively.

## **INTELLECTUAL PROPERTY**

To protect its technology and products, the Group has developed and maintains a portfolio of registered patents and trademarks in a number of territories. In addition, non-patented know-how and other intellectual property rights are important to a number of the Group's products. Often, these are protected through non-competition undertakings with its employees and contractors and through confidentiality agreements with its contractors, developers and customers.

The Group has a policy of actively pursuing any perceived infringements of its intellectual property rights, including through litigation where necessary. The Group is currently not party to any material litigation or arbitration.



The Group maintains a broad trademark portfolio to protect the name recognition and appearance of its products.

## **REGULATION**

The Group has a regulatory affairs department which is responsible for:

- pre-market activities, such as providing regulatory guidance for product development and planning throughout the lifecycle;
- compiling and submitting all required product approval applications globally;
- post-market activities, such as product recalls decision making; and
- other related tasks, such as surveillance of new or changes to regulations, providing continuous training and updates on regulatory changes.

For product regulatory approvals, the Group fulfils the requirements of the Medical Devices Directive and is now also certified to transfer the CE marking over to the new Medical Device Regulation for the EU. CE marking is the manufacturers' confirmation that the products meet the safety and performance requirements for medical devices in the EU. The Group also fulfils the requirements of the FDA's 21 CFR Part 820 in the U.S., and other applicable national regulatory schemes.

Part of the Group's antiseptics product portfolio is classified as pharmaceuticals. Pharmaceuticals are regulated under separate regimes which generally provide for more stringent obligations for product approval.

The Group has extensive experience with the global regulatory schemes in the markets in which it sells products and for all classes of products related to the business.

## Management and Employees

### MANAGEMENT

#### Directors

The Issuer has a eleven member board of directors (the “**Board**”). Six of the directors are independent non-executive members, two directors are not independent, being appointed by Investor AB, there are two employee representatives and the Chief Executive Officer (“**CEO**”) is the final member. The Board meets regularly, with ten Board meetings held in 2022.

The table below provides brief details of each Board member.

<b>Name</b>	<b>Position</b>
Karl-Henrik Sundström	Chairman since 2022, Independent board member since 2018
Christian Cederholm	Member since 2020
Johan Malmquist	Independent member since 2015
Sharon James	Independent member since 2018
David Perez	Independent member since 2019
Zlatko Rither	CEO and member since 2020
Kristina Willgård	Independent member since 2021
Aashima Gupta	Independent board member since 2023
Jenny Ashman Haquinius	Deputy board member since 2021
Lars Axelsson	Employee representative since 2021
Niclas Flach	Employee representative since 2021

**Karl-Henrik Sundström** has more than 30 years’ business experience. He is Chairman of the Board of Boliden and the Climate Leadership Coalition. He is also a Board member of NXP Semiconductors, Vestas A/S and Marcus Wallenberg Foundation. He previously held several management positions such CEO of StoraEnso (2014–2019), CFO and Executive Vice President of Stora Enso, NXP Semiconductors and Ericsson.

**Christian Cederholm** has close to 20 years’ business experience as an investor and developer of privately held companies and from leading several significant transactions. He is head of Patricia Industries, a part of Investor AB, since 2021. He serves on the board of Hi3G Scandinavia and SignUp Software.

**Johan Malmquist** has more than 25 years’ experience in the health care industry. He has been CEO and President of Getinge Group and currently serves as Chairman of the Board of Getinge AB (publ) and Arjo AB (publ). He is currently a Board member of Trelleborg AB (publ), Elekta AB (publ), Dunkerintressena, Stena Adactum AB and Chalmers University of Technology Foundation.

**Sharon James** has 7 years’ of academic research in health care and 27 years of business experience in both pharmaceuticals and consumer health. She is currently on the Board of Novozymes, a world leader in Biological

solutions, former head of Global Research & Development (R&D) at the Bayer Consumer Health Division. Her previous experience includes Head of Global R&D at Reckitt Benckiser as well as various senior roles at PepsiCo and Glaxo SmithKline.

**David Perez** has more than 35 years' of experience in healthcare. He was President & CEO of Terumo BCT for 18 years and previously served on the Terumo Corporation board. He currently serves as Chairman of the Board of Advanced Instruments and Laborie and is a Board member of NeoGenomics, Book Trust and Nurse Family Partnership.

**Kristina Willgård** is the former CEO and President of AddLife AB (publ) (2015-2022) a Swedish Medtech company specialised in acquiring and developing European market-leading niche companies within Life Sciences. She has a long experience both as CFO and CEO in listed companies and has considerable board level experience, including directorships at Addnode Group AB (publ) and Ericsson). She is a board member of Addnode Group AB and Ernströmgruppen AB.

**Aashima Gupta**, currently holds the position of Global Director of Healthcare Industry Solutions at Google Cloud. Former Executive leadership roles include driving digital strategy for Kaiser Permanente, an integrated health system and senior leadership roles in software development at J.P Morgan Chase and Fidelity Investments. She is a board member of Neogen, Member of the HIMSS NA and GRAIL Advisory Boards.

**Jenny Ashman Haquinus** has been an investment professional at Patricia Industries since 2015. Jenny serves on the Board of Vectura and Navigare Ventures. She holds a M. Sc. in Finance from the Stockholm School of Economics.

**Lars Axelsson**. Employee representative.

**Niclas Flach** Employee representative.

For further information relating to **Zlatko Rihter**, see “*Executive Management*” below.

The business address of each of the directors is the Issuer’s registered office at Gamlestadsvägen 3 c, c/o Mölnlycke Health Care AB, Box 13080, SE-402 52 Gothenburg, Sweden, telephone number +46 31 722 30 00. There are no potential conflicts of interest between any duties to the Issuer of the directors named above and their private interests or other duties.

## **Executive management**

The table below provides brief details of the members of the Issuer’s executive management team.

<b>Name</b>	<b>Position</b>
<b>Zlatko Rihter</b>	Born: 1970
President and CEO	Joined the Group in 2020. Previously CEO of CellaVision, listed at Stockholm Nasdaq, the world-leading provider of digital solutions for medial microscopy in the field of hematology. Before that held a number of senior positions at Cooper Companies, Gambro/Baxter and Arjo.  Business experience: 25 years, all of them in the medical device industry  Nationality: Swedish citizen
<b>Susanne Larsson</b>	Born: 1968
CFO, EVP Corporate Strategy, M&A, IT, Global Business	Joined the Group on 1 March 2020. Most recently held the role of Group CFO at Gunnebo, a multinational security company, listed on NASDAQ

Services and Indirect procurement

Stockholm. Before that, more than 20 years at the Gothenburg-based SKF group in various financial and strategic leadership positions. She also has extensive experience from driving growth and efficiency in global companies, including finance leadership, business control, governance and process development. Susanne is currently a Board member and chairs the Audit Committee in Dovista A/S Group (privately owned) and Ambu A/S Group (Listed at Nasdaq Copenhagen).

Business experience: over 25 years

Nationality: Swedish citizen

**Eric De Kesel**

Born: 1965

COO and EVP Sustainability

Joined the Group in 2002. Within the Group has held positions as President of the surgical division and VP Operations. Previously business unit director for Saint-Gobain and within Caterpillar positions within R&D, Manufacturing and Process Engineering.

Business experience: Over 30 years, including 17 years in the health care industry

Nationality: Belgian citizen

**Anders Andersson**

Born: 1971

EVP OR Solutions

Joined the Group in 2000. Within the Group he has held roles as Vice President Global Manufacturing, Global Operation Director, International Business Manager, R&D Development Manager. Joined the Executive Leadership Team in 2017. Previously worked at General Motors.

Business experience: 25 years, including more than 20 years in health care industry

Nationality: Swedish citizen

**Kristin Hedlund**

Born: 1968

EVP Legal

Joined the Group in 2018 as Executive Vice President Legal, General Counsel. Previously worked at Schenker North AB as General Counsel.

Business experience: more than 20 years in Legal Affairs and 4 years in different positions within Swedish Courts

Nationality: Swedish citizen

**Rob Claypoole**

Born: 1971

EVP Wound Care

Joined the Group in 2017. Within the Group he has held the role of Executive Vice President and President, U.S. Joined the Executive Leadership Team in 2019. Previously worked at Medtronic, the most recent role being General Manager, Obesity & Metabolic Health.

Business experience: 25 years, including 18 years in the health care industry

Nationality: U.S. citizen

<b>Katriina Öberg</b>	Born: 1966
EVP Gloves	<p>Joined the Group in 1999, within the Group has held various leadership roles in global and regional commercial businesses, within both marketing and sales. Most recently Regional Vice President Asia-Pacific.</p> <p>Business experience: more than 20 years in the health care industry</p> <p>Nationality: Finnish citizen</p>
<b>Lina Karlsson</b>	Born: 1973
EVP Antiseptics	<p>Joined the Group in 2019 as head of OR solutions R&amp;D.</p> <p>Business experience: a broad medtech and pharma background, much of which was at Gambro and Baxter. She has held senior global positions in R&amp;D and Operations, with responsibility for a range of projects, including customer-focused innovation, cost optimisation, quality improvements, organisational development and integrations.</p> <p>Nationality: Swedish citizen</p>
<b>Emma Wright</b>	Born: 1973
CMO & EVP Regulatory and Quality affairs	<p>Joined the Group in 2018 as Chief Medical Officer.</p> <p>Business experience: has spent her entire career in medical devices, particularly in the wound care and surgical implant space. She has worked across various markets, for a range of medtech businesses, from start-ups to large global companies.</p> <p>Nationality: British citizen</p>
<b>Maria Morin</b>	Born: 1974
<b>Chief People Officer</b>	<p>Joined the Group 3 January 2023 as Chief People Officer</p> <p>Business experience: Long-standing background of senior positions within human resources development and communication from, among others, CellaVision AB, where Maria led the HR and corporate communication functions and most recently served as Group CHRO at BHG Group where she led the HR, communications and ESG functions.</p> <p>Nationality: Swedish</p>

The business address of each of the members of executive management is the Issuer's registered office at c/o Mölnlycke Health Care AB, Gamlestadsvägen 3 c, Box 13080, SE-402 52 Gothenburg, Sweden, telephone number +46 31 722 30 00. There are no potential conflicts of interest between any duties to the Issuer of the members of executive management named above and their private interests or other duties.

## **EMPLOYEES**

As at 31 December 2022, the Group employed 8,775 staff compared with 8,315 staff as at 31 December 2021.

### **Use of Proceeds**

The estimated net proceeds of each issue of Notes will be used by the Issuer for its general corporate purposes, or if, in respect of any particular issue, there is a particular identified estimated use of proceeds, for the purposes stated in the relevant Pricing Supplement.

## Taxation

### Swedish Taxation

The following summary outlines certain Swedish tax consequences of the acquisition, holding and disposal of Notes. The summary is based on the laws of the Kingdom of Sweden in effect as at the date of this Offering Circular and is intended to provide general information only. The summary is not exhaustive and does thus not address all potential aspects of Swedish taxation that may be relevant for a potential investor in the Notes. In particular, the summary does not address the rules regarding reporting obligations for, among others, payers of interest. Specific tax consequences may also be applicable to certain categories of corporations, e.g. investment companies and life insurance companies, not described below. Specific tax consequences may also apply when Notes are held by partnerships and as trading assets in a business. Such tax consequences are not described below. Neither does the summary cover Notes which are placed on an investment savings account (Sw: *investeringssparkonto*). This summary is neither intended to be nor should be construed as legal or tax advice and investors should consult their professional tax advisors regarding the Swedish and foreign tax consequences (including the applicability and effect of tax treaties) of acquiring, holding and disposing of Notes in their particular situation.

#### *Non-resident holders of Notes*

As used herein, a non-resident holder means a holder of Notes who is (a) a private individual who is not a resident in the Kingdom of Sweden for tax purposes, or (b) an entity not organised under the laws of the Kingdom of Sweden and which is not otherwise resident in Sweden for tax purposes.

Payments of any principal amount or any amount that is considered to be interest for Swedish tax purposes to a non-resident holder of any Notes should not be subject to Swedish income tax provided that such holder does not carry out business activities from a permanent establishment in the Kingdom of Sweden to which the Notes are effectively connected. Under Swedish tax law, no withholding tax is imposed on payments of principal or interest to a non-resident holder of any Notes.

Under a specific rule, individuals who are not resident in the Kingdom of Sweden for tax purposes may be liable to capital gains taxation in the Kingdom of Sweden upon disposal or redemption of certain financial instruments, depending on the classification of the particular financial instrument for Swedish income tax purposes, if they have been resident in the Kingdom of Sweden or if they have lived permanently in the Kingdom of Sweden at any time during the calendar year of disposal or redemption or the ten calendar years preceding the year of disposal or redemption. The application of this rule may, however, be limited by an applicable tax treaty.

The holders may, however, be subject to tax in the country where they are resident for tax purposes.

#### *Resident holders of Notes*

As used herein, a resident holder means a holder of Notes who is (a) a private individual who is a resident in the Kingdom of Sweden for tax purposes or (b) an entity organised under the laws of the Kingdom of Sweden or which is otherwise resident in Sweden for tax purposes.

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) that are resident holders of any Notes, all capital income on Notes (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable. A capital gain or capital loss is calculated as the difference between the sales proceeds, after deduction for sales expenses, and the acquisition cost for tax purposes. The acquisition cost for all Notes of the same kind is determined according to the “average method” (Sw: *genomsnittsmetoden*).

A private individual’s capital income such as capital gains and interest is subject to a 30 per cent. tax rate. Limited liability companies and other legal entities are taxed on all income, including capital gains and interest, as business income at the tax rate of 20.6 per cent.

Capital losses on listed Notes (Sw. *marknadsnoterade fordringsrätter*) are fully deductible for individuals however only against taxable income in the capital income category. If a net loss should arise in this income category, a reduction is granted of the tax on income from employment and business operations as well as property tax. This tax reduction is 30 per cent. of the net loss that does not exceed SEK 100,000 and 21 per cent. of any remaining net loss. A net loss cannot be carried forward to future tax years. If amounts that are considered to be interest for Swedish tax purposes are paid by a legal entity domiciled in Sweden, including a Swedish branch, to a private individual (or an estate of a deceased individual) that is tax resident in Sweden, Swedish preliminary taxes are normally withheld by the legal entity on such payments. Swedish preliminary taxes should normally also be withheld on other returns on Notes (but not capital gains), if the return is paid out together with such a payment of interest referred to above.

No inheritance tax, gift or net wealth tax is levied in Sweden.

## **Luxembourg Taxation**

The description which follows is of a general nature. It is based on the laws presently in force in Luxembourg, though it is not intended to, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

## **Withholding Tax**

Under Luxembourg tax law currently in effect and subject to certain exceptions (as described below), no Luxembourg withholding tax is due on payments of interest (including accrued but unpaid interest) or repayments of principal.

In accordance with the law of 23 December 2005 (as amended), interest payments made by Luxembourg paying agents to individual beneficial owners resident in Luxembourg are subject to a 20 per cent. withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

## **FATCA**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986 (as amended), commonly known as FATCA, a “**foreign financial institution**” (as defined by FATCA) may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Sweden) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, proposed regulations have been issued that provide that such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under “*Terms and Conditions—Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the



grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

### **The Proposed Financial Transactions Tax (“FTT”)**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**Participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the proposed FTT remains subject to negotiation between the Participating Member States (excluding Estonia) and its scope remains uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

## Subscription and Sale

### OVERVIEW OF DEALER AGREEMENT

Pursuant to a Dealer Agreement dated 13 June 2023 (the “**Dealer Agreement**”), BNP Paribas, HSBC Continental Europe, Nordea Bank Abp and Skandinaviska Enskilda Banken AB (publ) have agreed with the Issuer, subject to the satisfaction of certain conditions, a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Forms of the Notes*” and “*Terms and Conditions of the Notes*”. The Issuer will pay each relevant Dealer a commission as agreed between them in respect of the Notes subscribed by it. Where the Issuer agrees to sell to the Dealer(s), who agree to subscribe and pay for, or to procure subscribers to subscribe and pay for, Notes at an issue price (the “**Issue Price**”), any subsequent offering of those Notes to investors may be at a price different from such Issue Price. In addition, the Issuer has agreed to reimburse the Arranger for certain of their expenses in connection with the update, and any future update, of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis may be stated in the relevant Pricing Supplement.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

In connection with each Tranche of Notes issued under the Programme, the Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. Further, the Dealers or their respective affiliates may purchase Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of the Issuer or its subsidiaries or affiliates at the same time as the offer and sale of each Tranche of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Tranche of Notes to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Tranche of Notes).

In addition, the Dealers and certain of their subsidiaries or affiliates may have performed certain investment banking and advisory services for, and entered into certain commercial banking transactions with the Issuer, the Bank and/or its subsidiaries or affiliates, from time to time, for which they have received customary fees and expenses. The Dealers and their subsidiaries or affiliates may, from time to time, engage in transactions and perform services for the Issuer and/or its subsidiaries and affiliates in the ordinary course of their business. If a jurisdiction requires that the offering is made by a licensed broker or dealer and a relevant dealer or any affiliate of the relevant dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the relevant dealer or such affiliate on behalf of the Issuer (as defined below) in such jurisdiction.

### SELLING RESTRICTIONS

#### General

No action has been or will be taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

These selling restrictions may be modified by the agreement of each of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the relevant Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

## **United States**

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 (the “Code”) and regulations promulgated thereunder. The relevant Pricing Supplement will identify whether the TEFRA C Rules or TEFRA D Rules apply or whether TEFRA is not applicable.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell, in the case of Bearer Note or deliver, the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date of an identifiable tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

*Where the relevant Pricing Supplement for Bearer Notes specifies that the TEFRA D Rules are applicable, the Bearer Notes will be issued in accordance with the provisions of the TEFRA D Rules. Where the relevant Pricing Supplement for Bearer Notes specifies that the TEFRA C Rules are applicable, the Bearer Notes will be issued in accordance with the provisions of TEFRA C Rules. Where the relevant Pricing Supplement specifies that TEFRA is not applicable, the Notes will not be issued in accordance with the provisions of either the TEFRA D Rules or the TEFRA C Rules.*

## **Interpretation**

Terms used in the paragraphs “*The TEFRA D Rules*” and “*The TEFRA C Rules*” have the meanings given to them by the Code and regulations promulgated thereunder, including the TEFRA C Rules and the TEFRA D Rules.

## **European Economic Area (EEA)**

### ***Prohibition of sales to EEA Retail Investors***

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or
  - (ii) a customer within the meaning of the Insurance Distribution Directive where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or
  - (iii) not a qualified investor as defined in the EU Prospectus Regulation; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA (each, a “**Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (A) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **EU Prospectus Regulation** means Regulation (EU) 2017/1129.

## **United Kingdom (UK)**

### ***Prohibition of sales to UK Retail Investors***

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, in relation to the UK, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

- (A) at any time to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

### ***Other regulatory restrictions***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) ***No deposit-taking***: in relation to any Notes having a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer.

- (b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, if it was not an authorised person, apply to the Issuer.
- (c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

## **Kingdom of Sweden**

This Offering Circular is not a prospectus and has not been prepared in accordance with the prospectus requirements provided for in the EU Prospectus Regulation. Neither Finansinspektionen (Sweden's financial supervisory authority) nor any other Swedish public body has examined, approved or registered this Offering Circular or will examine, approve or register this offering circular.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell any Notes or distribute any draft or definite document in relation to any such offer, invitation or sale in the Kingdom of Sweden unless and until (A) a prospectus in relation to those Notes has been approved by the competent authority in Sweden or, where appropriate, approved in member state of the European Economic Area; or (B) an exemption from the requirement to prepare a prospectus is available pursuant to the provisions of the EU Prospectus Regulation or the Act on Supplementary Rules to the EU Prospectus Regulation (Sw. lag (2019:414) med kompletterande bestämmelser till EU:s prospektförordning) or any other Swedish enactment.

## **Switzerland**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that this Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in any Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 653a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland or a simplified prospectus or a prospectus as such term is defined in the Swiss Collective Investment Scheme Act, and neither this Offering Circular nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Offering Circular nor any other offering or marketing material relating to the offering, nor the Issuer nor the Notes have been or will be filed with or approved by any Swiss regulatory authority. The Notes are not subject to the supervision by any Swiss regulatory authority, for example, the Swiss Financial Markets Supervisory Authority FINMA, and investors in the Notes will not benefit from protection or supervision by such authority.

## **Belgium**

Unless the Pricing Supplement in respect of any Notes specifies "*Prohibition of Sales to Belgian Consumers*" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold or otherwise made available and that it will not

offer or sell or otherwise make available the Notes to consumers (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek economisch recht/Code de droit économique*).

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes to the public as defined in Article 4, 2° of the Belgian law of 11 July 2018 on the offering of investment instruments to the public and the admission of investment instruments to the trading on a regulated market, as amended (the “**Belgian Prospectus Law**”), in Belgium, save in those circumstances set forth in Article 7, §1 and 10, §2-5 of the Belgian Prospectus Law, provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus or supplement thereto pursuant to Articles 7, §2 and 8 of the Belgian Prospectus Law or an information note (*informatienota/note d’information*) pursuant to Articles 10, §1 and 11 of the Belgian Prospectus Law.

The offering of any of the Notes is conducted exclusively under applicable private placement exemptions and it has therefore not been and will not be notified to, and the Offering Circular and any marketing materials or other documents relating to the Notes have not been and will not be provided to, nor approved by, the Belgian Financial Services and Markets Authority (*Autoriteit voor financiële diensten en markten/Autorité des services et marchés financiers*).

This Offering Circular has been issued to the intended recipients for personal use only and exclusively for the purpose of the offering of any of the Notes. It may therefore not be used for any other purpose, nor disclosed to any other person, in Belgium.

## **Republic of Italy**

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Offering Circular or of any other document relating to any Notes be distributed in Italy, except, in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered, and will not offer, sell or deliver any Notes or distribute any copy of this Offering Circular or any other document relating to the Notes in Italy except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the EU Prospectus Regulation and applicable Italian laws, including of Legislative Decree no. 58 of 24 February 1998 (the “**Financial Services Act**”) and implementing CONSOB regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the EU Prospectus Regulation, Article 34-ter of the CONSOB Regulation No. 11971 of 14 May 1999, as amended, and the applicable Italian laws.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in Italy under paragraph (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the “**Banking Act**”) and CONSOB Regulation No. 20307 of 15 February 2018, all as amended from time to time;
- (ii) in compliance with Article 129 of the Banking Act, as amended from time to time, and the implementing guidelines of the Bank of Italy (including the reporting requirements), as amended from time to time; and

- (iii) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB or the Bank of Italy or other competent authority.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or



- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified in the Pricing Supplement, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes to be issued under the Programme are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## General Information

1. Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market.

Notes may also be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

2. The update of the Programme was authorised by a resolution of the board of directors of the Issuer passed on 11 May 2023. The Issuer has obtained, or will obtain from time to time, all necessary consents, approvals and authorisations in the Kingdom of Sweden in connection with the issue of the Notes and the performance of its obligations under the Notes.
3. The Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had during the 12 months preceding the date of this Offering Circular, a significant effect on the financial or trading position or profitability of the Issuer and/or the Issuer's Group.
4. There has been no significant change in the financial performance or financial position of the Issuer or of the Issuer's Group since 31 December 2022. There has been no material adverse change in the financial or trading position or prospects of the Issuer or of the Issuer's Group since 31 December 2022.
5. There are no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Issuer's Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.
6. The Group's audited consolidated financial statements as at and for the years ended 31 December 2022 and 2021 which are incorporated by reference in this Offering Circular, have been audited by Deloitte AB, as stated in its reports appearing therein.
7. Copies (and English translations where the documents in question are not in English) of the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for collection at the office of the Fiscal Agent and from the offices of the Listing Agent in Luxembourg:
  - (i) the Certificate of Registration and Articles of Association of the Issuer;
  - (ii) the most recently published audited consolidated annual financial statements of the Issuer together with any audit or review reports prepared in connection therewith;
  - (iii) each Pricing Supplement (save that a Pricing Supplement relating to unlisted Notes will only be available for inspection by a holder of such Note and such holder must first produce evidence satisfactory to the Issuer or the Fiscal Agent as to its holding of the Notes and identity);
  - (iv) a copy of this Offering Circular together with any supplement to this Offering Circular;
  - (v) the Deed of Covenant; and
  - (vi) the Agency Agreement (which contains the forms of the Notes in global and definitive form).

In addition, this Offering Circular will be published on the website of the Luxembourg Stock Exchange at: [www.luxse.com](http://www.luxse.com).

8. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The appropriate Common Code and the International Securities Identification Number (ISIN) in relation to the Notes of each Tranche will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

9. Where information in this Offering Circular has been sourced from third parties, this information has been accurately reproduced, and as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
10. Deloitte AB (authorised and regulated by the supervisory board of Public Accountants – *Revisorsnämnden*) have audited, and rendered unqualified audit reports on, the consolidated annual accounts of the Issuer for the two financial years ended 31 December 2022 and 31 December 2021.
11. The Issuer’s website is <https://www.molnlycke.com>. Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents incorporated by Reference*”), any other information on the websites to which this Offering Circular refers does not form part of this Offering Circular.
12. Notes, Coupons and Talons will bear the following legend: “*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code.*”
13. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer, the Issuer’s Group and/or its or their affiliates in the ordinary course of business.

**Registered Office of the Issuer**

**Mölnlycke Holding AB (publ)**

c/o Mölnlycke Health Care AB  
Gamlestadsvägen 3c  
SE-402 52 Göteborg  
Sweden

**Arranger**

**BNP Paribas**

16, boulevard des Italiens  
75009 Paris  
France

**Dealers**

**BNP Paribas**

16, boulevard des Italiens  
75009 Paris  
France

**HSBC Continental Europe**

38, avenue Kléber  
75116 Paris  
France

**Nordea Bank Abp**

Satamaradankatu 5  
Helsinki  
FI-00020 Nordea  
Finland

**Skandinaviska Enskilda Banken AB (publ)**

Kungsträdgårdsgatan 8  
106 40 Stockholm  
Sweden

**Fiscal Agent, Paying Agent and Calculation Agent**

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Registrar, Transfer Agent and Listing Agent**

**Deutsche Bank Luxembourg S.A.**

2 Boulevard Konrad Adenauer  
L-1115 Luxembourg

*To the Issuer  
as to Swedish law*

**Mannheimer Swartling Advokatbyrå  
AB**  
Järnvågen 1 Box 2235  
403 14 Göteborg  
Sweden

**Legal Advisers**

*To the Issuer  
as to English law*

**Allen & Overy LLP**  
One Bishops Square  
London E1 6AD  
United Kingdom

*To the Arranger and the Dealers  
as to English law*

**Linklaters LLP**  
One Silk Street  
London EC2Y 8HQ  
United Kingdom

**Auditors**

**Deloitte AB**  
Rehngatan 11  
113 57 Stockholm  
Sweden