



Tobii AB (publ)

**PROSPECTUS REGARDING LISTING OF
UP TO SEK 600,000,000**

**SENIOR SECURED CALLABLE FLOATING RATE BONDS
2019/2022 AND SUBSEQUENT BONDS**

ISIN: SE0012230076

19 March 2019

Amounts payable under the Bonds (as defined herein) are calculated by reference to STIBOR, which is provided by the Swedish Banker's Association. As of the date of this Prospectus (as defined herein), the Swedish Banker's Association does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) ("BMR"). As far as the Issuer is aware, the transitional provisions in Article 51 of the BMR apply, such that the Swedish Banker's Association is not currently required to obtain authorisation or registration.

Important information

This prospectus (the “**Prospectus**”) has been prepared by Tobii AB (publ) with registration number 556613-9654 (the “**Issuer**” or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) the “**Group**”), in relation to the application for listing of bonds issued under the Issuer’s maximum SEK 600,000,000 senior secured callable floating rate bonds 2019/2022 with ISIN SE0012230076 (the “**Bonds**”), of which SEK 300,000,000 was issued on 21 February 2019 (the “**Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”) (the “**Bond Issue**”) on the Corporate Bond List at Nasdaq Stockholm AB (“**Nasdaq Stockholm**”). Concepts and terms defined in the Terms and Conditions are used with the same meaning in this Prospectus unless otherwise is explicitly understood from the context. The Issuer may at one or more occasions after the Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under the Subsequent Bond Issue(s) and the Bond Issue equals SEK 600,000,000. Subsequent Bonds may, for the avoidance of doubt, be admitted to trading pursuant to this Prospectus within one year after the approval of this Prospectus by the Swedish Financial Supervisory Authority (the “**SFSA**”, Sw. *Finansinspektionen*).

This Prospectus has been prepared in accordance with the rules and regulations in the Swedish Financial Instruments Trading Act (Sw. *lag (1991:980) om handel med finansiella instrument*) and Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, each as amended. This Prospectus has been approved by and registered with the SFSA in accordance with the provisions in Chapter 2, Sections 25 and 26, of the Swedish Financial Instruments Trading Act. It should be noted that such approval and such registration does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on Nasdaq Stockholm. This Prospectus may not be distributed in any country where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any U.S. state securities laws and may be subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Issuer has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country’s securities laws. It is the investor’s obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

The Prospectus will be available at the SFSA’s web page (www.fi.se) and the Issuer’s web page (www.tobii.com), and paper copies may be obtained from the Issuer.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them.

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

This Prospectus shall be read together with all documents that are incorporated by reference (see section “*Overview of financial reporting and documents incorporated by reference*” below) and possible supplements to this Prospectus.

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

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

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Risk factors

*Investing in the Bonds involves inherent risks. The financial performance of the Issuer and the Group and the risks associated with its business are important when making a decision on whether to invest in the Bonds. A number of risk factors and uncertainties may adversely affect the Group. If any of these risks or uncertainties actually occur, the business, operating results and financial position of the Group could be materially and adversely affected, which ultimately could affect the Issuer's ability to make payments of interest and repayments of principal under the final terms and conditions for the Bonds (the "**Terms and Conditions**"). In this section, a number of risk factors, both general risks pertaining to the Group's business operations and material risks relating to the Bonds as financial instruments, are illustrated. The risks presented in this Prospectus are not exhaustive as other risks not known to the Issuer or risks arising in the future may also come to adversely affect the Group, the price of the Bonds and the Issuer's ability to service its debt obligations. Further, the risk factors herein are not ranked in order of probability, importance or potential impact. Potential investors should carefully consider the information contained in this Prospectus and make an independent evaluation before making an investment decision.*

Risks associated with the Group, the industry and the market

Global economic and market conditions

The main product of the Group is eye-tracking technology that enables a device to know where your eyes are focused. The Group's business is divided into three separate business units. The first business unit focuses on supplying assistive technology for people with reduced ability to speak and communicate. The products the business unit produces include both specially designed communication devices that use either eye control or touch, and a range of software. Several products are registered as medical devices and are often financed through public or private funding systems. The second business unit's focus area is to develop and sell eye-tracking hardware and analysis software that help researchers and scientists around the world to study human behaviour. The business unit also has a growing service organization that performs market research for customers on a global basis. The third business unit is focused on technology and market development aimed at integrating eye tracking into consumer electronics and other volume products. Primary focus areas include gaming computers, mainstream computers, virtual reality and smartphones.

The Group operates globally and its operations are therefore dependent on global economic developments as well as conditions that are unique to different countries and/or regions. The Group's primary end user markets are individuals with speech

and communication disabilities, companies and academic institutions conducting research on human behaviour and the market for PC gaming and VR electronics. All of these markets are affected by macroeconomic factors such as the general economic trend, employment rate development, population growth, inflation, and general spending and consumption power. The development of the economy affects customer behaviour in terms of, for example, research and studies of human behaviour and consumption of electronics that require the Group's products, which drives demand from the Group's customers, and thus, the markets in which the Group operates. Deterioration or sustained volatility in economic conditions in the markets in which the Group operates may adversely affect the business and economics of the Group's customers and therefore the level of demand for the Group's products. A lower demand for the Group's products could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Inflation expectations affect the interest rate and therefore affect the Group's net income. The Group's interest cost of debts to credit institutions and outstanding market loans are affected by changes in the interest rate and such changes in interest costs thus have a significant effect on the Group's result and cash flow. The inflation also affects the Group's costs in general. In addition, changes in the interest rate and the inflation also affect the yield requirements and thus the market value of investments. Should the interest rates or the inflation change in an unfavourable manner for the Group, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risks related to the Group's products, new segments and rapid technical developments

The Group's markets are characterized by rapid technology changes. Consequently, the ability of each of the Group's business unit to predict technical advances and market needs and to adapt its products accordingly is critical for the continued success of both the business units and the Group as a whole. Therefore, the Group's products are developed through continuous technical development and the Group works constantly to develop new products in the different business units. If the Group fails to develop and produce relevant products that meet the rapid technology development in any of the Groups' markets, there is a risk that the Group will rapidly lose market shares and revenue. For example, most major technology companies are making huge investments in developing increasingly sophisticated artificial intelligence (AI) solutions and, in part, the Group's eye-tracking technology is based on AI, by using machine-learning algorithms. Should the market be subject to a technology shift, such as the introduction of new techniques or inventions, the Group

may also need to invest substantial resources to adapt its existing production facilities to such new technologies at significant cost to remain competitive.

There is also a risk that the Group's strategy of entering new volume markets, such as computers, VR and smartphones, could fail, for example, if customers do not feel that user benefits warrant the cost or if the technology's performance is insufficient.

Should any of these risks materialise, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Research and development

The Group's future growth depends on its ability to invent and develop new and more efficient and effective products within its core areas, to produce them cost-effectively, as well as on its ability to improve existing products, in order to meet future customer requirements and to avoid losing market share to competitors. Future growth is also dependent on the Group's ability to develop new products within new market segments, which also has the advantage of decreasing reliance on existing market segments which may become redundant in future. Research and development of new products is costly and entails a risk of unsuccessful commercialisation. Failure to develop successful products in existing and new markets, or the incurrence of significant expenditure on developing unsuccessful products, could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Production and carrying of stocks

The Group's products are mainly manufactured in Southeast Asia and shipped to customers in Asia, Europe and North America. Should there be an interruption or a disturbance – such as a breakdown, a labour dispute or a natural disaster – at any stage, it may have a major impact on the Group's ability to fulfil its obligations to its customers. The Group's customers rely on the provision of its products in set volumes and in a timely and reliable manner. Any such interruptions or disturbances may therefore lead to a loss of confidence and potentially termination of contracts and relationships, any of which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

As the demand for the Group's products increase, it will be more important for the Group to keep additional products and components in stock. Ineffectiveness in the management of stock levels, for example by fault or negligence, may lead to excess or insufficient stock levels. Excess stock levels may result in the necessity for the Group to devalue or to scrap products and components. Insufficient stock levels may force the Group to buy supplies and components at a high price or enter into contracts with suppliers on unfavourable terms. Thus, ineffective management of stock levels

could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risks associated with the Group's partners, suppliers and dependency on important customers

The Group's operations are dependent on collaborations with its partners, such as the global network of resellers, insurance bodies, research companies, large electronics companies and gaming companies for the development and sales of the Group's products. For example, the Group's business unit for assistive technology for people with reduced ability to speak and communicate, works together with carefully selected and professional resellers and support suppliers. If such resellers, or other partners and customers, would end the collaborations or not meet their obligations and quality of sales and support, or in the Group fails in its efforts to follow up and develop its existing and future partnerships, this could have a material negative impact on the Group's revenue, operations, profitability and financial position.

The Group is dependent on a small number of external suppliers and providers for the supply of components and product assembly. To be in a position to manufacture, sell and deliver products, the Group is dependent upon deliveries from such suppliers and providers in accordance with agreements relating to, among others, quantity, quality and delivery time. Issues with operations, price increases, erroneous delivery forecasts, or other reasons that the suppliers cannot deliver in accordance with the needs of the Group, may lead to quality problems and delays in deliveries for the Group and in consequence, loss of revenue and increased costs. Should any agreements or partnership with such key suppliers and providers be terminated or ended, it will be difficult to replace such key suppliers and providers in a timely manner. Furthermore, erroneous or faulty deliveries to the Group's customers and any delay or default from the Group's suppliers to the Group could have a negative effect on the Group's reputation and relationships including leading to potential termination rights, claims for indemnification of losses under Company's customer agreements, and could thus have a material negative impact on the Group's revenue, operations, profitability and financial position.

The Group are dependent on some important key customers such as large integration customers, but also authorities in different jurisdictions. The Group has entered into certain contracts with such customers without binding volume commitments or guarantees. There is therefore a risk that customers might choose not to implement planned integrations, even if they have been announced as "design wins." Should this risk materialise, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Some of the Group's customers are dependent on public and private funding systems

End customers in the Group's market for assistive technology for communication for individuals with reduced ability to speak and communicate are, to some extent, dependent on national subsidies, government incentive and reimbursements from private actors such as insurance companies or other forms of financial aid or support for medical equipment. Many of the customers in the Group's market for research solutions are depending on government research grant funding. Should such national subsidies, government incentive, insurance reimbursements or other forms of financial aid or support for medical equipment end or decrease, or would the public and private funding systems change, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Increased competition in the Group's markets

The Group operates in a highly competitive global market. The Group has a number of competitors across different product categories and geographic markets. The competitors compete by price, innovations and quality of the products, but also by other competitive factors such as production capacity and performance and product availability. For example, the Group offer specialized products that encounter competition from simpler and less expensive consumer products. There is a risk that this trend will continue and affect more product categories in the future.

The Group's future ability to compete successfully is, among other things, dependent upon the Group's ability to anticipate future market changes, trends and new technology development, and to react rapidly to existing and future market needs, which may result in increased costs or require price reductions or changes of the Group's business model. Further, the Group operates in a global market where several competitors may have greater financial resources than the Group and therefore be able to spend more on research and development and creating a price effective product, or be able to sustain a period of lower prices better than the Group. If the Group's competitors or new market participants develop technologies and products that offer a better price and performance, there is a risk that they will take market share from the Group. Moreover, it is likely that in the future the Group will encounter competition to a greater extent from large, well-established and well-financed entities.

Should any of these risks materialise or an increase of competition would occur, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risks associated with the Group's acquisitions and the integration of acquired companies and operations

The Group has an acquisition strategy and actively seeks to acquire potential companies that could improve or complement the products offered by the Group. For example, the Group recently acquired the UK-based Smartbox Assistive Technology Ltd. in order to further consolidate its market position and strengthen its sales channels in key geographical markets. The acquisition brings together the industry leading communication software Grid with the Group's industry-leading touch and eye-tracking solutions for assistive communication and thus the Group will extend its product line by integrating Grid into its portfolio, forming a comprehensive and strong offering that meets a broad range of communication needs for users with disabilities. The Group evaluates various potential acquisitions in line with the Group's acquisition strategy and there is a risk that the Group do not succeed in identifying suitable companies to acquire or may fail to implement the acquisition due to, for example, competition from other acquires or of the absence of adequate financing.

Due to the Group's position in the Group's target markets, the Group may be subject to obstacles relating to for example competition law in regards to certain acquisitions. The competition legal framework aims to prevent business concentrations that obstruct the existence of effective competition. The acquisition of Smartbox, as described above, is currently under examination of the Competition & Markets Authority in the UK. The examination of the Competition & Markets Authority may result in significant costs for the Group. Also, if certain thresholds are exceeded and/or certain tests failed, the Competition & Markets Authority may deem the acquisition to create an unallowable reduction in competition and all or some performances in connection with the acquisition may have to be recovered, divested or otherwise altered. Any competition obstacles in connection with the Group's acquisitions could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Acquisitions are inherently associated with financial, management and operational risks such as not being able to secure adequate financing to favourable terms for the Group, unforeseen costs, not allowing the management's attention to be directed at the conduction of the ordinary business and difficulties integrating new operations with existing operations or that newly integrated operations not preform as expected, which in turn may prove the acquisition to be unprofitable. Acquisitions may also be connected to risks associated with the seller. If a seller is, or ends up in, financial difficulties, the possibility to put forward warranty claims may be limited. If one or several of the abovementioned risks would materialise, this could have a material

negative impact on the Group's revenue, operations, profitability and financial position.

Product liability, warranties and reputational damage

The Group's operations include product development, manufacturing, marketing and sales. Since the Group manufactures products and components that the Group supplies to integration customers, with advanced features, matters of quality are particularly important. A defect in any part of the production process could lead to quality issues or involve other risks with regard to, among others, product safety. The Group's products have expressed and implicit warranties and the Group may in the future suffer losses due to such warranties. In addition, the Group's products and components are, or will be, integrated in a number of applications and products such as computers, gaming equipment and motor vehicles. If any of such products turn out to be flawed or defective, it could render the Group responsible and thus have a material negative impact on the Group's revenue, operations, profitability and financial position

The Group's production and products could be exposed to product liability and considerable warranty claims and subjected to requirements on product recall in the event that the products have defects or other quality faults that may cause damage or personal injuries or are suspected of potentially causing damage or personal injuries to individuals or property.

Unforeseen issues of product quality may harm the Group's reputation and brand, result in costs in relation to warranty claims, indemnification under customer contracts, and have a material negative impact on the Group's revenue, operations, profitability and financial position.

Insurance

The Group's operations are subject to a number of risks, such as potential damage to its production facilities, damage to equipment and inventory, potential future environmental damage at the properties where the Group operates and/or potential claims regarding defect products. The Group's business and assets are insured through different insurance policies, which the Group believes are adequate and are usual for companies carrying on the same or substantially similar business. There is a risk that its current insurance protection cannot be maintained on acceptable terms or at all or that future losses will not be fully covered or at all by the Group's insurance protection. Further, certain types of losses are not possible to insure and will, thus, not be covered by the Group's insurances. Hence, there is a risk that serious events such as fires at the Group's production facilities, may lead to production stoppages and potentially the loss of key contracts as a result, the economic effects of which may not be fully covered by the Group's insurance or at

all. Any such limitations or absence of insurance coverage are likely to result in the Group being required to pay for losses, damages and liabilities leading to adverse effects on the Group's business, earnings or financial position.

The Group may be unable to protect its intellectual property rights and could be at risk of infringing third party intellectual property rights

The Group's ability to grow its business successfully depends, amongst other things, on its ability to protect, register and enforce its intellectual property rights. The Group holds many patents throughout the world in many key areas of eye tracking technology as well as internal intellectual property know-how related to eye tracking. The Group is strongly focused on maintaining and extending its patent leadership position. The Group seeks to protect its innovations to safeguard the returns on the resources that the Group assigns to research and development. Patents are an essential part of the Group's property rights and the Group therefore continuously submits patent applications whenever the Group considers appropriate. There is a risk that the Group will not be able to adequately protect its patents, trademarks and other intellectual property rights or that submitted applications for registration would not be granted.

Further, there is a risk that innovation and products are developed by competitors or others, which circumvent or replace the Group's intellectual property rights. In addition, the Group is partly dependent on know-how that cannot be protected by intellectual property law. It is possible that competitors will develop similar know-how or that the Group is not able to protect its know-how in a desired manner. There is also a risk that the Group infringes the intellectual property rights of others. Infringement disputes, like disputes in general, can be costly and time consuming, and can in addition to monetary remedies result in injunctions stopping product sales, and may therefore have a material negative impact on the Group's revenue, operations, profitability and financial position.

Disputes and the risk of litigation

The Group is exposed to the risk of litigation, disputes and claims resulting from the agreements entered into with its customers, suppliers and other business partners or claims from third parties, as well as its business operations in general. The Group currently has a patent infringement claim directed towards Beijing 7invensun in the US. It is currently too early to estimate the claim amount. The Group may in the future acquire further businesses, in certain jurisdictions, which have a tradition of litigation behaviour, which may increase the risk of litigation, disputes and claims. The Group may in the future become involved in commercial disputes as well as legal and arbitration disputes, with public authorities or private parties, which involve substantial claims for damages or other sanctions. Such disputes could be

time consuming and costly and there is a risk that the outcome will be unsuccessful for the Group. Furthermore, the costs associated with such disputes or claims cannot always be foreseen. Therefore, disputes could have a material negative impact on the Group's revenue, operations, profitability and financial position.

The Group's production and exports of certain products may need permits from public authorities

There is a risk that the Group in the future is not granted required permits or is not able to obtain the authorisations necessary to conduct and develop its business in accordance with the Group's strategy. The Group's production and exports are, to some extent, dependent on the granting of permits by the relevant public authorities, such as the U.S. Food and Drug Administration (the "FDA"). The Group holds certificates with the FDA concerning some of the Group's products that are categorised as medical equipment. Certain end users are also in some cases covered by regulations regarding handling of patient data. If the Group does not comply with its regulatory obligations, the may be increased credit-, liquidity- and operation risk. Categorisation for medical equipment may also vary in different jurisdictions and it may be difficult for the Group to assess the costs and time in order to obtain a certificate. There is a risk that the Group in the future fails to or is unable to maintain and/or obtain certificates required for it to continue or develop its business. Any such failure may lead to production stoppages or restrictions on planned growth, any of which may have a material negative impact on the Group's revenue, operations, profitability and financial position.

The Group is dependent on key employees

The Group operates in a high-tech market, in which the expertise of key personnel and others is of major importance for the Group's operations and continued development. The Group relies on the executive management team, key employees with various specialist skills, and relies on for examples as engineers and administration personnel, but also relies on its management processes in order to produce its products. Thus, the Group is dependent on its ability to retain and motivate high quality and highly skilled personnel. Should the Group be unable to attract and retain, among others, key officers and key employees as well as the necessary technical, sales, marketing and managerial staff, including recruit skilled personnel with appropriate qualifications and experience, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risks relating to hiring and retaining personnel

The Group is dependent on an engaged, skilled and motivated workforce. Thus, the Group's long-term development is dependent on the Groups ability to attract and

develop the right personnel and to focus on sustainability with respect to its workforce.

Since the Group operates in different geographical markets, the Group is dependent on achieving desired flexibility in staffing in the local market. Due to the differences between local markets, the Group is also exposed to the risk of adverse movements in labour cost, legislation with regard to, among others, labour's rights and other local conditions related to staffing, such as specific local tax measures. Should the Group be unable to rapidly react and adapt to such changes, or at all be unable to comply with local requirements, it could lead to that the desired flexibility in staffing in each local market cannot be maintained, which in turn, could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risks relating to legislation in different legal systems and legal proceedings

Laws in various jurisdictions, including, among others, tax legislation and employment legislation, regulate the Group's business operations. Amendments or restatements of laws, regulations and standards or other changes thereof, leading to stricter requirements and changed conditions regarding, among others, employees' rights, safety and health or environmental regulations, or a development to a stricter implementation and application by the authorities of existing laws and regulations, may have negative implications for the Group. Such amendments may force the Group to make further investments, to reorganise its business or take other measures, with increased costs consequently.

There is a risk that new interpretations and amendments in the application of existing laws and regulations in combination with new laws and regulations, in any jurisdiction in which the Group operates, will have an adverse effect on the Group, and that it will become more burdensome and costly for the Group to monitor legal compliance, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Further, the Group and its subsidiaries have entered into number of agreements with customers, suppliers, distributors and other third parties domiciled in different countries and the laws of various jurisdictions govern the agreements. There is a risk that the Issuer or its subsidiaries will not be able to enforce all of their rights under these agreements due to applicable laws and regulations. If the Issuer or its subsidiaries are unable to enforce their rights under the agreements, this could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risks related to changes or the interpretation or application of tax

The Group's sales are primarily realised through subsidiaries that are active in the geographic markets in which it operates and have customers on a global scale. The Group conducts its business in accordance with the Group's interpretation of applicable tax laws and regulations, and in accordance with advice from tax advisors. There is a risk that the Group's interpretation and application of tax requirements, with respect to, among others, company corporate tax, VAT, rules on tax-exempted divestment of shares, other state or municipal charges, tax refunds and interest deductions may be incorrect or that such regulations change, possibly with retroactive effect. Further, future changes in applicable tax laws and regulations may affect the conditions of the business of the Group. Tax rates may be changed in the future or other changes of regulations may occur which affect the ownership of certain assets or which could affect the performance of certain transactions.

In June 2018, the Swedish Government passed legislation regarding new interest deduction limitation rules. The rules entered into force on 1 January 2019. Under the legislation, a general limitation for interest deductions in the corporate sector applies by way of an EBITDA-rule under which net interest expenses, i.e., the difference between the taxpayer's interest income and deductible interest expenses, is only deductible up to 30 per cent. of the taxpayer's EBITDA for tax purposes. As an alternative rule, which can be applied instead of the EBITDA-rule, interest deductions of up to a threshold of SEK 5 million are always deductible for tax purposes. In addition, it is possible to offset a taxpayer's net interest expenses against net interest income of an affiliated group company with which the company may exchange group contributions for tax purposes. The legislation further states that interest costs may not for tax purposes be included in the tax basis value of certain assets, for example real property and land. Further, additional changes to the previous interest deduction limitation rules for interest costs on loans between affiliated companies apply. In summary, interest costs on loans to affiliated companies are only deductible if the affiliated company is either a resident in the EEA, in a country with which Sweden has a concluded double tax treaty or is subject to a tax rate of at least 10 per cent. on the interest income. However, no deduction is allowed if the primary reason for the debt is for the group to receive a substantial tax benefit.

Furthermore, the Group is subject to risks related to litigations and legal claims due to the integrated global nature of the Group's business operations, which may give rise to complexity and delays in assessing the Group's tax position. This could lead to that the Group occasionally faces tax audits, which in some cases may result in disputes with tax authorities. The Group makes provisions for the outcome of such tax audits and litigations. During such tax audits, local tax authorities may challenge the Group's assessment in relation to, among others, the Group transfer pricing,

deductibility, depreciation for income tax purposes or possibility of utilisation of tax losses carry-forward. Disputes with tax authorities could lead to litigations in several instances, resulting in lengthy legal proceedings. If any of the described risks above would materialise, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Changed accounting rules

The Group's businesses are affected by the accounting rules that, from time to time, are applied in the jurisdictions where the Group conduct business, including for example IFRS and other international accounting standards. This means that the Group's accounting, financial reporting and internal control, may in the future be affected by and may have to be adapted to changed accounting rules or a changed application of such accounting rules. This might entail uncertainty regarding the Group's accounting, financial reporting and internal control and might affect the Issuer's and the Group's accounted profit, balance sheet and equity, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Accounting in accordance with IFRS and generally accepted accounting principles require the management to make assumptions. Assets and liabilities, income, costs and additional information accounted for are affected by assessments and assumptions. The assessments and assumptions are based on previous experience and expectations of future events that the management deem reasonable under the circumstances at hand. The actual outcome may however differ from the assessments and assumptions made and this could have a material negative impact on the Group's revenue, operations, profitability and financial position.

The Group may need to impair the value of its capitalized development costs

The Group's capitalised expenses for product development comprise a significant portion of the Group's balance sheet. There is a risk that the future estimated cash flow will not be equivalent to the book value of capitalized expenses for product development and that, as a result, there is a risk for impairment of such capitalized development costs. If such risk would materialise, this could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Geographical and political risks

The Group operates in different countries and revenue is generated across different geographical markets. The Group is thus exposed to local, as well as global, market trends and conditions. Should the Group incur additional costs due to local fluctuation in supply and demand and fluctuations in prices in the areas in which the

Group operates, this could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Further, considering that the Group conducts its business in several countries, the Group is exposed to risks associated with such international business, including increased costs of transportation or shipping. The materialisation of any such risks could have a material negative impact on the Group's revenue, operations, profitability and financial position.

The Group has commercial interests in countries which may be exposed to economic disruptions. These countries, foremost China, Taiwan and Ukraine, are subject to greater risks, such as political, legal, regulatory, economic and social risks and uncertainties, than countries with more developed institutional and political structures. Thus, the Group is exposed to risks of losses resulting from changes in laws and regulations, economic and social upheaval, fiscal instability, adverse sovereign action by governments, and other such factors. For example, a number of the Group's development consultants are located in Ukraine and due to the territorial conflict between Russia and Ukraine, there is a risk that the work and development performed by such consultants may be impossible to perform in the future. Among the more significant risks of having commercial interests and arrangements in these countries are those arising from the establishment or enforcement of foreign exchange restrictions, which could prevent the Group from repatriating profits or liquidating assets and withdrawing from one or more of these countries, as well as changes in tax regulations or enforcement mechanisms, which could reduce substantially or eliminate any revenues derived from operations in such countries and reduce significantly the value of assets related to such operations. Moreover, the Group is exposed to tariffs, export and import restrictions/controls, pricing restrictions, corruption and bribes.

If any one or more of the above risks were to materialise, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Bribes, corruption and competition authorities

The Group and its customers operate in a number of different geographical areas, often with different cultural approaches to good business practices, and accordingly may be exposed to a risk of unethical or illegal behaviour. The Group's operations could be adversely affected if the Group were to become associated, even if based on unfounded claims or tenuous connections, with illegal activities or otherwise unethical business methods or become the subject of investigations by competition authorities or other regulatory authorities. Such association or investigation could result in, among others, a negative perception of the Group among its current and

future customers, problems in relationships with important contracting parties, an adverse effect on the Group's ability to conduct major acquisitions or fines or sanctions from competition authorities or other regulatory authorities. Any of these circumstances, if materialised, could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Failure to comply with international sanctions

Sanctions regimes imposed by governments, including those imposed by the EU, the United States (including those administered and enforced by the Office of Foreign Assets Control), or other relevant countries or international bodies, could operate to restrict the Group from engaging in trade or financial transactions with certain countries, businesses, organisations and individuals. The legislation, rules and regulations established under sanctions regimes are often broad in scope and subject to varying interpretation, and in recent years, governments have increased and strengthened such regimes in relation to certain countries.

Should the Group be deemed to have violated any existing or future EU, United States or other applicable international sanctions, this could result in fines or other penalties that may have a negative impact on the Group's reputation and financial position as well as its ability to conduct business in certain jurisdictions or access international capital markets and therefore could have a material negative impact on the Group's revenue, operations, profitability and financial position.

EU General Data Protection Regulation

The EU adopted a new general data protection regulation 2016/679/EU (the "GDPR"), which entered into force on 24 May 2016 and applies from 25 May 2018. The main objectives of the GDPR are to harmonise EU laws on personal data and facilitate the flows of data across the EU as well as to ensure that personal data enjoys a high standard of protection everywhere in the EU. The GDPR includes new requirements for the handling of personal data. This may create challenges for the Group in order to ensure its compliance with the GDPR. There is a risk that, for instance, a misinterpretation of GDPR leads to that the Group will not be fully compliant. Failure to comply with the GDPR may subject the Group to substantial monetary fines, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Goodwill

A substantial share of the Group's intangible fixed assets consists of goodwill. Goodwill is tested at least annually to identify any necessary impairment requirements. In the event that future impairment tests in respect of decreases in the

value of goodwill should lead to impairment, this may have a negative impact on the Group's business, financial position and results.

Risks relating to disasters, disruption and hazard risks (including IT or network failure)

Considering the nature of the Group's business, the Group is dependent on overall societal stability and continuity. Thus, the Group is reliant upon detailed business impact analysis and the development of business continuity plans, which have to be periodically evaluated and updated. A significant breakdown or other disruption in the IT systems could affect the Group's ability to conduct its operations and fulfil its customer commitments. There is also a risk that trade secrets, such as information regarding research and development, or personal data or other sensitive information about employees or customers, could be used incorrectly or disclosed if the Group were exposed to data hacking. The Group is also reliant upon back-up and disaster plans and strategies as well as proper insurance coverage with respect to business continuity in general. There is a risk that the continuity of the Group's business may be affected by natural disasters, wars, terrorist attacks, other civil disturbances, epidemics, technical failures, operating malfunctions, sabotage, etc. Any sustained disruption of the Group's services, both in relation to own systems and customer's systems, may lead to significant deterioration in the profitability from the affected site, country or region, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Liquidity risks

Liquidity risk is the risk that the Group is unable to meet its payment obligations at any maturity date without the refinancing cost increasing significantly or at all. Liquidity risk arises from the Group's management of its working capital as well as the finance charges and principal repayments of its debt instruments. If the Issuer's or the Group's liquidity sources prove not to be sufficient, it could have a material negative impact on the Group's revenue, operations, profitability and financial position and its ability to meet its payment obligations under the Bonds.

Financing and refinancing risk

Financing risk is that the Group does not obtain access to financing or refinancing at all or only on unfavourable terms. The Group's business may from time to time be financed through borrowings from external creditors, such as bank loans and market loans. However, such financing may contain undertakings, which, if breached and not waived, could result in such financing being accelerated and becoming due and payable. There is a risk that an obligation to prepay any such financing will prevent the Group from being fully financed and being profitable in the future and will thus have

a material negative impact on the Group's revenue, operations, profitability and financial position.

There is a risk that inability to refinance existing or future facilities or to obtain additional financing at market terms, as a result of a deficiency in the capital market or for any other reason, will result in delays or reduction or termination of certain operations and, in turn, will have a material negative impact on the Group's revenue, operations, profitability and financial position.

Currency risks

The Group reports in SEK but has also other currencies as functional currencies in addition to SEK, and conduct its purchases and/or sales in, among others, EUR, USD and JPY. As the exchange rates relating to these currencies fluctuate, the Group incurs transaction exposure as transactions made in other currencies than the reporting currency need to be recalculated into the reporting currency. Unfavourable currency exchange rate fluctuations may therefore have a material negative impact on the Group's revenue, operations, profitability and financial position.

Interest rate risk

The Group may from time to time finance its operations by borrowing funds, a portion of the Group's cash flow may therefore be used to service interest liabilities. Changes in interest rates affect the Group's interest costs and may lead to changes in actual value, changes in cash flows and fluctuations in the Group's result, which in turn could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Customer credit risks

Where there is a risk that the Group's counterparties will be unable to fulfil their financial obligations towards the Group, the Group is exposed to a credit risk. The Group applies market standard payment terms to its customers. The Group's current and potential customers and other counterparties may end up in financial situations where they cannot pay the agreed fees or other amount owed to the Group as they fall due, or otherwise abstain from fulfilling their obligations. If a customer or a counterparty cannot pay a debt on time or at all it may have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risks associated with the Bonds

Credit risks

An investment in the Bonds carries a credit risk relating to the Group. The bondholders' ability to receive payment under the Terms and Conditions is therefore dependent upon the Issuer's and the Group's ability and willingness to meet its

payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, a number of which have been discussed herein. An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. Another aspect of the credit risk is that any deterioration in the financial position of the Group may entail a lower credit-worthiness and the possibility for the Group to receive financing may be impaired when the Bonds mature.

Refinancing risk

The Issuer may be required to refinance its outstanding debt, including the Bonds. The Issuer's ability to refinance successfully its debt obligations is dependent upon the conditions of the capital markets and the Issuer's financial position at such time. Even if the markets and the Issuer's financial position improve, the Issuer's access to financing sources may not be available on acceptable terms, or at all. The Issuer's inability to refinance its debt obligations on acceptable terms, or at all, could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Ability to service debt

The Issuer's ability to service its debt under the Bonds will depend on, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be enforced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Interest rate risks

The value of the Bonds is dependent on several factors, including the level of the general market interest rates over time. The Bonds have a floating rate structure on three (3) month STIBOR plus a margin and the interest rate of the Bonds will be determined two (2) business days prior to the first day of each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. An increase of the general interest rate level could adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the

Swedish and the international financial development and is outside the Group's control.

Liquidity risks

The Issuer has undertaken to list the Bonds issued under the initial Bond issue on Nasdaq Stockholm or any other regulated market within twelve (12) months after the first issue date. It is further the Issuer's intention to complete such listing within thirty (30) calendar days from the first issue date of the Bonds, and if the Bonds have not been admitted to trading within sixty (60) calendar days after the first issue date of the Bonds, each bondholder has a right of prepayment (put option) of its Bonds. However, there is a risk that the Bonds will not be admitted to trading. Further, even if the Bonds are admitted to trading on a regulated market, there is not always active trading in the securities and there is a risk that there will not be a liquid market for trading in the Bonds or that this market will be maintained even if the Bonds are listed. This may result in that the bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if they are admitted for trading on a regulated market.

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

The market price of the Bonds may be volatile

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's and the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors, some of which have been discussed herein. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of the Bonds without regard to the Issuer's operating results, financial position or prospects.

The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this material or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents (as applicable); and
- (e) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Currency risk

The Bonds will be denominated and payable in SEK. If investors in the Bonds measure their investment return by reference to a currency other than SEK, an investment in the Bonds will entail foreign exchange-related risks. For example, possible significant changes in the value of the SEK relative to the currency by reference to which investors measure the return on their investments could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Bonds. As a result, there is a risk that investors may receive less interest or principal than expected, or no interest or principal.

Dependence on subsidiaries

A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. Accordingly, the Issuer may be dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable it to make payments under the Bonds. The subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the subsidiaries to make such payments to the Issuer is subject to, among other things, the availability of funds, corporate restrictions and the terms of each operation's indebtedness. Should the Issuer not

receive sufficient income from the subsidiaries, the investor's ability to receive payment under the Terms and Conditions may be adversely affected.

Structural subordination and insolvency of subsidiaries

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

Secured obligations and security over assets granted to third parties

The Bonds represent secured obligations of the Issuer. The security consists of (i) share pledges over all shares in Tobii Dynavox AB, Tobii Pro AB and Tobii Tech AB together with shares in any future subsidiary of the Issuer, provided that such subsidiary is a so called Other Material Asset (as defined in the Terms and Conditions) and provided that such subsidiary is directly held by the Issuer, (ii) any present and future money claims under intercompany loans, *i.e.* loans from the Issuer provided to any other company in the Group (from time to time) whereby proceeds received under the Bonds are on-lent (subject to certain conditions) and (iii) the Deposit Account (as defined in the Terms and Conditions) and all funds standing to the account from time to time. There is a risk that the proceeds from any enforcement of the pledged assets would not be sufficient to satisfy all amounts then due on or in respect of the Bonds. Moreover, certain of the pledged assets may be illiquid and have no readily ascertainable market value. For example, there is a risk that the shares that are secured for the benefit of bondholders provide for only limited repayment of the Bonds, in part because these shares prove to be illiquid or less valuable to other parties than to the Group. It is not certain that the secured assets will be saleable, or, even if saleable, that there will not be delays in the realisation of the value thereof. The Issuer has provided several intercompany loans to group companies prior to the first issue date and such intercompany loans are permitted loans under the Terms and Conditions and will not be pledged as security under the Bonds.

Moreover, according to the Terms and Conditions, the Issuer has the right to divest companies and other assets of the Group and such right also exist in relation to companies pledged under the Bonds, however subject to Section 11 of the Terms and Conditions “*Redemption, repurchase and prepayment of the Bonds*”. Upon divestment of Tobii Dynavox or Tobii Pro Material Assets (as defined in the Terms and Conditions), the Issuer shall apply the net proceeds from such disposal to the Deposit Account. The net proceeds standing on the Deposit Account shall be used for early redemption of the Bonds in full. Upon divestment of Other Material Assets (as defined in the Terms and Conditions) of the Group and as further described therein, the Issuer shall also apply the net proceeds from such disposals to the Deposit Account. Funds standing on the Deposit Account shall be used for either reinvestment in the Group’s business or for repayment of the Bonds in full. There is a risk that the validity of the pledge over such funds deriving from divestment of pledged group companies being Other Material Assets and standing on the Deposit Account to be used for reinvestment could be challenged under Swedish law. Moreover, as divestment of the pledged assets under the Bonds according to the above is permitted under the Bonds, the security package may decrease in accordance with the applicable provision.

As mentioned above, additional pledges may be provided in accordance with the Terms and Conditions, however there is a period of fifteen (15) Business Days in relation to pledges subject to Swedish law and a period of thirty (30) Business Days in relation to pledges subject to foreign law, before such additional pledges have to be granted.

The Group may, subject to limitation in the Terms and Conditions, incur additional financial indebtedness and provide security for such indebtedness. In the event of bankruptcy, re-organisation or winding-up of the Issuer, the bondholders will be subordinated in right of payment out of the assets being subject to security. In addition, if any such third party financier holding security provided by the Group would enforce such security due to a default by any company in the Group under the relevant finance documents, such enforcement could have a material negative impact on the Group’s revenue, operations, profitability and financial position and on the bondholders’ recovery under the Bonds.

Risks related to early redemption, prepayment and put option

Under the Terms and Conditions, the Issuer has reserved the possibility to redeem all outstanding Bonds on or after the First Call Date (as defined in the Terms and Conditions) and prior to the final redemption date. If the Bonds are redeemed before the final redemption date, the bondholders have the right to receive an early redemption amount, which exceeds the nominal amount of the Bonds. However, there is a risk that the market value of the Bonds is higher than the early redemption

amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

The Issuer also has the right and obligation (as applicable) to redeem Bonds upon certain events occurring, these events are referred to as “special redemptions” in the Terms and Conditions.

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put option) (however as regards the Change of Control Event (as defined in the Terms and Conditions) subject to Section 11.4 of the Term and Conditions (“*Special voluntary redemption upon a Change of Control Event prior to the First Call Date*”), if (i) an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the votes of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer, or (ii) if the Bonds issued under the initial Bond issue have not been listed on a regulated market within sixty (60) calendar days after the first issue date, or (iii) when the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, if the Bonds are no longer listed thereon or the shares in the Issuer are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market (as applicable) or trading in the shares in the Issuer on the relevant market is suspended for a period of (15) fifteen consecutive Business Days. There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions and thus adversely affect all bondholders and not only those that choose to exercise the option.

Ability to comply with the Terms and Conditions

The Issuer will be required to comply with the Terms and Conditions and the other Finance Documents. Events beyond the Issuer’s control, including changes in the economic and business condition in which the Group operates, may affect the Issuer’s ability to comply with, among other things, the undertakings set out in the Terms and Conditions. A breach of the Terms and Conditions could result in a default under the Terms and Conditions.

No action against the Issuer and bondholders’ representation

In accordance with the Terms and Conditions, the Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual

bondholders do not have the right to take legal actions to declare any default by claiming any payment from or enforcing any security and/or guarantee and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that a bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions), which could negatively affect an acceleration of the Bonds or other action against the Issuer. To enable the Agent to represent bondholders in court, the bondholders may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could negatively affect the legal proceedings.

Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all bondholders. Consequently, the actions of the Agent in such matters could affect a bondholder's rights under the Terms and Conditions and the other Finance Documents in a manner that would be undesirable for some of the bondholders.

Bondholders' Meetings

The Terms and Conditions will include certain provisions regarding bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the bondholders' interests. The Terms and Conditions will allow stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting. Consequently, the actions of the majority in such matters could affect a bondholder's rights in a manner that would be undesirable for some of the bondholders.

Restrictions on the transferability of the Bonds

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a holder of the Bonds may not offer or sell the Bonds in the United States. The Issuer has not undertaken to register the Bonds under the U.S. Securities Act or any U.S. state securities laws or to effect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country's securities laws. Each potential investor should observe and obey the transfer restrictions that apply to the Bonds. It is each potential investor's obligation to ensure, at own cost and expense, that the offers and sales of Bonds comply with all applicable securities laws. Due to these restrictions, there is a risk that a bondholder cannot sell its Bonds as desired.

Risks relating to the clearing and settlement in Euroclear Sweden's book-entry system

The Bonds will be affiliated with Euroclear Sweden's account-based system, and no physical Bonds will be issued. Clearing and settlement relating to the Bonds will be carried out within Euroclear Sweden's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent upon the functionality of Euroclear Sweden's account-based system, which is a factor that the Issuer cannot control. If Euroclear Sweden's account-based system would not function properly, there is a risk that investors would not receive payments under the Bonds as they fall due.

Amended or new legislation

This material is and the Terms and Conditions will be based on Swedish law in force at their respective date of issuance. The impact of any possible future legislative measures or changes, or changes to administrative practices, may give rise to risks which are not possible to foresee. There is a risk that amended or new legislation and administrative practices may adversely affect the investor's ability to receive payment under the Terms and Conditions.

Conflict of interests

The issuing agent and the manager have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, there is a risk that conflicts of interest may exist or may arise because of the issuing agent and the manager having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Responsible for the information in the Prospectus

The Issuer issued the Bonds on 21 February 2019. This Prospectus has been prepared in relation to the Issuer applying for admission to trading of the Bonds on Nasdaq Stockholm, in accordance with the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council and the rules and regulations in Chapter 2 of the Swedish Financial Instruments Trading Act, each as amended.

The Issuer confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Issuer's knowledge, in accordance with the actual conditions and that no information has been omitted which may distort the picture of the Issuer. The information in the Prospectus and in the documents incorporated by reference which derive from third parties has, as far as the Issuer is aware and can judge on basis of other information made public by the respective third party, been correctly represented and no information has been omitted which may serve to render the information misleading or incorrect.

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

Stockholm on 19 March 2019

Tobii AB (publ)

The board of directors

The Bonds in brief

This section contains a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference (see below section “Overview of financial reporting and documents incorporated by reference”) and the full Terms and Conditions for the Bonds, which can be found in section “Terms and Conditions for the Bonds”, before a decision is made to invest in the Bonds.

Concepts and terms defined in section “Terms and Conditions for the Bonds” are used with the same meaning in this section unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

General

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| Issuer..... | Tobii AB (publ) (reg. no. 556613-9654). |
| Resolutions, authorisations and approvals..... | The Company’s board of directors resolved to issue the Bonds on 14 February 2019. |
| The Bonds offered | Up to SEK 600,000,000 in an aggregate principal amount of senior secured callable floating rate bonds due 2019/2022. As per the date of this Prospectus, SEK 300,000,000 of the Bonds have been issued. |
| Subsequent Bonds..... | The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 600,000,000, always provided <i>inter alia</i> that the Incurrence Test (calculated <i>pro forma</i> including such issue) is met. |
| Number of Bonds..... | Maximum 480. |
| ISIN..... | SE0012230076. |
| First Issue Date | 21 February 2019. |
| Price | All bonds issued on the First Issue Date have been issued at an issue price of one hundred (100.00) per cent. of the Nominal Amount. |
| Interest Rate | Interest on the Bonds is paid at a rate equal to the sum of (i) 3 months STIBOR, plus (ii) 5.75 per cent. <i>per annum</i> . |

| | |
|------------------------------|--|
| Interest Payment Dates | Quarterly in arrears on 21 February, 21 May, 21 August and 21 November in each year, commencing on 21 May 2019. Interest will accrue from, but excluding, the First Issue Date. |
| Final Redemption Date | 21 February 2022. |
| Initial Nominal Amount..... | The Bonds have a nominal amount of SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds is SEK 1,250,000. |
| Status of the Bonds | <p>The Bonds are denominated in SEK.</p> <p>The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and:</p> <ul style="list-style-type: none"> • shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, without any preference among them; and • are secured by the Transaction Security. |
| Use of Proceeds | <p>The Issuer shall apply the proceeds of the Bonds, towards (i) refinancing of the Group's completed acquisitions including refinancing of the Existing Debt Facility in full, (ii) financing of any additional acquisitions and (iii) general corporate purposes.</p> <p>The net proceeds from any Subsequent Bond Issue shall be used for the purposes set out in (ii) and (iii) above.</p> |
| Decisions by Holders..... | The Bonds entitle bondholders representing at least ten (10) per cent. to request a decision of the bondholders. Such decisions are rendered by way of Holders' Meeting or a Written Procedure. Valid decision require the consent of Holders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Holders voting, and in respect of certain matters a qualified majority of at least two thirds (2/3) of the Adjusted Nominal Amount for which the Holders are voting is required. Quorum exist if the Holders represent at least fifty (50) per cent. of the Adjusted Nominal Amount in respect of the qualified majority requirement and otherwise at least twenty (20) per cent. of the Adjusted Nominal Amount. |

Security

Security

As continuing security for the due and punctual fulfilment of the Issuers's obligations under the Finance Documents, the Issuer shall pledge, as first ranking security:

- all shares in Tobii Dynavox AB (reg. no. 556914-7563), Tobii Pro AB (reg. no. 556914-7613) and Tobii Tech AB (reg. no. 559104-1081), together with shares in any future subsidiary of the Issuer, provided that such subsidiary is a so called Other Material Asset and provided that such subsidiary is directly held by the Issuer;
- any present and future money claims under certain intercompany loans, *i.e.* loans from the Issuer provided to any other company in the Group (from time to time) whereby proceeds received under the Bonds are on-lent and which shall be pledged provided that (i) each such loan is in the amount of not less than SEK 5,000,000 and the term of such loan is not shorter than 3 months and (ii) provided further that should the total amount of intercompany loans of less than SEK 5,000,000 each, exceed SEK 15,000,000 (the "**Threshold**"), intercompany loans above the Threshold shall also be pledged according to the Intercompany Loan Pledge Agreement regardless of item (i) above;
- the Deposit Account and all funds standing to the account from time to time.

See Clause 5 ("*Security*") of the Terms and Conditions for further information.

Call Option

Call Option.....

The Issuer has the right to redeem outstanding Bonds in full on any Business Day falling on or after the First Call Date, but before the Final Redemption Date, at the applicable Call Option Price together with accrued but unpaid Interest in accordance with Clause 11.3 ("*Early voluntary redemption by the Issuer (call option)*") of the Terms and Conditions.

Call Option Price

Call Option Price means:

- 102.875 per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but excluding) the date falling 24 months after the First Issue Date;
- 101.725 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 24 months after the First Issue Date up to (but excluding) the date falling 30 months after the First Issue Date; or; or
- 100.575 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 30 months after the First Issue Date up to (but excluding) the Final Redemption Date.

First Call Date..... The First Call Date means the date falling eighteen (18) months after the First Issue Date.

Special redemptions..... According to the Terms and Conditions the Issuer has a right (but not an obligation) upon the occurrence of a Change of Control Event prior to the First Call Date, to redeem all Bonds (call option) in full at 104.313 per cent. of the Nominal Amount (together with accrued but unpaid Interest).

Upon divestment of Tobii Dynavox or Tobii Pro Material Assets, the Issuer shall use the net proceeds from such disposals for early repayment of the Bonds in full at the applicable Call Option Price or if prior to the First Call Date, at 104.313 per cent. of the Nominal Amount (together with accrued but unpaid Interest).

Upon divestment of Other Material Assets the Issuer may use the net proceeds from such disposals for early repayment of the Bonds in full at the applicable Call Option Price or if prior to the First Call Date, at 104.313 per cent. of the Nominal Amount (together with accrued but unpaid Interest).

Put Option

Put Option..... Upon a Change of Control Event, De-listing Event or Listing Failure Event occurring, each Holder shall have the right to request that all, but not only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price of one hundred and one (101.00) per cent. of the Nominal Amount (plus accrued and unpaid Interest) during

a period of fifteen (15) calendar days following the notice of a Change of Control Event, De-listing Event or Listing Failure Event.

Change of Control Event

A Change of Control Event means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where “control” means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

De-listing Event

A De-listing Event means the situation where (i) the shares in the Issuer are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market (as applicable), (ii) trading in the shares in the Issuer on the relevant market is suspended for a period of fifteen (15) consecutive Business Days, or (iii) once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer listed thereon (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection with the redemption of the Bonds.

Listing Failure Event

A Listing Failure Event means the situation where the Bonds issued under the Initial Bond Issue have not been admitted to trading within sixty (60) calendar days from the First Issue Date on Nasdaq Stockholm or any other Regulated Market (although the Issuer will use its best efforts to list the Bonds issued in the Initial Bond Issue within thirty (30) calendar days from the First Issue Date).

Covenants

Certain covenants.....

The Terms and Conditions contain a number of covenants and undertakings which restrict the ability of the Issuer and other Group Companies, including, among others:

- restrictions on making distributions;
- the Issuer shall list the Bonds in the Initial Bond Issue within 12 months after the First Issue Date;
- restrictions on making any substantial changes to the general nature of the business carried on by the Group;

- restrictions on the incurrence of Financial Indebtedness;
- a negative pledge, restricting the granting of any security or guarantee;
- restrictions on providing any loans;
- restrictions on the disposal of assets;
- the Issuer shall procure that the Restricted Group holds a certain amount of Available Cash;
- restrictions on dealings with related parties; and
- the Issuer shall (i) provide pledges over shares in Subsidiaries nominated as Other Material Assets, if directly held by the Issuer and (ii) pledge over any Intercompany Loan provided after the First Issue Date.

Each of these covenants and undertakings are subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for further information.

Miscellaneous

| | |
|----------------------------------|---|
| Transfer restrictions | The Bonds are freely transferable. The Holders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which a Holder may be subject. The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction. |
| Listing | Application for listing of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in immediate connection with the SFSA's approval of this Prospectus. Subsequent Bonds may be admitted to trading according to this Prospectus within one year from the approval by the SFSA, as a result of a Subsequent Bond Issue. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 21 March 2019. The total expenses of the admission to trading of the Initial Bonds are estimated to amount to SEK 225,000. |
| Agent..... | Intertrust (Sweden) AB, reg. no. 556625-5476, SE-103 25 Stockholm, Sweden, (representing the Holders). |
| Security agent | The Agent. |
| Governing law of the Bonds | Swedish law. |
| Time-bar | The right to receive repayment of the principal of the Bonds shall be time-barred and become void 10 years from the |

relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void 3 years from the relevant due date for payment.

Risk factors

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

The Group and its operations

Introduction

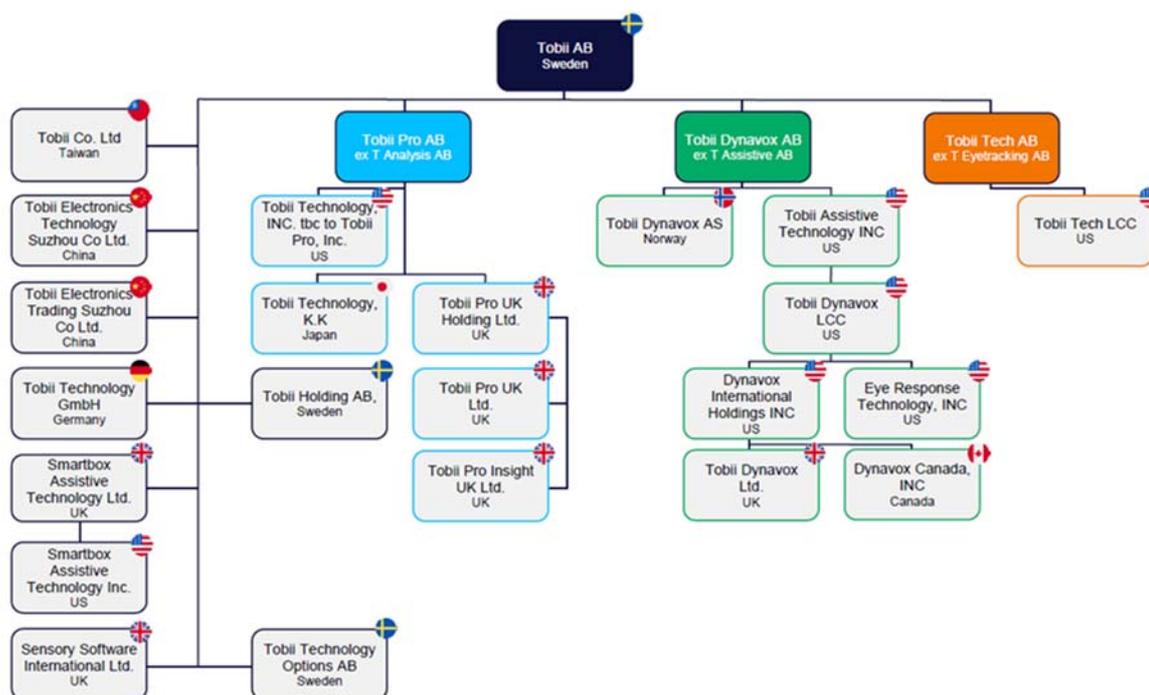
The Group is a global developer and seller of eye tracking technology. Eye tracking is a sensor technology that enables a device to know where your eyes are focused. It determines your presence, attention, focus, drowsiness, consciousness or other mental states. This information can be used to gain deep insights into consumer behaviour or to design revolutionary new user interfaces across various devices. The Group's business is carried out in three different business units, Tobii Dynavox, Tobii Pro and Tobii Tech (see the group structure chart on page 38 below). Tobii Dynavox supplies assistive technology for people with reduced ability to speak and communicate, Tobii Pro provides eye tracking solutions for studying and understanding human behaviour and Tobii Tech provides eye tracking technology for integration into consumer electronics and other volume products. The Group's business is carried out in several jurisdictions through its operative companies.

Tobii AB (publ), *i.e.* the Issuer, is the parent company of the Group and is a public limited liability company registered in Sweden with registration number 556613-9654, having its registered address at P.O. Box 743, SE-182 17 Danderyd, Sweden. The Issuer and the Group operate under the firm name "Tobii". The Issuer was formed on 3 July 2001 and registered with the Swedish Companies Registration Office on 9 August 2001 and conducts its business in accordance with Swedish law, including, but not limited to, the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*).

Share capital, shares, ownership structure and governance

As of the date of this Prospectus, the Issuer's share capital amounted to approximately SEK 717,892.89 divided among 98 925 103 shares with a nominal value of approximately SEK 0.007 each, all of which are ordinary shares. The holders of ordinary shares are entitled to one (1) vote per share. The shares are denominated in SEK. As per 28 February 2019, the five largest shareholders of the Issuer are Swedbank Robur Fonder owning 9.3 per cent. of the shares and the votes (9,214,769 shares), Handelsbanken Fonder owning 6.2 per cent. of the shares and the votes (6,100,000 shares), Henrik Eskilsson¹ owning 4.6 per cent. of the shares and the votes (4,526,117 shares), Sixth AP Fund owning 4.1 per cent. of the shares and the votes (4,000,630 shares) and Amadeus Capital Partners owning 3.3 per cent. of the shares and the votes (3,215,122 shares).

¹ Excluding 2,835 shares held by Henrik Eskilsson AB, a company wholly owned by Henrik Eskilsson, and excluding 1,565,511 shares held by Eskilsson Consulting AB, a company in which Henrik Eskilsson is a minority shareholder with 22.5 per cent. stake.



The Issuer is the parent company of the Group and all Group companies are directly or indirectly wholly owned subsidiaries of the Issuer excluding Tobii Technology K.K. (Japan) with an ownership of 87 per. cent. The main business operations are carried out by the three business units, Tobii Dynavox, Tobii Pro and Tobii Tech.

Since the majority of the revenue of the Group is derived from the Group's three business units, the Issuer is dependent upon its subsidiaries.

The shareholders' influence is exercised through active participation in the decisions made at general meetings of the Group. To ensure that the control over the Issuer is not abused, the Issuer complies with the Issuer's articles of association and external regulations such as the Swedish Companies Act, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code (the "Code"). The Code is based on the "comply or explain" principle, which means that the Code itself allows room to deviate from the rules, under the condition that all such deviations and chosen alternatives are explained and that the reasons for the deviations are detailed in the corporate governance report. As per the date of this Prospectus, the Issuer reports one deviation from the Code, as the Issuer does not have a review function in the form of internal audit.

In addition, the Issuer acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the board of directors of the Issuer and other internal regulations and policies. The responsibility

for governance and control is divided among the shareholders at the general meeting of shareholders, the Board and the CEO.

Business and operations

History of the Group

The business of the Group was originally started in 2001 and has gone from a small Swedish start-up to the global developer and seller of eye tracking products. Today, the Group is listed on Nasdaq Stockholm and employing some 1,000 employees.

The Group was founded by three Swedish entrepreneurs, John Elvesjö, Mårten Skogö, and Henrik Eskilsson, when they realized the potential of eye tracking. The Group was founded with an ambition to transform industries and lives through technology adapted to natural human behaviour. The first innovation was launched about a year later. It was the world's first plug-and-play eye tracker and rapidly became a sought-after tool within the research community. The product marked the foundation of the business unit Tobii Pro.

The next significant step came in 2005 when the Group released the world's first eye-controlled computer. This product enabled people with severe disabilities to communicate by using their eyes to type on the screen. By entering the assistive technology market, the foundation for the second business unit, Tobii Dynavox was laid.

During the years that followed, the Group continued to bring innovative products to the market helping more and more customers and users within research and assistive communication. The Group expanded into new markets and opened offices in the U.S., Japan, China, Germany, the United Kingdom, Norway, Taipei and South Korea.

The emergence of the third business unit, Tobii Tech, came in 2010 as the Group launched the first eye-tracking platform for integration into consumer devices such as notebooks and monitors.

Today, the Group has come a long way since the start-up of 2001. The Group has grown from three entrepreneurs to about 1,000 employees working together to make the company vision a reality. Since 2015, the Issuer is listed on the Nasdaq Stockholm Stock Exchange.

Business of the Group, operations and market segments

The Group is a global producer of eye tracking technology with headquarters in Sweden and 15 offices across Europe, North America and Asia. The Group has a sales presence in over 70 countries in total.

Tobii Dynavox primary market is assistive technology for communication and Tobii Dynavox assistive technology solutions help people with a reduced ability to speak, to communicate and use computers effectively. The products include both specially designed communication devices that are either eye controlled or touch enabled, as well as a range of software and language systems. Several products are registered as medical devices and are often bundled with extensive service packages, and are financed through public or private funding systems. Tens of thousands of people rely on Tobii Dynavox's innovations each day.

Tobii Pro's primary market is eye tracking solutions for behaviour research and Tobii Pro develops and sells eye tracking hardware and analysis software that help researchers, scientists and companies around the world to study human behaviour. The business unit also has a growing service organization that performs market research for customers on a global basis. Tobii Pro's customer base currently includes more than 3,500 commercial companies and 2,500 academic institutions, including numerous large corporations such as Procter & Gamble and Microsoft, leading market research companies such as Ipsos and GFK, and all of the world's 50 top-rated universities.

Tobii Tech is focused on technology and market development aimed at integrating eye tracking into consumer electronics and other volume products. Primary focus areas include gaming computers, virtual reality headsets and niche markets. The business unit is still at an early stage commercially. Tobii Gaming is the site for gamers, developers and tech pioneers to explore humanized and immersive interactions. Tobii Tech is promoting available hardware including customer integrations and its own eye tracking controller, more than 140 game titles with support for eye tracking, and support for developers looking to develop games with eye tracking.

Litigation

The Issuer has not, during the previous twelve (12) months, been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened as far as the Group is aware) which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

Material agreements

Other than the Terms and Conditions of the Bonds which has refinanced the Issuer's previously debt facility provided to the Issuer from a bank in the aggregate amount of SEK 250,000,000, (defined as the Existing Debt Facility in the Terms and Conditions), and apart from what is stated below, the Group is not part to any material agreement outside the ordinary course of business which could result in

such company having a right or an obligation that could materially affect the Issuer's ability to fulfil its obligations under the Bonds. The following is a summary of the material agreements to which the Issuer is a party and considered as outside the ordinary course of business. The following summary does not purport to describe all of the applicable terms and conditions of such arrangements.

Transaction security

In connection with the issuance of the Bonds, transaction security documents was provided in favour of the bondholders. The transaction security documents consist of (i) share pledges over all shares in Tobii Dynavox, Tobii Pro and Tobii Tech together with shares in any future subsidiary of the Issuer, provided that such subsidiary is a so called Other Material Asset and provided that such subsidiary is directly held by the Issuer, (ii) any present and future money claims under intercompany loans, *i.e.* loans from the Issuer provided to any other company in the Group (from time to time) whereby proceeds received under the Bonds are on-lent (subject to certain conditions) and (iii) the Deposit Account and all funds standing to the account from time to time.

Acquisition of Smartbox

The Group has recently acquired the UK-based Smartbox Assistive Technology Ltd. in order to further strengthen its product offering and sales channels in key geographical markets. The acquisition was closed on 1 October 2018 and brings together the industry communication software Grid with the Group's industry-leading touch and eye tracking solutions for assistive communication and thus the Group will extend its product line by integrating Grid into its portfolio, forming a comprehensive and strong offering that meets a broad range of communication needs for users with disabilities. The acquisition of Smartbox is currently under examination of the Competition & Markets Authority in the UK. The examination of the Competition & Markets Authority may result in significant costs for the Group. Also, if certain thresholds are exceeded and/or certain tests failed, the Competition & Markets Authority may deem the acquisition to create an unallowable reduction in competition and all or some performances in connection with the acquisition may have to be recovered, divested or otherwise altered.

Credit rating

The Issuer or the Bonds have not a credit rating from an international credit rating institute.

Significant adverse changes and recent events

There has been no material adverse change in the prospects of the Issuer since the date of publication of its last audited financial reports and, other than what is stated

below, no significant change in the financial or market position of the Group since the end of the last financial period for which audited financial information has been published.

On February 28, 2018 the Issuer acquired all shares in Acuity ETS Ltd, a company registered in Hampshire, England and Acuity Intelligence Ltd, a company registered in Berkshire, England. Acuity ETS is the largest reseller of Tobii Pro's research tools and Acuity Intelligence, a research and consulting service within neuroscience. The purpose of the acquisition is to strengthen Tobii Pro's direct sales of product and services in the UK.

The Issuer's acquisition of Smartbox Assistive Technology Ltd. was closed on October 1, 2018 and is thereby consolidated in the financial performance of Tobii Dynavox for the fourth quarter. This strategically important acquisition, which increases the size of business for Tobii Dynavox by approximately fifteen (15) per cent., adds complementary products and expands the sales and marketing presence, and is expected to create synergies.

In February 2019, the British competition and markets authority, CMA, announced its decision initiate a phase 2 full investigation of the Issuer's acquisition of Smartbox. The phase 2 full investigation includes both written submissions and oral hearings from the parties to the transaction and interested third parties. Potential decisions can involve both soft and hard remedies up to and including a divestiture of the acquired company. The Issuer and Smartbox brands and operations will continue to be held separate as agreed with the CMA, pending completion of the review.

Shareholders' agreements

As far as the Issuer is aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

Board of directors, senior management and auditors

Information on the members of the board of directors and the senior management for the Issuer, including significant assignments outside the Group, is set forth below.

The business address and contact address for all members of the board of directors and the senior management of the Issuer is Karlsrovägen 2D, SE-182 53 Danderyd, Sweden.

Board of directors

Kent Sander

Born in 1953. Member and chairman of the board of directors of the Issuer since 2014. Current assignments outside the Group include: Chairman of the Board of Serneke Group AB, OnePhone Holding AB and Triboron International AB. As per 31 December 2018, Kent Sander owns 39,500 shares and 80,000 warrants in the Issuer.

Heli Arantola

Born in 1969. Member of the board of directors of the Issuer since 2016. Current assignments outside the Group include: Member of the board of directors in S-Bank, member of the innovation committee of the Confederation of Finnish Industries and member of the Steering Group for Bio-economy within VTT Technical Research Center of Finland. As per 31 December 2018, Heli Arantola owns no shares or warrants in the Issuer.

Nils Bernhard

Born in 1947. Member of the board of directors of the Issuer since 2004. Current assignments outside the Group include: Chairman of the board of directors of Ortivus AB. Board member of Alfa Invest AB and Pajeb Kvarts AB. As per 31 December 2018, Nils Bernhard owns 2,205,000 shares (directly/indirectly through companies) and 28,000 warrants in the Issuer.

John Elvesjö

Born in 1977. Member of the board of directors of the Issuer since 2006. Current assignments outside the Group include: Member of the board of directors of Vinnova and The Incredible Machine of Sweden AB. As per 31 December 2018, John Elvesjö owns 2,874,572 shares and 84,000 warrants in the Issuer.

Åsa Hedin

Born in 1962. Member of the board of directors of the Issuer since 2015. Current assignments outside the Group include: Board member of C-rad AB, Nolato AB, Cellavision AB, Immunovia AB and E. Öhman J:or Fonder AB. Industrial Advisor

of Department of Microtechnology and Nanoscience at Chalmers AB. As per 31 December 2018, Åsa Hedin owns 7,000 shares and 28,000 warrants in the Issuer.

Jan Wäreby

Born in 1956. Member of the board of directors of the Issuer since 2016. Current assignments outside the Group include: Chairman of the Board of RISE AB and Obelixus AB. Board member of GapWawes AB, Incell International AB and Agapi Boating AB. As per 31 December 2018, Jan Wäreby owns 30,800 shares in the Issuer.

Charlotta Falvin

Born in 1966. Member of the board of directors of the Issuer since 2018. Current assignments outside the Group include: Chairman of the board at Faculty of Engineering Lund University (LTH), Malmö Startups and regional bank board Handelsbanken. Board member at Invisio, Net Insight, Bure Equity, Boule Diagnostics. As per 31 December 2018, Charlotta Falvin owns no shares or warrants in the Issuer.

Senior management

Henrik Eskilsson

Born in 1974. Henrik Eskilsson is the acting CEO since 2001 and co-founder of the Group. As per 31 December 2018, Henrik Eskilsson owns 4,526,117² shares and 286,000 warrants in the Issuer.

Mårten Skogö

Born in 1977. Mårten Skogö is the acting CSO (Chief Science Officer) since 2001 and co-founder of the Group. As per 31 December 2018, Mårten Skogö owns 2,604,930 shares and 67,993 warrants in the Issuer.

Johan Wilsby

Born in 1966. Johan Wilsby is the acting CFO of the Group since 2017. As per 31 December 2018, Johan Wilsby owns 10,253 shares and 114,000 warrants in the Issuer.

² Excluding 2,835 shares held by Henrik Eskilsson AB, a company wholly owned by Henrik Eskilsson, and excluding 1,565,511 shares held by Eskilsson Consulting AB, a company in which Henrik Eskilsson is a minority shareholder with 22.5 per. cent.

Cecilia Eriksson

Born in 1983. Cecilia Eriksson is the acting Chief Human Resources Officer of the Group since 2015. As per 31 December 2018, Cecilia Eriksson owns 58,757 warrants in the Issuer.

Fredrik Ruben

Born in 1977. Fredrik Ruben is the acting Business Unit President of Tobii Dynavox since 2014. As per 31 December 2018, Fredrik Ruben owns 59,950 shares and 198,009 warrants in the Issuer.

Tom Englund

Born in 1976. Tom Englund is the acting Business Unit President of Tobii Pro since 2009. As per 31 December 2018, Tom Englund owns 54,120 shares and 226,811 warrants in the Issuer.

Auditors

PricewaterhouseCoopers AB is the Group's auditor for the consolidated annual report for the financial years 2017, with Johan Engstam as auditor in charge. Johan Engstam is an authorised auditor and a member of FAR. For the Group's consolidated annual report for the financial years 2016, Magnus Brändström was auditor in charge. Magnus Brändström is a member of FAR. The reason for the change of auditor in charge was due to that an auditor may only be appointed for a maximum of seven consecutive years following the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*).

All historical financial information that has been incorporated in this Prospectus by reference, *i.e.*, the historical financial information concerning the financial years 2016 and 2017, have been audited by PricewaterhouseCoopers AB, having its business address at Torsgatan 21, SE-113 97 Stockholm, Sweden.

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

Conflicts of interests

Apart from what has been stated above regarding ownership of shares and/or warrants by the board of directors and senior management, none of the members of the board of directors or the senior management of the Issuer has a private interest that potentially may be in conflict with the interests of the Group.

Although there are currently no other conflicts of interest, it cannot be excluded that conflicts of interest may come to arise between companies in which members of the

board of directors or the senior management have duties, as described above, and the Group.

Interest of natural and legal persons involved in the Bond Issue

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

Financial interests

Several members of the board of directors and members of the senior management have financial interests in the Group through their direct and/or indirect holdings of shares in the Issuer.

Overview of financial reporting and documents incorporated by reference

Financial reporting and documents incorporated by reference

The accounting principles applied in the preparation of the Issuer's consolidated financial statements are set out in the following and have been consistently applied to all the years presented, unless otherwise stated. The financial information of the Issuer and the Group for the financial year 2016 and 2017 have been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the international accounting standards Board (IASB) and the interpretation statements of the international Financial Reporting interpretations Committee (IFRIC) as approved by the European Commission for application within the EU. Furthermore, the Swedish Financial Reporting Board's Recommendation RFR 1, "supplementary accounting Rules for Groups" has also been applied. The Parent company's financial reports have been prepared in accordance with the Swedish Annual Accounts Act and standard RFR 2, Accounting for legal entities.

The Issuer's consolidated annual reports for the financial years 2016 and 2017 have been incorporated in this Prospectus by reference. The consolidated annual reports have been audited by the Issuer's auditor and the auditor's report has been incorporated in this Prospectus through the consolidated annual reports for the financial 2016 and 2017 by reference.

In this Prospectus the following documents are incorporated by reference. The documents have been handed in to the SFSA and the documents regarding the Issuer have been made public.

| Reference | Document | Page |
|--|---|---|
| Financial information regarding the Group and its business, as well as the auditor's report, for the financial year ended 31 December 2016 | The Issuer's consolidated annual report for the financial year ended 31 December 2016 | - 50 (Consolidated statement of comprehensive income) |
| | | - 51 (Consolidated balance sheet) |
| | | - 52 (Consolidated statement of shareholders' equity) |
| | | - 53 (Consolidated cash flow statement) |
| | | - 54 (Parent income statement) |
| | | - 55 (Parent balance sheet) |
| | | - 56 (Parent company statement of changes in equity) |
| | | - 57 (Parent cash flow statement) |

| | | |
|--|---|---|
| Financial information regarding the Group and its business, as well as the auditor's report, for the financial year ended 31 December 2017 | The Issuer's consolidated annual report for the financial year ended 31 December 2017 | <ul style="list-style-type: none"> - 58–73 (Notes to consolidated financial statements and parent financial statements) - 75–80 (Auditor's report) - 65 (Consolidated statement of comprehensive income) - 66 (Consolidated balance sheet) - 67 (Consolidated statement of shareholders' equity) - 68 (Consolidated cash flow statement) - 69 (Parent income statement) - 70–71 (Parent balance sheet) - 72 (Parent company statement of changes in equity) - 73 (Parent cash flow statement) - 74–93 (Notes to consolidated financial statements and parent financial statements) - 95–99 (Auditor's report) |
|--|---|---|

The Issuer's consolidated annual reports mentioned above are available in electronic form on the Issuer's web page www.Tobii.com and can also be obtained from the Issuer in paper format in accordance with section "*Documents available for inspection*" below.

Investors should read all information which is incorporated in the Prospectus by reference. Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in the Bonds or is covered elsewhere in the Prospectus.

Documents available for inspection

Copies of the following documents can be obtained from the Issuer in paper format upon request during the validity period of this Prospectus at the Issuer's head office.

- The articles of association of the Issuer.
- All documents which by reference are a part of this Prospectus.
- Where such reports have been prepared, the Issuer's subsidiaries' audited annual reports for the financial years 2016 and 2017 (*i.e.* for the period for which financial information of the Issuer is being presented).

Terms and Conditions for the Bonds

**TERMS AND CONDITIONS FOR
TOBII AB (PUBL)
MAXIMUM SEK 600,000,000
SENIOR SECURED CALLABLE FLOATING RATE
BONDS 2019/2022**

ISIN: SE0012230076

LEI: 54930045LD4XTJCBGS35

First Issue Date: 21 February 2019

The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

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

**TERMS AND CONDITIONS FOR
TOBII AB (PUBL)
MAXIMUM SEK 600,000,000
SENIOR SECURED CALLABLE FLOATING RATE
BONDS 2019/2022
ISIN: SE0012230076**

1. Definitions and construction

1.1 Definitions

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

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

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

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

“**Advance Purchase Agreement**” means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are normal for the relevant type of project contracts, or (b) any other trade credit incurred in the ordinary course of business.

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

“**Agent**” means the Holders’ agent and security agent under these Terms and Conditions and, if relevant, the other Finance Documents, from time to time; initially Intertrust (Sweden) AB (reg. no. 556625-5476), SE-103 25 Stockholm, Sweden.

“**Agent Agreement**” means the agreement entered into on or about the First Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the First Issue Date between the Issuer and an Agent.

“**Available Cash**” means unpledged and freely available cash (including available but undrawn amounts under any credit facilities) and Cash and Cash Equivalents, held by the Restricted Group, calculated in accordance with the Accounting Principles.

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

“**Bond Issue**” means the Initial Bond Issue and any Subsequent Bond Issue.

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

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

“**Cash and Cash Equivalents**” means cash and cash equivalents in accordance with the Accounting Principles.

“**Calculation Principles**” has the meaning set out in Clause 12.3.

“**Call Option Price**” means:

- (a) 102.875 per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but excluding) the date falling 24 months after the First Issue Date;
- (b) 101.725 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 24 months after the First

Issue Date up to (but excluding) the date falling 30 months after the First Issue Date; or;

- (c) 100.575 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 30 months after the First Issue Date up to (but excluding) the Final Redemption Date.

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

“Change of Control Event” means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where **“control”** means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“Compliance Certificate” means a certificate, as set out in Schedule 1 attached hereto, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it, and:

- (a) if provided in connection with a Financial Report being made available, the nomination of Other Material Assets if such Other Material Asset is a Subsidiary directly held by the Issuer (if any);
or
- (b) if provided in connection with a Restricted Payment being made, which requires that the Distribution Test is met, that the Distribution Test is met, including calculations and figures in respect of the Distribution Test, calculated *pro forma* including the Restricted Payment; or
- (c) if provided in connection with the incurrence of a new Financial Indebtedness (including any Subsequent Bond Issue) or in connection with Clause 13.6 (*Loans out*), which requires that the Restricted Group Distribution Test and/or the Incurrence Test is met, that the Restricted Group Distribution Test and/or the Incurrence Test is met (as applicable), including calculations and figures in respect of the Restricted Group Distribution Test

and/or the Incurrence Test (as applicable), calculated *pro forma* including the relevant Financial Indebtedness.

“**Conditions Precedent to the First Issue Date**” means all actions and documents set out in Clause 14.

“**Conditions Subsequent**” means all actions and documents set out in Clauses 16.1 and 16.2.

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

“**De-listing Event**” means the situation where (i) the shares in the Issuer are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market (as applicable), (ii) trading in the shares in the Issuer on the relevant market is suspended for a period of fifteen (15) consecutive Business Days, or (iii) once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, that the Bonds are no longer listed thereon (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection with the redemption of the Bonds.

“**Derivative Transaction**” has the meaning set forth in paragraph (e) of the definition Permitted Debt below.

“**Deposit Account**” means the bank account of the Issuer, into which the net proceeds from a disposal in accordance with Clauses 11.5 (*Special mandatory redemption upon divestment of Tobii Dynavox or Tobii Pro Material Assets*) and 11.6 (*Re-investment requirement or special voluntary redemption upon divestment of Other Material Assets*) will be transferred and which is pledged in favour of the Agent and the Holders (represented by the Agent) under the Deposit Account Pledge Agreement.

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

“**Distribution Test**” shall have the meaning set out in Clause 12.1.

“**Escrow Account**” means the bank account with account number 8327-9, 694 439 069-6 held by the Issuer with the Escrow Bank which has been pledged under the Escrow Account Pledge Agreement.

“**Escrow Account Pledge Agreement**” means the pledge agreement entered into between the Issuer and the Agent before the First Issue Date in respect of a first priority pledge over the Escrow Account and all funds standing to the credit of the Escrow Account from time to time, granted in favour of the Agent and the Holders (represented by the Agent).

“**Escrow Bank**” means Swedbank AB (publ), reg. no. (502017-7753).

“**Event of Default**” means an event or circumstance specified in Clause 17.1.

“**Existing Debt Facility**” means the bank loan facilities taken up by the Issuer from Swedbank AB (publ) in an aggregate amount of SEK 250,000,000, which shall, if any amount is outstanding under any facility, be repaid with proceeds from the Initial Bond Issue and thereby refinanced and terminated in full.

“**Final Redemption Date**” means 21 February 2022.

“**Finance Documents**” means these Terms and Conditions, the Agent Agreement, the Security Documents documenting the Transaction Security, and any other document designated as a Finance Document by the Agent and the Issuer.

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is or would have been treated as a finance lease in accordance with the Accounting Principles as applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements), for the avoidance of doubt not including

any earn-out incurred as a result of any Group Company acquiring another entity;

- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a)-(f).

“Financial Report” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 13.12.1 (*Financial reporting etcetera*).

“First Call Date” means the date falling eighteen (18) months after the First Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“First Issue Date” 21 February 2019.

“Force Majeure Event” has the meaning set out in Clause 30.1.

“Grace Period” has the meaning set out in Clause 15.1 (a).

“Group” means the Issuer and all the Subsidiaries from time to time (each a **“Group Company”** and all together the **“Group”**).

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

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting any Net Finance Charges;

- (c) before taking into account any exceptional items which are not in line with the ordinary course of business;
- (d) not including any accrued interest owing to any Group Company;
- (e) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (f) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (g) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (h) after adding back or deducting, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group;
- (i) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of Group Companies; and
- (j) after taking into account entities acquired or disposed of by the Group which shall be included or excluded (as applicable), *pro forma*.

“Group Net Interest Bearing Debt” means the aggregate interest bearing debt (excluding any interest bearing debt borrowed from any Group Company) less Cash and Cash Equivalents of the Group according to the latest consolidated Financial Report, in accordance with the Accounting Principles.

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

“Holders’ Meeting” means a meeting among the Holders held in accordance with Clause 20 (*Holders’ Meeting*).

“Initial Bond Issue” means the issuance of Bonds on the First Issue Date.

“**Intercompany Loan**” means any loans from the Issuer provided to any other Group Company (from time to time) whereby proceeds received under the Bond Issue are on-lent and which shall be pledged according to the Intercompany Loan Pledge Agreement provided that (i) each such loan is in the amount of not less than SEK 5,000,000 and the term of such loan is not shorter than 3 months and (ii) provided further that should the total amount of Intercompany Loans of less than SEK 5,000,000 each, exceed SEK 15,000,000 (the “**Threshold**”), Intercompany Loans above the Threshold shall also be pledged according to the Intercompany Loan Pledge Agreement regardless of item (i) above.

“**Intercompany Loan Pledge Agreement**” means the pledge agreement (if any) entered into between Issuer and a Group Company and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Holders) in respect of a first priority pledge over the Issuers present and future money claims under the Intercompany Loan(s) and as regards any future intercompany loan pledge agreement, in accordance with Clause 13.11 (*Additional pledges*). In the event an Intercompany Loan is provided to a Group Company registered in a foreign jurisdiction and if the Intercompany Loan Pledge Agreement shall not be governed by Swedish law, such Intercompany Loan Pledge Agreement shall be entered into based on the Swedish template agreed upon as of the First Issue Date (subject to necessary amendments).

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

“**Interest Payment Date**” means 21 February, 21 May, 21 August and 21 November each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 21 May 2019, following from an application of the Business Day Convention) and the last Interest Payment Date being the Final Redemption Date (or any final redemption date prior thereto).

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

“**Interest Rate**” means a floating rate of STIBOR (three (3) months) plus 5.75 per cent., *per annum*.

“**Issuer**” means Tobii AB (publ), (reg. no. 556613-9654), P.O. Box 743, SE- 182 17, Danderyd, Sweden.

“**Issuing Agent**” means Carnegie Investment Bank AB (publ), (reg. no. 516406-0138), SE-103 38, Stockholm, Sweden or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

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

“**Listing Failure Event**” means the situation where the Bonds issued under the Initial Bond Issue have not been admitted to trading within sixty (60) calendar days from the First Issue Date on Nasdaq Stockholm or any other Regulated Market (although the Issuer will use its best efforts to list the Bonds issued in the Initial Bond Issue within thirty (30) calendar days from the First Issue Date).

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial paper, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on Nasdaq Stockholm or any other Regulated Market or unregulated recognised market place.

“**Material Adverse Effect**” means a material adverse effect on (i) the business, financial condition or operations of the Group taken as a whole, (ii) the Issuer’s ability or willingness to perform and comply with its payment and other undertakings under the Finance Documents or (iii) the validity or enforceability of the Finance Documents.

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

“**Net Finance Charges**” means, for the Relevant Period, the Group’s consolidated finance charges (Sw. *finansiella kostnader*) according to the latest consolidated Financial Report, after deducting any interest payable for the relevant period to any Group Company and any interest income relating to Cash and Cash Equivalents investments of the Group.

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue which, after deduction has been made for the Transaction Costs payable by the Issuer to the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds, shall be transferred to the Issuer and used in accordance with Clause 4.3 (*Use of proceeds*).

“**Nominal Amount**” has the meaning set out in Clause 2.1.

“**Other Material Assets**” means (i) a Subsidiary of the Issuer or other assets contributing to more than five (5.00) per cent. of the higher of the Group EBITDA and the Restricted Group EBITDA (as applicable) according to the latest Financial Report or (ii) a Subsidiary of the Issuer or other assets representing more than five (5.00) per cent. of the Total Assets (for the avoidance of doubt, excluding any intra-group transactions).

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

“**Permitted Basket**” has the meaning set forth in paragraph (k) of the definition Permitted Debt.

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

- (a) arising under the Initial Bond Issue (including Bonds issued under a Subsequent Bond Issue, if the Issuer meets the Incurrence Test, calculated *pro forma* including such issue);
- (b) incurred under the Existing Debt Facility until refinanced;
- (c) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company’s business;
- (d) incurred by a Group Company, however subject to Clause 13.6 (*Loans out*).
- (e) arising under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made

under these Terms and Conditions or pursuant to cash management purposes (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes) (“**Derivative Transaction**”);

- (f) incurred in the ordinary course of business under Advance Purchase Agreements;
- (g) incurred by the Issuer if such Financial Indebtedness (i) ranks *pari passu* with, or is subordinated to, the obligations of the Issuer under these Terms and Conditions and (ii) has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date and (iii) always provided that the Incurrence Test is met, (calculated *pro forma* including such incurrence);
- (h) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds, for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (i) incurred as a result of any Group Company acquiring another entity which holds Financial Indebtedness, provided that the Incurrence Test is met (calculated *pro forma* including the acquired entity’s indebtedness in question, provided however that such indebtedness is refinanced no later than ninety (90) calendar days from the acquisition with Financial Indebtedness constituting Permitted Debt (if applicable));
- (j) incurred by a Group Company under a Working Capital Facility; or
- (k) any other Financial Indebtedness not covered under paragraphs (a) to (j) above in an aggregate maximum amount of SEK 25,000,000 and incurred in the ordinary course of the Group’s business (the “**Permitted Basket**”).

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

- (a) provided under the Bonds (*i.e.* the Transaction Security);
- (b) provided under the Existing Debt Facility, until refinanced.

- (c) provided in relation to any agreement under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such lease constitutes Permitted Debt;
- (d) provided in relation to a Derivative Transaction and not consisting of security interests in shares in any Group Company;
- (e) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised, and including any right of netting or set-off over credit balances on bank accounts arising in the ordinary course of the banking arrangements of the Group);
- (f) provided in connection with a redemption of the Bonds in full and constituting a first priority pledge over a bank account in the name of the Issuer for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (g) incurred as a result of any Group Company acquiring another entity which has provided security over any of its assets, provided that the debt secured with such security is Permitted Debt in accordance with paragraph (i) of the definition Permitted Debt above; and
- (h) provided in relation to a Working Capital Facility (including during the Grace Period (if any)) and/or the Permitted Basket, however not constituting pledges over shares in the Pledged Group Companies' directly or indirectly held subsidiaries.

“Pledged Group Companies” means Tobii Dynavox AB, (reg. no. 556914-7563) (**“Tobii Dynavox”**), Tobii Pro AB, (reg. no. 556914-7613) (**“Tobii Pro”**) and Tobii Tech AB (reg. no. 559104-1081), together with shares (if and when applicable) in any future Subsidiary of the Issuer, provided that such Subsidiary constitutes an Other Material Asset and is directly held by the Issuer, (each a **“Pledged Group Company”**).

“Pre-Disbursement Conditions Precedent” means the conditions for disbursement of the Net Proceeds of the Initial Bond Issue from the Escrow Account to the Issuer, as set out in Clause 15 (*Pre-Disbursement Conditions Precedent*).

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

“**Record Date**” means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Holders is to be made under Clause 18 (*Distribution of proceeds*), or (iv) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

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

“**Restricted Group**” means the Issuer and all the Subsidiaries from time to time other than Tobii Tech AB, (reg. no. 559104-1081) and its Subsidiaries from time to time (“**Tobii Tech**”), (each a “**Restricted Group Company**”).

“**Restricted Group Distribution Test and/or Incurrence Test**” shall have the meaning set out in Clause 12.2.

“**Restricted Group EBITDA**” means the figures for consolidated EBITDA of the Group (after deducting the EBITDA of Tobii Tech and its Subsidiaries) for the Relevant Period ending on the last day of the period covered by the most recent Financial Report and based on the segment reporting as set out therein.

“**Restricted Group Net Interest Bearing Debt**” means the aggregate interest bearing debt (excluding any interest bearing debt borrowed from any Restricted Group Company) less Cash and Cash Equivalents of the Restricted Group according to the latest consolidated Financial Report, in accordance with the Accounting Principles.

“**Restricted Payment**” has the meaning set out in Clause 13.1.1.

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

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

“**Security Documents**” means the Share Pledge Agreements, any Intercompany Loan Pledge Agreement(s), the Deposit Account Pledge Agreement and the Escrow Account Pledge Agreement and any other pledge agreement entered into by a Group Company pursuant to these Terms and Conditions.

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

“**Share Pledge Agreements**” means the share pledge agreements regarding a first priority pledge over all shares in Tobii Dynavox AB, (reg. no. 556914-7563), Tobii Pro AB, (reg. no. 556914-7613) and Tobii Tech AB (reg. no. 559104-1081), to be entered into between the Issuer and the Agent (acting in its capacity as agent and security agent representing the Holders), and any additional share pledge agreement to be entered into thereafter in accordance with Clause 13.11 (*Additional pledges*).

“**STIBOR**” means:

- (a) the applicable percentage rate *per annum* displayed on Nasdaq Stockholm’s website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; or
- (b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period and (ii) the applicable screen rate for the shortest period (for which that

screen rate is available) which exceeds that Interest Period, as of or around 11 a.m. on the Quotation Date; or

- (c) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period.

“Subsequent Bond” means any Bond issued in a Subsequent Bond Issue.

“Subsequent Bond Issue” has the meaning set out in Clause 2.5.

“Subsidiary” means, in relation to any entity, any other legal entity (whether incorporated or not) in respect of which such entity directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body or (iv) exercises control as determined in accordance with the Accounting Principles.

“Tobii Dynavox or Tobii Pro Material Assets” means (i) Tobii Dynavox or Tobii Pro or a Subsidiary of Tobii Dynavox or Tobii Pro or other assets of these entities contributing to twenty-five (25.00) per cent. or more of the higher of the Group EBITDA and the Restricted Group EBITDA (as applicable) according to the latest Financial Report or (ii) Tobii Dynavox or Tobii Pro or a Subsidiary of these entities or other assets representing twenty-five (25.00) per cent. or more of the Total Assets (for the avoidance of doubt, excluding any intra-group transactions).

“Total Assets” means the aggregate book value of the Group’s total assets on a consolidated basis according to the latest Financial Report.

“**Transaction Costs**” means all fees, costs and expenses incurred by a Group Company in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue and (ii) the listing of the Bonds.

“**Transaction Security**” means the transaction Security to be provided under the Security Documents on the First Issue Date and any additional transaction Security to be provided thereafter in accordance with Clause 13.11 (*Additional pledges*).

“**Unrestricted Group**” means the Group Companies not being a Restricted Group Company (each an “**Unrestricted Group Company**”).

“**Working Capital Facility**” means one or more credit facilities for working capital purposes, in an aggregate amount not at any time exceeding SEK 50,000,000.

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 21 (*Written Procedure*).

1.2 **Construction**

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department or regulatory, self-regulatory or other authority or organisation;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) a time of day is a reference to Stockholm time.

1.2.2 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the

previous Business Day, as published by the Swedish Central Bank (Sw. Riksbanken) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

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

1.2.4 No delay or omission of the Agent or of any Holder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

1.2.5 Other than as set out in this Clause 1.2.5, until the process with the Competition and Markets Authority in England (the “CMA”) is final and completed with regards to the Group’s acquisition of Smartbox Assistive Technology Ltd. UK, Smartbox Assistive Technology Inc. US and Sensory Software International Ltd. UK (jointly “Smartbox”) (the “CMA Process”), all references, terms and provisions in these Terms and Conditions that include Smartbox (directly or indirectly) shall be disregarded, meaning that such references, terms and provisions shall not be taken into account in any way in relation to Smartbox, regardless of what is otherwise stipulated in these Terms and Conditions. Following the completion of the CMA Process, Smartbox shall be included in the applicable references, terms and provisions, to the extent applicable and based on the outcome from the CMA (as and if applicable). Any divestments or disposals made in relation to Smartbox due to any decision, resolution or other instruction by or from the CMA will not trigger Clauses 11.5 (*Special mandatory redemption upon divestment of Tobii Dynavox or Tobii Pro Material Assets*) and 11.6 (*Re-investment requirement or special voluntary redemption upon divestment of Other Material Assets*). Moreover, Smartbox may, following completion of the CMA Process be integrated into the business (in part or in full) and be subject to internal restructuring within the Group (the “Smartbox Restructuring”). Any steps taken in connection with the Smartbox Restructuring shall not trigger Clauses 11.5 and 11.6 as mentioned above.

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

2.1 The aggregate amount of the bond loan will be an amount of up to SEK 600,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “Nominal

Amount”). The total nominal amount of the Bonds issued in the Initial Bond Issue is SEK 300,000,000.

- 2.2 The ISIN for the Bonds is SE0012230076.
- 2.3 All Bonds issued in the Initial Bond Issue are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 2.4 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000 and integral multiples thereof.
- 2.5 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions (each such issue, a “**Subsequent Bond Issue**”), until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 600,000,000, always provided that no Event of Default is continuing or would result from such issue and that the Incurrence Test (calculated *pro forma* including the Subsequent Bond Issue) is met.
- 2.6 Subsequent Bonds shall be issued subject to the Finance Documents and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Bonds issued in the Initial Bond Issue shall also apply to Subsequent Bonds. The price of Subsequent Bonds may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount.
- 2.7 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.8 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 2.9 By subscribing for Bonds, each initial Holder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds each subsequent Holder confirms the Finance Documents.

3. STATUS OF THE BONDS

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them. The Bonds are secured by the Transaction Security.

4. USE OF PROCEEDS

- 4.1 The Issuer shall establish the Escrow Account prior to the First Issue Date and make sure that the Conditions Precedent to the First Issue Date is met in accordance with Clause 14. As soon as possible on or about the First Issue Date, the Issuing Agent shall transfer the Net Proceeds from the Initial Bond Issue to the Escrow Account.
- 4.2 For the purpose of securing that the Pre-Disbursement Conditions Precedent have been fulfilled prior to any disbursement of the Net Proceeds, the Escrow Account will be pledged in favour of the Agent and the Holders (represented by the Agent) in accordance with the Escrow Account Pledge Agreement. The pledge over the Escrow Account shall be immediately released when the Pre-Disbursement Conditions Precedent have been fulfilled and repayment of the Existing Debt Facility in full have been made. The Agent shall instruct the Escrow Bank to transfer funds for the repayment in full of the Existing Debt Facility, and thereafter the Agent shall immediately release the pledge over the Escrow Account in accordance with the provisions of the Escrow Account Pledge Agreement.
- 4.3 The Net Proceeds standing to the credit of the Escrow Account shall be used by the Issuer towards:
- (a) refinancing of the Group's completed acquisitions including refinancing of the Existing Debt Facility in full;
 - (b) financing of any additional acquisitions and;
 - (c) general corporate purposes.

The Net Proceeds necessary for repayment in full of the Existing Debt Facility shall be transferred directly by the Agent from the Escrow Account in accordance with Clause 4.2 above to the account designated for repayment of the Existing Debt Facility held by the lending bank.

- 4.4 The net proceeds from any Subsequent Bond Issue, after deduction has been made for the Transaction Costs payable by the Issuer, shall be used for the purposes set out in Clause 4.3 paragraphs (b) and (c) above.

5. SECURITY

- 5.1 As continuing security for the due and punctual fulfilment of the Issuer's obligations under the Finance Documents, the Issuer shall and shall procure that any other relevant Group Company (if applicable), pledges

to the Agent and the Holders (as represented by the Agent), as first ranking security:

- (a) all shares in Tobii Dynavox AB (reg. no. 556914-7563), Tobii Pro AB (reg. no. 556914-7613) and Tobii Tech AB (reg. no. 559104-1081), in accordance with the Share Pledge Agreements, and pursuant to Clause 13.11.1 any other shares (if and when applicable) in any future Subsidiary of the Issuer, provided that such Subsidiary constitutes an Other Material Asset and is directly held by the Issuer;
- (b) present and future money claims under any Intercompany Loan(s) in accordance with the Intercompany Loan Pledge Agreement(s);
- (c) the Deposit Account and all funds standing to the account (from time to time) in accordance with the Deposit Account Pledge Agreement; and
- (d) the Escrow Account and all funds standing to the account (from time to time) in accordance with the Escrow Account Pledge Agreement.

5.2 The Issuer shall ensure that the Security Documents and all documents to be delivered thereunder are duly executed in favour of the Agent and the Holders (as represented by the Agent) and that such documents are legally valid, perfected, enforceable and in full force and effect according to their terms. The Issuer shall execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Holders and the Agent to at all times maintain the security position and guarantee position envisaged under the Security Documents.

5.3 The Agent shall hold the Transaction Security on behalf of itself and the Holders in accordance with the Finance Documents.

5.4 Except if otherwise decided by the Holders according to the procedures set out in Clauses 19 (*Decisions by Holders*), 20 (*Holdings' Meeting*) or 21 (*Written Procedure*), the Agent is, without first having to obtain the Holders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or for the purpose of settling the various Holders' relative rights to the Transaction Security. The Agent is

entitled to take all measures available to it according to the Security Documents.

- 5.5 If the Bonds are declared due and payable according to Clause 17 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Holders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (in accordance with the terms of the Security Documents).
- 5.6 If a Holders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Holders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in these Terms and Conditions, the Agent shall not enforce the Transaction Security. If the Holders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clauses 19 (*Decisions by Holders*), 20 (*Holders' Meeting*) or 21 (*Written Procedure*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security in accordance with the terms of the Security Documents and in accordance with the terms of the Terms and Conditions. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Holders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- 5.7 Funds that the Agent receives (directly or indirectly) on behalf of the Holders in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Holders and any other interested party. The Agent shall promptly arrange for payments to be made to the Holders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 18 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may,

in accordance with Clause 5.8, instruct the CSD to arrange for payment to the Holders.

- 5.8 For the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Holders in accordance with Clause 5.7. To the extent permissible by law, the powers set out in this Clause 5.8 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction, acting reasonably), which the Agent deems necessary for the purpose of carrying out its duties under Clause 5.7 (including as required by the CSD in order for the CSD to accept such payment instructions). In addition, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 5.7 to the Holders through the CSD.

6. THE BONDS AND TRANSFERABILITY

- 6.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents relating to such Bonds are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Holder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered

address or its place(s) of business). Each Holder must ensure compliance with such restrictions at its own cost and expense.

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

7. BONDS IN BOOK-ENTRY FORM

- 7.1 The Bonds will be registered for the Holders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of or in connection with any Holders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds. If the Agent does not otherwise obtain information from such debt register as contemplated under the Finance Documents, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.
- 7.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not

revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Holders.

7.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.

7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Holder or third party unless necessary for such purposes.

8. RIGHT TO ACT ON BEHALF OF A HOLDER

8.1 If any Person other than a Holder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.

8.2 A Holder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Holder.

8.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

9. PAYMENTS IN RESPECT OF THE BONDS

9.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds pursuant to these Terms and Conditions, shall be made to such Person who is registered as a Holder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.

9.2 If a Holder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits

will be effectuated by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Holder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Holders on the relevant Record Date as soon as possible after such obstacle has been removed.

- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or any Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax or similar.

10. INTEREST

- 10.1 The Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will, however, carry Interest at the Interest Rate from, but excluding, the Interest Payment Date falling immediately prior to its issuance up to and including the relevant Redemption Date.
- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Holders on each Interest Payment Date for the preceding Interest Period. Interest shall never be calculated as being an amount less than zero (0).

10.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

10.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

11. REDEMPTION, REPURCHASE AND PREPAYMENT OF THE BONDS

11.1 Redemption at maturity

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

11.2 The Group Companies' purchase of Bonds

Each Group Company (including, for the avoidance of doubt, the Issuer) may, at any time purchase Bonds. Bonds held by a Group Company may at such Group Company's discretion be retained or sold, but not cancelled. However, Bonds may be cancelled if held by the Issuer and in connection with a full redemption of the Bonds.

11.3 Early voluntary redemption by the Issuer (call option)

11.3.1 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day falling on or after the First Call Date, but before the Final Redemption Date at the applicable Call Option Price together with accrued but unpaid Interest.

11.3.2 Redemption in accordance with Clauses 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders and the Agent, calculated from the effective date of such notice. Any such notice shall state the Redemption Date and the relevant Record

Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

11.4 Special voluntary redemption upon a Change of Control Event prior to the First Call Date

11.4.1 Following the occurrence of a Change of Control Event, prior to the First Call Date, the Issuer has a right (but not an obligation) to redeem all Bonds (call option) in full at 104.313 per cent. of the Nominal Amount (together with accrued but unpaid Interest).

11.4.2 Redemption in accordance with Clause 11.4.1 shall be made by the Issuer within twenty (20) Business Days calculated from the effective date of the notice set out in Clause 13.12.1 (e), which notice shall state the Redemption Date and the relevant Record Date.

11.4.3 If the Issuer decides to not exercise its right to redeem the Bonds as set out in Clause 11.4.1, each Holder may use its put option right whereby the Issuer shall have an obligation to repurchase the relevant Bonds at 101.00 per cent. of the Nominal Amount in accordance with Clause 11.7 (Mandatory repurchase due to a Change of Control Event, De-listing Event or a Listing Failure Event (put option)).

11.5 Special mandatory redemption upon divestment of Tobii Dynavox or Tobii Pro Material Assets

11.5.1 The Issuer shall, upon divestment of Tobii Dynavox or Tobii Pro Material Assets to a third party (including, for the avoidance of doubt, shares in Tobii Dynavox and Tobii Pro subject to Transaction Security), make sure that the net proceeds from such disposal is paid directly to the Deposit Account. The net proceeds standing on the Deposit Account shall be used for early redemption of the Bonds in full at (i) the applicable Call Option Price, or (ii) if prior to the First Call Date, at 104.313 per cent. of the Nominal Amount (in both (i) and (ii), together with accrued but unpaid Interest). The Agent shall release the net proceeds standing on the Deposit Account pertaining to such disposal to be used towards redemption of the Bonds in full.

11.5.2 Redemption in accordance with Clause 11.5.1 shall be made by the Issuer giving no less than fifteen (15) Business Days' notice. Such notice shall be irrevocable and shall state the applicable Redemption Date, the relevant Record Date and the amount to be repaid. Upon the expiry of

such notice, the Issuer is bound to repay the Bonds in full at the applicable amounts. The Redemption Date must fall no later than five (5) Business Days' from the end of the fifteen (15) Business Days' notice period.

11.6 Re-investment requirement or special voluntary redemption upon divestment of Other Material Assets

11.6.1 The Issuer shall, upon divestment of Other Material Assets of the Group to a third party (including, for the avoidance of doubt, shares in Pledged Group Companies subject to Transaction Security) other than Tobii Dynavox or Tobii Pro Material Assets (which for the avoidance of doubt shall be included if the Tobii Dynavox or Tobii Pro Material Assets contributes to more than five (5.00) per cent. (but less than twenty-five (25.00) per cent.) of the higher of the Group EBITDA and the Restricted Group EBITDA (as applicable) according to the latest Financial Report or represents more than five (5) per cent. (but less than twenty-five (25.00) per cent.) of the Total Assets), make sure that the net proceeds from such disposal is paid directly to the Deposit Account. The net proceeds standing on the Deposit Account shall be used by the Issuer for either reinvestment in the Group's business or for redemption of the Bonds in full. Such repayment shall be made at the applicable Call Option Price or if prior to the First Call Date, at 104.313 per cent. of the Nominal Amount (together with accrued but unpaid Interest). The Agent shall release the net proceeds standing on the Deposit Account pertaining to such disposal for redemption in full of the Bonds or to the Issuer to be used towards reinvestment in the Group (as applicable).

11.6.2 Any redemption in accordance with Clause 11.6.1 shall be made by the Issuer giving no less than fifteen (15) Business Days' notice. Such notice shall be irrevocable and shall state the applicable Redemption Date, the relevant Record Date and the amount to be repaid. Upon expiry of such notice, the Issuer is bound to repay the Bonds in full at the applicable amounts. The Redemption Date must fall no later than five (5) Business Days' from the end of the fifteen (15) Business Days' notice period.

11.7 Mandatory repurchase due to a Change of Control Event, De-listing Event or a Listing Failure Event (put option)

11.7.1 Upon a Change of Control Event, De-listing Event or Listing Failure Event occurring, each Holder shall have the right to request that all or only some of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one

hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of fifteen (15) calendar days following receipt of a notice from the Issuer of the relevant event pursuant to Clause 13.12.1 (e). The fifteen (15) calendar days' period (the "Notice Period") may not start earlier than upon the occurrence of the Change of Control Event, De-listing Event or Listing Failure Event.

- 11.7.2 Notwithstanding Clause 11.7.1, the put option right upon a Change of Control Event occurring prior to the First Call Date is always subject to Clause 11.4 (*Special voluntary redemption upon a Change of Control Event prior to the First Call Date*), whereby the Issuer has the right to redeem all Bonds in full if the Issuer has notified the Agent and the Holders that it will use its right to such redemption in accordance with Clause 13.12.1 (e).
- 11.7.3 Subject to Clause 11.7.2 above, the notice from the Issuer pursuant to Clause 13.12.1 (e) shall specify the Record Date and the Redemption Date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 13.12.1 (e). The Redemption Date must fall no later than twenty (20) Business Days after the end of the Notice Period.
- 11.7.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 11.7, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 11.7 by virtue of such conflict.
- 11.7.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.7 may at the Issuer's discretion be retained, sold or cancelled, provided that Bonds may only be cancelled if permitted under Clause 11.2 (*The Group Companies' purchase of Bonds*).

12. FINANCIAL UNDERTAKINGS

12.1 Distribution Test

12.1.1 The Distribution Test is met if the ratio of Group Net Interest Bearing Debt to Group EBITDA is less than 2.00.

12.1.2 The Distribution Test shall be calculated subject to the Calculation Principles.

12.2 The Restricted Group Distribution Test and/or the Incurrence Test

12.2.1 The Restricted Group Distribution Test and/or the Incurrence Test (as applicable) is met if (i) the ratio of Restricted Group Net Interest Bearing Debt to Restricted Group EBITDA is less than 2.00 or (ii) if the ratio of Group Net Interest Bearing Debt to Group EBITDA is less than 2.00.

12.2.2 The Restricted Group Distribution Test and/or the Incurrence Test (as applicable) shall be calculated subject to the Calculation Principles.

12.3 Calculation Principles

12.3.1 The calculation of the Distribution Test, the Restricted Group Distribution Test and/or the Incurrence Test (as applicable) shall be made as per a testing date determined by the Issuer, falling no more than two (2) months prior to the payment of the Restricted Payment or the incurrence of the new Financial Indebtedness (including any Subsequent Bond Issue) that requires that the Distribution Test, the Restricted Group Distribution Test and/or the Incurrence Test (as applicable) is met.

12.3.2 The Group Net Interest Bearing Debt and the Restricted Group Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include the Restricted Payment or the new Financial Indebtedness (as applicable), provided that such Financial Indebtedness is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce the Restricted Group Net Interest Bearing Debt).

12.3.3 EBITDA shall be calculated as follows:

The figures for Group EBITDA and the Restricted Group EBITDA for the Relevant Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Distribution Test, the Restricted Group Distribution Test and/or the Incurrence Test (as applicable), but adjusted so that:

- (i) any Bond that has been repurchased, and not resold, by any Group Company during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be excluded, *pro forma*, for the entire Relevant Period; and
- (ii) any entity acquired during the Relevant Period or to be acquired with proceeds from new Financial Indebtedness, or any entity disposed of during the Relevant Period shall be included or excluded, *pro forma*, (as applicable) for the entire Relevant Period.

12.3.4 During the first Relevant Period after the First Issue Date, the Restricted Group Distribution Test and/or the Incurrence Test shall be based on the historical financial segment reporting which correspond to the Restricted Group at the time such calculation is made.

13. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set out in this Clause 13.

13.1 Distributions

13.1.1 Subject to Clause 13.1.2 below, the Issuer shall not, and shall procure that none of the Subsidiaries:

- (i) pay any dividend on shares;
- (ii) repurchase any of its own shares;
- (iii) redeem its share capital or other restricted equity with repayment to shareholders;
- (iv) repay principal or pay interest under any shareholder loans; or
- (v) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the Issuer's or the Subsidiaries' direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (including for the avoidance of doubt any shareholder's contributions to Subsidiaries).

Paragraphs (i)–(v) above are together and individually referred to as a “**Restricted Payment**”.

13.1.2 Notwithstanding Clause 13.1.1 above, any Restricted Payment can be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, by:

- (A) any Unrestricted Group Company (down-streamed and up-streamed) if such Restricted Payment is made to a Group Company and, if made by an Unrestricted Group Company which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis;
- (B) any Restricted Group Company (down-streamed and up-streamed)
 - (i) if such Restricted Payment is made to another Restricted Group Company and
 - (ii) if such Restricted Payment is made to an Unrestricted Group Company, provided that the Restricted Group Distribution Test (calculated on a *pro forma* basis including the relevant Restricted Payment) is met, and if made by a Restricted Group Company which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis;
- (C) the Issuer (up-streamed), provided that
 - (i) the Distribution Test (calculated on a *pro forma* basis including the relevant Restricted Payment) is met and
 - (ii) the aggregate amount of all Restricted Payments made by the Group in a financial year (including the Restricted Payment in question but excluding any Restricted Payment made in accordance with paragraph (A) and paragraph (B) (i) above) does not exceed an amount equal to fifty (50.00) per cent. of the Group's consolidated net profit according to the annual audited consolidated Financial Report for the previous financial year (without carry back or carry forward).

13.2 Listing of Bonds

The Issuer shall ensure that:

- (i) the Bonds issued under the Initial Bond Issue are listed on the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within twelve (12) months after the First Issue Date;
- (ii) the Bonds, once admitted to trading on the relevant market place, continue being listed thereon (however, taking into account the rules and regulations of the relevant market place and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds); and
- (iii) provided that the Bonds issued in the Initial Bond Issue have been admitted to trading, upon any Subsequent Bond Issue, the volume of Bonds listed on the relevant Regulated Market place

promptly, and not later than fifteen (15) Business Days after the relevant Issue Date, is increased accordingly.

13.3 Nature of business

The Issuer shall procure that no substantial change is made to the general nature of the business as carried out by the Group on the First Issue Date. The Issuer shall also procure that, in all material respects, the business which is included within the business of Tobii Tech, is conducted within Tobii Tech (and its Subsidiaries from time to time). For the purpose of this Clause 13.3 it is acknowledged that as long as the business (including support functions and operations) is conducted in all material respects in the same manner as it is conducted on the First Issue Date, the Issuer shall be deemed to comply with this Clause 13.3.

13.4 Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company will, incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain and prolong Financial Indebtedness which constitute Permitted Debt.

13.5 Negative Pledge

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any guarantee or security over any of its/their assets (present or future), provided however that the Group Companies have a right to create or allow to subsist, retain, provide, prolong and renew any Permitted Security. No pledges may be provided over shares in the Pledged Group Companies' directly or indirectly held subsidiaries.

13.6 Loans out

The Issuer shall not, and shall procure that none of its Subsidiaries, provide any loan to any external party if such loan is not provided (i) on market terms or for the Group more favourable terms and (ii) in the ordinary course of business. The Issuer shall not, and shall procure that none of its Subsidiaries provide any loan, guarantee or security to another Group Company unless such loan, guarantee or security is provided from a Restricted Group Company to another Restricted Group Company or from an Unrestricted Group Company to another Unrestricted Group Company, and in relation to any guarantee and security, provided that

such guarantee or security is a Permitted Security. Any Restricted Group Company may also provide loans, guarantees or securities to an Unrestricted Group Company, provided that the Restricted Group Distribution Test is met in accordance with Clause 13.1.2 (*Distributions*) (B) and in relation to any guarantee and security, provided that such guarantee or security is a Permitted Security. In addition, any existing loan outstanding prior to the First Issue Date shall constitute a permitted loan.

13.7 **Disposal of assets**

13.7.1 The Issuer shall not, and shall procure that none of the Subsidiaries, sell or otherwise dispose of shares in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) (i) is carried out at fair market value and (ii) on terms and conditions customary for such transaction, and provided that the transaction does not have a Material Adverse Effect.

13.7.2 In addition to Clause 13.7.1 above, a disposal of Tobii Dynavox or Tobii Pro Material Assets and Other Material Assets (including disposal of shares in Pledged Group Companies), may be made if made in accordance with Clauses 11.5 (*Special mandatory redemption upon divestment of Tobii Dynavox or Tobii Pro Material Assets*) or 11.6 (*Re-investment requirement or special voluntary redemption upon divestment of Other Material Assets*). For the avoidance of doubt, no Tobii Dynavox or Tobii Pro Material Assets and Other Material Assets (including shares in Pledged Group Companies) may be disposed of to a third party, unless in accordance with Clauses 11.5 or 11.6. Upon a disposal of a Pledged Group Company, the Agent is permitted to, and shall, release such pledge.

13.8 **Available Cash**

The Issuer shall procure that the Restricted Group at all times holds Available Cash in the amount of at least SEK 50,000,000. There may be periods of not more than ten (10) consecutive Business Days during which the amount is less than SEK 50,000,000 and not less than six (6) months may elapse between two such periods.

13.9 **Dealings with related parties**

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

13.9.2 The Issuer shall procure that the Restricted Group Companies conduct all dealings with the Unrestricted Group Companies at arm's length terms and within the ordinary course of business and if not on arm's length terms, the Issuer shall procure that the Restricted Group Distribution Test set out in Clause 13.1.2 (*Distributions*) (B) is met.

13.10 **Compliance with laws etcetera**

The Issuer shall, and shall procure that the Subsidiaries:

- (i) comply with all laws and regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed; and
- (ii) obtain, maintain and comply with the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company,

in each case of (i) and (ii), if failure to do so has or is reasonably likely to have a Material Adverse Effect.

13.11 **Additional pledges**

13.11.1 The Issuer shall, following the publication by the Issuer of a Financial Report and the nomination of Other Material Assets, provided that such Other Material Asset is a Subsidiary directly held by the Issuer (if any), set forth in the Compliance Certificate to be issued to the Agent in connection therewith, provide a pledge over the shares in such Subsidiary. Such pledge shall be provided in favour of the Agent and the Holders (represented by the Agent) no later than fifteen (15) Business Days in relation to pledges over shares in companies incorporated in Sweden and no later than thirty (30) Business Days in relation to pledges over shares in companies incorporated in foreign jurisdictions, following the publication of the Financial Report and the issuance of the Compliance Certificate.

13.11.2 The Issuer shall procure that any Intercompany Loan provided after the First Issue Date is pledged in favour of the Agent and the Holders (represented by the Agent) and that such pledge is provided no later than fifteen (15) Business Days in relation to pledges subject to Swedish law and no later than thirty (30) Business Days in relation to pledges subject to foreign law, calculated from (and excluding) the day of entering into such Intercompany Loan.

13.12 **Financial reporting etcetera**

13.12.1 The Issuer shall:

- (a) prepare and make available the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, to the Agent and on its website not later than four (4) months after the expiry of each financial year;
- (b) prepare and make available the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, to the Agent and on its website not later than two (2) months after the expiry of each relevant interim period;
- (c) issue a Compliance Certificate to the Agent (i) when a Financial Report is made available, (ii) in connection with the payment of a Restricted Payment or the incurrence of Financial Indebtedness or in connection with Clause 13.6 (*Loans out*) (which requires that the Distribution Test, the Restricted Group Distribution Test and/or the Incurrence Test is met, as applicable) and any Subsequent Bond Issue, and (iii) at the Agent's reasonable request, within twenty (20) calendar days from such request;
- (d) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on its website;
- (e) promptly notify the Agent (and, as regards a Change of Control Event, a De-listing Event or a Listing Failure Event the Holders) upon becoming aware of (i) the occurrence of a Change of

Control Event, whereby such notice shall also include information whether the Issuer will exercise its call option right or not in accordance with Clause 11.4 (*Special voluntary redemption upon a Change of Control Event prior to the First Call Date*), a De-listing Event or a Listing Failure Event or (ii) that an Event of Default (or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any termination or a combination of any of the foregoing) constitute an Event of Default) has occurred, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice; and

- (f) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm (or any other Regulated Market, as applicable) (as amended from time to time) and the Swedish Securities Market Act (Sw. *lag (2007:528) om värdepappersmarknaden* (as amended from time to time).

13.12.2 The Issuer shall notify the Agent of any transaction referred to in Clause 13.7 (*Disposal of assets*) and shall, upon request by the Agent, provide the Agent with (i) any information relating to the transaction which the Agent deems necessary (acting reasonably) and (ii) a certificate from the Issuer which states whether the transaction is carried out at fair market value and on terms and conditions customary for such transaction or not and whether it has a Material Adverse Effect or not. The notification shall also include (if relevant) information of any disposal of Tobii Dynavox or Tobii Pro Material Assets or Other Material Assets.

13.12.3 The Agent may assume that any information provided by the Issuer pursuant to Clause 13.12.2 is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information. The Agent is not responsible for assessing if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect, but is not bound by the Issuer's determination under Clause 13.12.2, paragraph (ii) above.

13.13 **Agent Agreement**

13.13.1 The Issuer shall, in accordance with the Agent Agreement:

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

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

13.14 **CSD related undertakings**

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

14. **CONDITIONS PRECEDENT TO THE FIRST ISSUE DATE**

The Issuer shall provide to the Agent, prior to the First Issue Date, the following:

- (a) copies of the constitutional documents of the Issuer;
- (b) copies of necessary corporate resolutions (including authorisations) of the Issuer;
- (c) the Terms and Conditions duly executed by it;
- (d) an agreed form Compliance Certificate;
- (e) the Agent Agreement duly executed by it; and
- (f) copy of the Escrow Account Pledge Agreement, duly signed by the parties thereto and perfected in accordance with its terms.

15. **PRE-DISBURSEMENT CONDITIONS PRECEDENT**

15.1 The Agent's approval of the disbursement of the Net Proceeds from the Initial Bond Issue from the Escrow Account is subject to the following documents being received by the Agent and that the following events have occurred:

- (a) evidence, by way of a termination letter, release letter or similar that the Existing Debt Facility will be terminated in

connection with the Initial Bond Issue and that any guarantee or security created in respect of the Existing Debt Facility will be fully released upon such termination (for the avoidance of doubt not including any security provided in relation to the Group's existing or future Working Capital Facility (if and as applicable), provided that it is a Permitted Security and, in relation to any future Working Capital Facility, provided in addition that such Working Capital Facility is entered into no later than thirty (30) calendar days from the First Issue Date, the "Grace Period");

- (b) a copy of the Deposit Account Pledge Agreement duly signed by the parties thereto and perfected in accordance with its terms;
- (c) copies of the Share Pledge Agreements duly signed by the parties thereto, the Share Pledge Agreements shall however be undated and held in escrow by the Agent until the existing pledge over these shares have been released under the Existing Debt Facility; and
- (d) a copy of an agreed form Intercompany Loan Pledge Agreement (should any Intercompany Loan be provided in connection with the First Issue Date, the Intercompany Loan Pledge Agreement shall be duly signed by the parties thereto).

15.2 When the Pre-Disbursement Conditions Precedent of the Net Proceeds set out in Clause 15.1 above have been received by the Agent, the Agent shall immediately instruct the Escrow Bank to transfer the funds credited to the Escrow Account in accordance with Clauses 4.2 and 4.3 (*Use of Proceeds*).

15.3 The Agent may assume that the documentation and evidence delivered to it under Clause 15.1 are accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not review the documents and evidence referred to above from a legal or commercial perspective of the Holders.

16. CONDITIONS SUBSEQUENT

- 16.1 Following the transfer of the funds credited to the Escrow Account in accordance with Clause 15.2, the Issuer shall ensure that the Existing Debt Facility is fully repaid and terminated and that all security provided under the Existing Debt Facility is released (subject to the Grace Period over security provided in relation to any existing Working Capital Facility).
- 16.2 The Issuer shall provide evidence to the Agent, showing that the events listed below have occurred, such evidence to be provided no later than five (5) Business Days after the disbursement of the Net Proceeds of the Initial Bond Issue from the Escrow Account and the repayment of the Existing Debt Facility have been made in accordance with Clause 15.2:
- (a) copies of the constitutional documents of each party to a Finance Document (other than the Agent and the Issuer); and
 - (b) that all Security Documents and all documentation and evidences relating thereto have been duly executed, granted and perfected in accordance with its terms (for the avoidance of doubt, other than the Intercompany Loan Pledge Agreement should no Intercompany Loan be provided).
- 16.3 The Agent may assume that the documentation and evidence delivered to it under Clause 16.2 are accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not review the documents and evidence referred to above from a legal or commercial perspective of the Holders.

17. TERMINATION OF THE BONDS

- 17.1 The Agent is entitled to, and shall following a demand in writing from a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Holder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Holders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.6 or 17.7, on behalf of the Holders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business

Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) **Non-payment:** The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date;
- (b) **Conditions Subsequent:** The Issuer has not provided the Agent with evidence, in form and substance satisfactory to the Agent (acting reasonably), showing that the Conditions Subsequent have been fulfilled not later than at the time set out in Clauses 16.1 and 16.2;
- (c) **Other obligations:** The Issuer does not comply with the Finance Documents in any other way than as set out under paragraphs (a) and (b) above, unless the non-compliance (i) is capable of being remedied and (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request);
- (d) **Cross acceleration/ cross-default:**
 - (i) Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); or
 - (ii) any security interest securing Financial Indebtedness over any asset of any Group Company is enforced;

provided however that the amount of Financial Indebtedness referred to under paragraph (i) and/or (ii) above, individually or in the aggregate exceeds an amount corresponding to SEK 25,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company;

- (e) **Insolvency:**
- (i) The Issuer or any other Group Company (if such other Group Company is an Other Material Asset) is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under these Terms and Conditions) with a view to rescheduling its Financial Indebtedness; or
 - (ii) a moratorium is declared in respect of the Financial Indebtedness of the Issuer or any other Group Company (if such other Group Company is an Other Material Asset);
- (f) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to the Subsidiaries, solvent liquidations) in relation to;
- (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer or any other Group Company (if such other Group Company is an Other Material Asset);
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Issuer or any other Group Company (if such other Group Company is an Other Material Asset) or any of its assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of the Issuer or any other Group Company (if such other Group Company is an Other Material Asset);

- (g) **Mergers and demergers:**
 - (i) A decision is made that any Group Company shall be merged or demerged into a company which is not a Group Company, unless the Agent has given its consent (not to be unreasonably withheld or delayed) in writing prior to the merger and/or demerger (where consent is not to be understood as a waiver of the rights that applicable law at the time assigns the concerned creditors and where consent from the Agent may only be given if the contemplated merger and/or demerger is likely to not have a Material Adverse Effect); or
 - (ii) the Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity;
- (h) **Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value equal to or exceeding SEK 25,000,000 and is not discharged within thirty (30) calendar days;
- (i) **Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable, provided that it has a Material Adverse Effect; or
- (j) **Continuation of the business:** The Issuer or any other Group Company ceases to carry on its business (except if due to (i) a permitted merger or demerger as stipulated in (g) above or (ii) a permitted disposal as stipulated in Clause 13.7 (*Disposal of assets*)), provided it has a Material Adverse Effect.

17.2 The Agent may not terminate the Bonds in accordance with Clause 17.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent

termination for payment prematurely on the ground mentioned under Clause 17.1 (e).

- 17.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 17.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 17.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 17.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 17.1 and provide the Agent with all documents that may be of significance for the application of this Clause 17.
- 17.5 The Issuer is only obliged to inform the Agent according to Clause 17.4 if informing the Agent would not conflict with any laws, regulations or other statute or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable) or any other rules or regulations of the relevant Regulated Market. If such a conflict would exist pursuant to the listing contract with the relevant Regulated Market or otherwise, the Issuer shall however be obliged to either seek the approval from the relevant Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 17.4.
- 17.6 If the Agent has been notified by the Issuer or has otherwise determined that there is an Event of Default under these Terms and Conditions according to Clause 17.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or determination, the Holders of the Event of Default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Clause 19 (*Decisions by Holders*). If the Holders vote in favour of termination and instruct the Agent to terminate

the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Holders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default (or an event that may lead to an Event of Default).

- 17.7 If the Holders have made a decision regarding termination in accordance with Clause 19 (*Decisions by Holders*) or instructed the Agent in accordance with Clause 17.1, the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Holders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 17.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 17 without relevant decision by the Agent or following instructions from the Holders pursuant to Clause 17.1 or Clause 19 (*Decisions by Holders*).
- 17.10 If the Bonds are declared due and payable in accordance with this Clause 17, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable Call Option Price together with accrued but unpaid Interest or, if the Bonds are accelerated before the First Call Date, at 104.313 per cent. of the Nominal Amount (plus accrued and unpaid Interest).

18. DISTRIBUTION OF PROCEEDS

- 18.1 If the Bonds have been declared due and payable in accordance with Clause 17 (*Termination of the Bonds*), all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *firstly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the security

interest created under the Transaction Security, or the protection of the Holders' rights, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Holders' meeting or a Written Procedure;

- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

- 18.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 18.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 18.1.
- 18.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Holders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 18 as soon as reasonably practicable.
- 18.4 If the Issuer or the Agent shall make any payment under this Clause 18, the Issuer or the Agent, as applicable, shall notify the Holders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

19. DECISIONS BY HOLDERS

- 19.1 A request by the Agent for a decision by the Holders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.
- 19.2 Any request from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Holder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Holders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.
- 19.3 The Agent may refrain from convening a Holders' Meeting or instigating a Written Procedure if (a) the suggested decision must be approved by any Person in addition to the Holders and such Person has informed the Agent that an approval will not be given, or (b) the suggested decision is not in accordance with applicable laws.
- 19.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Holder*) from a Person who is, registered as a Holder:
- (a) on the Business Day specified in the notice pursuant to Clause 20.3, in respect of a Holders' Meeting, or
 - (b) on the Business Day specified in the communication pursuant to Clause 21.3, in respect of a Written Procedure,
- may exercise voting rights as a Holder at such Holders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- 19.5 The following matters shall require consent of Holders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3:

- (a) waive a breach of or amend an undertaking set out in Clause 13 (*Special undertakings*);
- (b) a mandatory exchange of Bonds for other securities;
- (c) release the Transaction Security in whole or in part (other than permitted under these Terms and Conditions);
- (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
- (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking, or
- (f) amend the provisions in this Clause 19.5 or 19.6.

19.6 Any matter not covered by Clause 19.5 shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3. This includes, but is not limited to, any amendment to or waiver of the terms of any Finance Document that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 22.1(a), (b) or (c)), a termination of the Bonds or the enforcement of the Transaction Security in whole or in part.

19.7 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount in respect to the majority requirement set forth in Clause 19.5 and twenty (20.00) per cent. of the Adjusted Nominal Amount in respect to majority requirement set forth in Clause 19.6;

- (a) if at a Holders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

19.8 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 20.1) or initiate a second Written Procedure (in accordance with Clause 21.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in

Clause 19.7 shall not apply to such second Holders' Meeting or Written Procedure.

- 19.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 19.10 A Holder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 19.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that consent at the relevant Holders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 19.12 A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- 19.13 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 19.14 If a decision shall be taken by the Holders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 19.15 Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Holders and

published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Holders' Meeting or Written Procedure shall at the request of a Holder be sent to it by the Issuer or the Agent, as applicable.

20. HOLDERS' MEETING

- 20.1 The Agent shall convene a Holders' Meeting by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons). If the Holders' Meeting has been requested by the Holder(s), the Agent shall send a copy of the notice to the Issuer.
- 20.2 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 20.1 with a copy to the Agent. After a request from the Holders pursuant to Clause 23.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 20.1.
- 20.3 The notice pursuant to Clause 20.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the notice pursuant to Clause 20.1), (iii) agenda for the meeting (including each request for a decision by the Holders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.
- 20.4 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 20.5 If the Agent, in breach of these Terms and Conditions, has not convened a Holders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Holders' Meeting itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no Person to open the Holders'

Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.

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

21. WRITTEN PROCEDURE

- 21.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Holder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Holder(s), the Agent shall send a copy of the communication to the Issuer.
- 21.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 21.1 to each Holder with a copy to the Agent.
- 21.3 A communication pursuant to Clause 21.1 shall include (i) each request for a decision by the Holders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 21.1), (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the

Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 21.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

- 21.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD.
- 21.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 19.5 and 19.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 19.5 or 19.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

22. AMENDMENTS AND WAIVERS

- 22.1 The Issuer and the Agent (acting on behalf of the Holders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Holders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
 - (c) such amendment or waiver is necessary for the purpose of listing the Bonds on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable) provided such amendment or waiver does not materially adversely affect the rights of the Holders; or
 - (d) such amendment or waiver has been duly approved by the Holders in accordance with Clause 19 (*Decisions by Holders*).
- 22.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.

22.3 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 22.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Terms and Conditions are available on the website of the Agent and the Issuer shall ensure that such amendments to the Terms and Conditions are available on the website of the Issuer. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD.

22.4 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Holders' Meeting, in the Written Procedure or by the Agent, as the case may be.

23. APPOINTMENT AND REPLACEMENT OF THE AGENT

23.1 Appointment of Agent

23.1.1 By subscribing for Bonds, each initial Holder appoints the Agent to act as its agent and security agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Holder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*), or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf.

23.1.2 Each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Holder which does not comply with such request.

23.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

23.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as agent and security agent under the Finance

Documents are conditioned upon the due payment of such fees and indemnifications.

- 23.1.5 The Agent may act as agent and/or security agent for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

23.2 **Duties of the Agent**

- 23.2.1 The Agent shall represent the Holders in accordance with the Finance Documents. However, the Agent is not responsible for the execution, validity, perfection or enforceability of the Finance Documents. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent. The latest versions of the Finance Documents shall be available to the Holders at the office of the Agent during normal business hours. The Agent may charge the requesting Holder a reasonable administrative fee for making Finance Documents available.
- 23.2.2 Upon request by a Holder, the Agent may distribute to the Holders any information from such Holder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Holder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent may upon request by a Holder disclose the identity of any other Holder who has consented to the Agent in doing so.
- 23.2.3 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Holders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 23.2.4 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 23.2.5 The Agent shall treat all Holders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Holders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.

- 23.2.6 The Agent shall, subject to Clause 28.2.2, be entitled to disclose to the Holders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 23.2.7 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Holders under the Finance Documents, (iii) when the Agent is to make a determination under the Finance Documents or (iv) as otherwise agreed between the Issuer and the Agent. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 18 (*Distribution of proceeds*).
- 23.2.8 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 23.2.9 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 23.2.10 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Holders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 23.2.11 The Agent shall give a notice to the Holders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the

Finance Documents, or (ii) if it refrains from acting for any reason described in Clause 23.2.10.

23.2.12 Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.

23.3 **Limited liability for the Agent**

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

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

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

23.3.4 The Agent shall have no liability to the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with Clauses 17.1 (*Termination of the Bonds*) and 19 (*Decisions by Holders*).

23.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Holders under the Finance Documents.

23.4 **Replacement of the Agent**

23.4.1 Subject to Clause 23.4.6, the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

- 23.4.2 Subject to Clause 23.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 23.4.3 A Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Holder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Holders that the Agent be dismissed and a new Agent appointed.
- 23.4.4 If the Holders have not appointed a successor Agent within ninety (90) calendar days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Holders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 23.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 23.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 23.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.

- 23.4.8 In the event that there is a change of the Agent in accordance with this Clause 23.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

24. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

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

25. APPOINTMENT AND REPLACEMENT OF THE CSD

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

26. NO DIRECT ACTIONS BY HOLDERS

26.1 A Holder may not take any action or take any legal steps whatsoever against the Issuer or a Subsidiary to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Group Companies in relation to any of the liabilities of the Issuer or a Subsidiary under the Finance Documents. Such steps may only be taken by the Agent.

26.2 Clause 26.1 shall not apply if the Agent has been instructed by the Holders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Holder to provide documents in accordance with Clause 23.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 23.2.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 23.2.11 before a Holder may take any action referred to in Clause 26.1.

26.3 The provisions of Clause 26.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 11.7 (*Mandatory repurchase due to a Change of Control Event, De-listing Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Holders.

27. TIME-BAR

27.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Holders' right to receive payment has been time-barred and has become void.

27.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to the right

to receive payment of Interest (excluding capitalised Interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

28. NOTICES AND PRESS RELEASES

28.1 Notices

28.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time, and, if sent by email by the Issuer, to such email address as notified by the Agent to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or such address as notified by the Issuer to the Agent from time to time or, if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time; and
- (c) if to the Holders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practicable possible) or letter for all Holders, provided that the same means of communication shall be used for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Agent.

28.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 28.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in

Clause 28.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 28.1.1.

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

28.2 **Press releases**

28.2.1 Any notice that the Issuer or the Agent shall send to the Holders pursuant to Clauses 11.3, 11.4, 11.5, 11.6, 11.7, 13.12.1 (e), 17.6, 18.4, 19.15, 20.1, 21.1, 22.3, 23.2.11 and 23.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

28.2.2 In addition to Clause 28.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Holders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Holders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Holders, the Agent shall be entitled to issue such press release.

29. **LISTING**

The Issuer has undertaken to list the Initial Bonds within twelve (12) months after the First Issue Date, on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market) in accordance with Clause 13.2 (*Listing of Bonds*). However, the Issuer will use its best efforts to list the Initial Bonds within thirty (30) calendar days from the First Issue Date. Further, if the Initial Bonds have not been admitted to trading within sixty (60) calendar days after the First Issue Date, each Holder has a right of repayment (put option) of its Bonds in accordance with Clause 11.7 (*Mandatory repurchase due to a Change of Control Event, De-Listing Event or a Listing Failure Event (put option)*).

30. **FORCE MAJEURE AND LIMITATION OF LIABILITY**

30.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the

Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

- 30.2 The Issuing Agent shall have no liability to the Holders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 30.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.
- 30.4 The provisions in this Clause 30 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

31. GOVERNING LAW AND JURISDICTION

- 31.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 31.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 31.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 31.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Holders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
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