



## Notice of written procedure for bonds issued by Recap Energy AB (publ)

To the holders of the Secured Fixed Rate Bonds with ISIN: EUR BONDS: SE0020552800 and SEK BONDS: SE0020552792 (the "Bonds") issued by Recap Energy AB (publ), Swedish reg. no. 556919-6503 (the "Issuer"), under the terms and conditions originally dated 27 July 2023, as amended and restated on 4 July 2024.

*Capitalized terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions relating to the Bonds (as amended and restated) (the "Terms and Conditions").*

This notice has been sent by CSC (Sweden) AB (previously under company name Intertrust (Sweden) AB) (the "Agent") to direct registered owners and registered authorised nominees (*Sw. förvaltare*) of the Bonds recorded as of 16 December 2024 in the debt ledger produced by Euroclear Sweden. If you are an authorised nominee under the Swedish Financial Instruments Accounts Act or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. See "Voting rights" in Section B (*Decision procedure*) for further information.

On behalf of and as requested by the Issuer, the Agent, acting in its capacity as Agent for the Bondholders under the Terms and Conditions, hereby initiates a written procedure (the "**Written Procedure**"), whereby the Bondholders can approve or reject a proposal from the Issuer regarding (i) certain amendments to the Terms and Conditions and (ii) a request for a waiver of a certain requirement under the Terms and Conditions pertaining to a contemplated disposal. The proposal by the Issuer and the background thereto is described in Section A (*Background and Proposal*).

Please also see the investor presentation (**Schedule 2**) relating to this Written Procedure on ([that can be found on https://blog.cscglobal.com/our-services/capital-markets-services/bond-news](https://blog.cscglobal.com/our-services/capital-markets-services/bond-news)) including the risk factors set out therein (the "**Investor Presentation**").

### **LIMITED DUE DILIGENCE CARRIED OUT IN CONNECTION WITH THIS WRITTEN PROCEDURE**

Please note that no documentary due diligence whatsoever (legal, financial, tax, environment or otherwise) has been carried out by the Agent, the solicitation agent for the Written Procedure, any of their advisors or any other person for the purposes of the Written Procedure or with respect to the Issuer or its assets, other than a limited legal due diligence of the Issuer and its Subsidiaries which has been carried out by the advisors of the solicitation agent for the Written Procedure and which has been reliant upon material provided by the management of the Issuer and some specific confirmatory questions directed to and answered by the management of the Issuer in relation to the material provided.

It should be noted that the risk factors appended to the Investor Presentation ([that can be found on https://blog.cscglobal.com/our-services/capital-markets-services/bond-news](https://blog.cscglobal.com/our-services/capital-markets-services/bond-news)) have not been produced specifically for this Written Procedure but merely been updated based on the limited legal due diligence carried out and on the basis of the answered provided by management on the specific questions directed to the management of the Issuer referred to above.

### **LIMITATION OF LIABILITY OF THE AGENT**

The Proposal (as defined below) is presented to the Bondholders by the Agent on behalf of the Issuer, without any evaluation, advice or recommendations from the Agent to the Bondholders whatsoever. The Agent has not assessed the Proposal (and its effects, should it be adopted) from a legal, commercial, financial or other perspective and the Agent expressly disclaims any liability whatsoever related to the content of this notice and the Proposal (and its effects, should it be adopted). The Agent has assumed that documentation and other evidence (if any) delivered to it pursuant to the Proposal is accurate, correct and



complete and the Agent has not verified the contents of any such documentation. The Bondholders are recommended to seek their own professional advice in order to independently evaluate whether the Proposal (and its effects) is acceptable or not. Neither the Agent, nor any of its advisors has carried out any due diligence in connection with the Proposal and no party can guarantee any satisfactory outcome of the Proposal set out herein.

### **ALL BONDHOLDERS ARE STRONGLY ENCOURAGED TO REVIEW AND CONSIDER THE PROPOSAL**

Before making a decision whether to accept the Proposal, each Bondholder is advised to carefully review the content of this document and the proposed resolution set out in Paragraph 2 of Section A (*Background and Proposal*) below and the limitation of liability provision set out above as well as the Investor Presentation and the risk factors contained therein. If a Bondholder is uncertain as to the content and significance of any of those documents and the measures the Bondholder should take, the Bondholder is advised to consult its own legal, tax, financial or other appropriate adviser for this purpose. The Agent will not, and is under no obligation to, update this document.

### **PARTICIPATION IN THE WRITTEN PROCEDURE**

Bondholders may participate in the Written Procedure by completing and sending the voting form attached below to the Agent. The Agent must **receive the voting form no later than by 12.00 (CET) on 13 January 2025** by mail, via courier or e-mail to the addresses indicated below. Votes received thereafter will be disregarded. Please note that the Written Procedure may expire early if the requisite majority consents of the total Adjusted Nominal Amount have been received before **13 January 2025**.

**To be eligible to participate in the Written Procedure a person must fulfil the formal criteria for being a Bondholder on 18 December 2024 (the "Record Date").** This means that the person must be registered on a Securities Account with Euroclear Sweden as a direct registered owner (*direktregistrerad ägare*) or authorised nominee (*förvaltare*) with respect to one or several Bonds.

If you have an interest in a Bond but are not registered as a direct registered owner or authorised nominee on a Securities Account, you need to obtain a power of attorney or other proof of authorisation from the person who fulfils the formal criteria for being a Bondholder on the Record Date, to be able to participate. An alternative may be to ask the person that is registered as a Bondholder and holds the Bonds on your behalf to vote in its own name as instructed by you. For further information on voting, please see under *Voting rights* in Section B (*Decision procedure*).

Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

### **Important Dates**

*Record Date (for voting):* **18 December 2024**

*Last time and day to vote:* **12.00 CET on 13 January 2025**

## **A. Background and Proposal**

### **1. Background**

Recap Energy AB (publ) ("**Recap**" or the "**Company**") is a developer of sustainable energy solutions and assets that was founded in 2010. The company is focused on furthering the green energy transition for commercial and industrial clients by combining technical expertise with innovative financial solutions that reduce the barrier and cost of entry for our clients. Solutions focus on minimizing upfront costs of clean technologies by offering long-term performance-linked, or indexed energy service contracts. Today the company covers several business areas and currently develops business within solar energy, battery energy storage solutions ("**BESS**") and industrial energy efficiency. Business growth is based on the premise of service stacking where an industrial or commercial client can be approached with any combination of the three business areas, offering great potential of on-sales within existing and future asset portfolios. For



instance, an industrial plant with a solar PV system may drive further energy cost reductions and improve utilization of solar power with a battery energy storage system.

The business area BESS, was founded and seeded in Sweden in 2020 on the back of an experience gained in Recap's project development within the Spanish solar market for commercial and industrial clients. In particular, a pilot BESS C&I project in Spain was launched already in 2019 that proved a valuable example of energy service contracting with BESS. This, together with some early experience in the Swedish grid and C&I solar market provided a valuable foundation for entry into this rapidly growing segment in the Swedish energy market. Three and a half years later in December 2024 it is fair to conclude that our insights into the demands and expectations of commercial and industrial clients in the energy transition have proven valuable in the roll-out of our energy storage business in Sweden. This has been best manifested by the expansion of our Battery-as-a-Service (BaaS) business model with local grid operators and industrial companies that allows these companies to rent battery capacity by the hour at a fixed price. Recap has been a pioneer in introducing this business concept in the market and our first BaaS project with VänerEnergi in Mariestad and Töreboda (commissioned and prequalified for ancillary services in late 2023) have created a lot of follow-on interest from other municipal owned grid companies.

At the heart of our drive to introduce a new type of service to the energy storage market is a goal to broaden the revenue base for energy storage projects. Today the bulk of the energy storage market revenues are driven by ancillary services provided to the national grid operator (Svenska Kraftnät, SVK). These incomes are "merchant" by nature, i.e. fully exposed to fluctuating market prices. By introducing BaaS, Recap is aiming to build a mixture of fixed and merchant incomes into its asset portfolios and thus create a more balanced combined portfolio income stream. Recently Recap has been exploring further options to broaden the revenue base through rental agreements with Balancing Responsible Parties, opening up a possible further category of fixed revenue. Given the newness of the Swedish energy storage market, traditional bank financing has yet to fully reach the sector. Merchant revenues become bankable only over a long period of time and by introducing a fixed revenue component Recap is attempting to speed up the bankability of its asset portfolios.

In 2023 Recap issued the Bonds of up to SEK 100m and most of the proceeds was used to finance the development of BESS assets in Recap's subsidiary Recap Energy Storage AB, "RES". The development of RES and the Swedish BESS-market has since moved forward rapidly. RES now has an overall pipeline of 920 MW, of which 5 MW are operational and 214 MW in late-stage development having signed land lease agreements and are awaiting grid approval. In June 2023 our overall pipeline BESS stood at around 90 MW, meaning that the currently active pipeline is 10 times larger. As such we at Recap have overachieved our 2023 targets for pipeline development but have also faced certain market-based challenges. We continue to see bottlenecks in the grid applications and formal prequalification processes throughout all the price regions in Sweden. On average the real grid application times are roughly 6-12 month longer, and the SVK prequalification longer than we had expected based on public guidelines and communications at the time of the bond issuance. As a result, the speed at which we have been able to move late-stage projects to RTB has been slower than expected, all the while our pipeline of early-stage opportunities continues to grow. In 2024 we have fully implemented our strategic correction in development targeting, by shifting opportunity identification solely on targeted grid analyses to uncover areas with high probability of connection points.

In March 2024 Recap, together with a large Nordic investment bank investment bank, launched a financing round for the BESS business. By December 2024 well over 170 qualified international and domestic infrastructure and energy private equity investors have been approached. Discussions with multiple investors have resulted in negotiations, however a suitable investor for the partial divestment of Recap Energy Storage is to be finalized. At this point we deem that we are 4 months behind our planned transaction schedule despite continuing to see strong interest from potential investors. A further 6 months is needed to safely close the transaction.

As a result, the current timing of the bond repayment still sits at a junction between bringing an important additional part of the portfolio to RTB and the ongoing investor negotiations.

## Rationale

Our initial approach for divesting a part of RES, set together with the investment bank in early 2024 was built on two market characteristics that have since disappeared. First, as had been proven by preceding transactions, investors were willing to invest in a growth portfolio that contained some level of development risk. We have been running the RES transaction against a strong shift in this sentiment and despite strong efforts after the summer 2024 to bring projects into RTB, the willingness to take pre-RTB risk has dissipated even more quickly. Second, while we foresaw a ramp-down of prices in the ancillary services market, the price drop since Q2/2024 has nevertheless been significant. The effect of this has been an ever-increasing shift in investor preference for fixed revenues, a fact manifested in several recent late-stage (pre-Non Binding Offer) investor negotiations.

The combined effect of these is a more complex project development environment as the “RTB” – denomination is increasingly including an investor expectation of a secured BaaS -contract. In other words, a project is not ready-to-build until it has some minimum share of battery hours contracted with fixed revenues. Securing BaaS contracts has of course been our strategy all along, and a central part of all our development efforts. However, the new complexity arises from the additional time it takes to secure the BaaS contract in order to qualify it into an investable RTB denomination. In investor discussions up to September the BaaS pipeline was presented as an organically growing revenue portion over time in the portfolio, rather than a minimum target level for every project.

As a result, the outlook for transacting RES has changed over the past few months and investor interest has aligned strongly with secured income streams for RTB projects. For example, this change has been manifested by two investors who have indicated a willingness to invest once a fixed MW with certain percentage of fixed revenues are fully secured. We therefore see a very likely scenario where RES will transact assets in batches up to 200MW under an agreement with an investor. With this outcome, income from RES transactions to Recap Energy will be equally batched over time as we bring projects to RTB with fixed BaaS (or other fixed) income. This is naturally a different outcome than a single-deal transaction or partial divestment of RES, which would, based on our initial transaction structure, have brought in a large lump-sum income for covering the repayment of the bond.

We are therefore compelled to align the bond terms with the outlook for the RES transaction structure, meaning that a bond repayment is realigned to a batched repayment as projects are sold to investors. Our current late-stage development stands at 196 MW, with a high likelihood that we reach RTB with 31 MW by end of February and 110 MW by end of August. With these transaction volumes we expect the bond to be paid back with interest.

Based on the above, the Issuer has initiated this Written Procedure to ask the Bondholders to approve (i) certain amendments to the Terms and Conditions and (ii) a request for a waiver of a certain requirement under the Terms and Conditions pertaining to a contemplated disposal, all as set out in paragraph 2 (*Proposal*) below.

## **2. The Proposal and request for waiver**

The amendments proposed by the Issuer to be made to the Terms and Conditions are set forth in full in **Schedule 1** (*Proposed Amended and Restated Terms and Conditions*), where blue and underlined text indicates additions (i.e. [additions](#)), whereas red and crossed-out text indicates deletions (i.e. ~~deletions~~). A summary of the proposed amendments to the Terms and Conditions are also set forth below in this Paragraph 2.

*Extended Final Maturity Date, Consent Fee and payment by way of set-off issue in the Issuer, etc.*

Following the amendment of restatement of the Terms and Conditions made on 4 July 2024 and as a result of the Issuer’s utilised Second Extension Option, the current Final Maturity Date is 27 January 2025 (the “**Current Maturity Date**”). It is proposed to extend the tenure of the Bonds for an additional 12 months, until 27 January 2026 (the “**New Final Maturity Date**”).

As consideration for the Bondholders agreeing to prolong the tenure of the Bonds for another 12 months, the Issuer is offering to pay a consent fee (the “**Consent Fee**”) to the Bondholders in an amount equal to 4.0 per cent (flat) of the face value of the Nominal Amount (excluding, for the avoidance of doubt, Deferred Interest 1 and Deferred Interest 2) of each respective Bondholder’s holdings of Bonds on the CSD Record Date (as defined below) (the “**Entitled Bondholders**”). The Consent Fee payable to each Entitled Bondholder will mandatorily be set-off against newly issued shares in the Issuer by way of a set-off issue (the “**Consent Fee Shares**”). The subscription price for one Consent Fee Share shall be SEK 2.6 (in words: two point six Swedish kronor) for each share. Any Consent Fee payable in EUR will, for the purpose of the aforementioned set-off issue, be converted into SEK at an exchange rate equal to the EUR to SEK exchange rate shown on the webpage of the central bank of Sweden, Riksbanken, on the Record Date. To the extent required by Euroclear Sweden AB’s rules and procedures, or in the event that it is necessary to carry out the issue of the Consent Fee Shares, the amount and number of shares may be rounded off downwards to achieve even numbers. Any such rounding will be done in the manner ultimately decided by the Issuer (in its sole discretion). Any part of the Consent Fee owed to one or several Bondholders that cannot be set-off against new shares as a result of such Bondholder(s) not being able to subscribe for partial Consent Fee Shares (i.e. any amount remaining once the fullest amount possible of a payable Consent Fee has been utilised to subscribe for whole new Consent Fee Shares) will be deemed to have been irrevocably forgiven (Sw. eftergiven) and discharged by the relevant Bondholder(s).

If the Proposal is approved, the Issuer shall immediately inform the CSD of the Proposal being so approved and request a copy of the debt ledger for the Bonds kept by the CSD (the “**Debt Registry Request**”). The Consent Fee will be payable (in the manner described in the preceding paragraph) to all persons who are registered as direct registered owner (Sw. direktregistrerad ägare) or as authorised nominee (Sw. förvaltare) in the debt ledger kept by the CSD on the record date recorded by the CSD following its receipt of the Debt Registry Request (the “**CSD Record Date**”) (*Nota bene*: expected to fall on the subsequent Business Day following the CSD’s receipt of the Debt Registry Request, provided that the CSD has received such request prior to 15:00 (CET)).

Payment of the Consent Fee will be made in the manner contemplated above on the Effective Date (as defined below).

As a result of the amendments contemplated by the Proposal, all redemptions of the Bonds made on or prior to the New Final Maturity Date shall be made at an amount equal to 102.00 per cent of the Nominal Amount together with any accrued but unpaid Interest.

#### *Additional Interest Payments (Deferred Interest)<sup>1</sup>*

It is proposed that the current Interest payment structure is extended so that payment and capitalisation of Interest (which shall be made quarterly) shall be made as follows:

- a. Interest accrued from the Issue Date to, and including, the date falling 12 months after the Issue Date, i.e. 27 July 2024, shall be capitalised on 27 July 2024 (and thereafter carry Interest) (the “**Deferred Interest 1**”) and payment of the Deferred Interest 1 shall be deferred until the last Interest Payment Date;
- b. Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1) from, and excluding, 27 July 2024 to, and including, 27 October 2024, shall be capitalised on 27 October 2024 (and thereafter carry Interest) (the “**Deferred Interest 2**”) and payment of the Deferred Interest 2 shall be deferred until the last Interest Payment Date;
- c. Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-2) from, and excluding, 27 October 2024 to, and including, 27 January 2025, shall be capitalised on 27 January 2025 (and thereafter carry Interest) (the “**Deferred Interest 3**”) and payment of the Deferred Interest 3 shall be deferred until the Interest Payment Date;
- d. Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-3) from, and excluding, 27 January 2025 to, and including, 28 April 2025, shall be capitalised on 28 April 2025

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<sup>1</sup> *Nota Bene*: The Interest payment structure is shown in full and includes the current deferred Interest payments (i.e. Deferred Interest 1 and Deferred Interest 2) according to the now valid Terms and Conditions, as well as the additional deferrals proposed via this Proposal.

- (and thereafter carry Interest) (the “**Deferred Interest 4**”) and payment of the Deferred Interest 4 shall be deferred until the Interest Payment Date;
- e. Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-4) from, and excluding, 28 April 2025 to, and including, 28 July 2025, shall be capitalised on 28 July 2025 (and thereafter carry Interest) (the “**Deferred Interest 5**”) and payment of the Deferred Interest 5 shall be deferred until the Interest Payment Date;
  - f. Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-5) from, and excluding 28 July 2025 to, and including, 27 October 2025, shall be capitalised on 27 October 2025 (and thereafter carry Interest) (the “**Deferred Interest 6**”) and payment of the Deferred Interest 6 shall be deferred until the Interest Payment Date; and
  - g. Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-6) from, and excluding, 27 October 2025 to, and including, the Final Maturity Date shall fall due on the Interest Payment Date.

For the avoidance of doubt, the “**Interest Payment Date**” means the earlier to occur of (i) the date on which the Bonds are redeemed in full and (ii) the New Final Maturity Date.

#### *Issuance of Subsequent Bonds*

It is proposed that the Issuer is given the right to issue new Bonds in an aggregate Nominal Amount not exceeding SEK 4,000,000 on one (1) occasion (the “**Subsequent Bonds**”). Each Subsequent Bond will carry Interest at the Interest Rate from (but excluding) First Issue Date to (and including) the relevant Redemption Date. The Subsequent Bonds shall benefit from and be subject to the Finance Documents and, for the avoidance of doubt, the ISIN, the Nominal Amount and the Final Maturity Date applicable to the Bonds issued as of the original Issue Date shall apply to Subsequent Bonds. All proceeds incurred by the Issuer as a result of the issuance of the Subsequent Bonds shall be used to finance transaction costs that have been incurred as a result of or in connection with the Written Procedure contemplated by this notice as well as in connection with the issuance of Subsequent Bonds, and the definition of “Transaction Costs” in the Terms and Conditions will be updated accordingly.

#### *Changes proposed to the Issuer’s possibility to redeem the Bonds*

Currently, the Issuer has the possibility to redeem all, but not only some, of the outstanding Bonds at a price equal to the Redemption Premium (i.e. an amount per Bond equal to 102 per cent. of the Nominal Amount, together with any accrued but unpaid Interest). In the updated Terms and Conditions, it is proposed that the wording in Clause 10.4 (*Voluntary total redemption (call option)*) is updated in order to clarify this right for the Issuer.

Additionally, the Issuer is proposing that it is given the possibility to carry out partial redemption of the Bonds in accordance with the following. The Issuer proposes that the Issuer shall be given the right to redeem the outstanding Bonds in part at four occasions, where each occasion utilised (at the discretion of the Issuer) will reduce the total amount of Bonds that will be outstanding after the issue of the Subsequent Bonds with  $\frac{1}{4}$ , i.e. resulting in a full redemption of all outstanding Bonds if the Issuer elects to exercise all of four of its partial redemption rights. Any voluntary partial redemption of the Bonds will be made at a price per redeemed Bond equal to the Redemption Premium (cf. the above paragraph) and will be carried out on the last day of an Interest Period, subject to the Issuer giving at least ten Business Days prior notice. Any Deferred Interest 1-6 that has been capitalized and/or accrued up until the date of the partial redemption of Bonds will fall due for payment on the date of redemption in relation to the Bonds subject to early redemption.

#### *Information in relation to remedied Event of Default*

The Issuer’s Subsidiary Recap Green Bond I AB (publ), Swedish reg. no. 559380-7430, (“**Recap Green Bond I**”) has on 21 December 2022 issued Secured Floating Rate Bonds with ISIN: EUR BONDS: SE0019175266 and SEK BONDS: SE0019175068 (the “**Subsidiary Bonds**”). Pursuant to the terms and conditions governing the Subsidiary Bonds, Recap Green Bond I was obligated to pay accrued interest to the holders of the Subsidiary Bonds on 23 September 2024, however Recap Green Bond I was not able to make the payment on the due date and, consequently, became subject to an event of default pursuant to the terms of the aforementioned terms and conditions (the “**Subsidiary EoD**”). As a result of the Subsidiary EoD, the Issuer became subject

to an Event of Default pursuant to Clause 14(g) (*Cross-default*) under the Terms and Conditions. A notice of an Event of Default was made by the Agent to all Bondholders on 25 September 2024.

On 4 December 2024, the holders of the Subsidiary Bonds agreed to waive the events of default that had occurred under the Subsidiary Bonds and, consequently, the Issuer is of the opinion that the Event of Default that occurred under the Terms and Conditions has been remedied in full.

*Request for waiver regarding Clause 13.8 (ii) – disposal of Colombian assets*

Pursuant to Clause 13.8 item (ii), the Issuer may dispose of all shares in a SPV only if the consideration paid for such shares amounts to at least 120% of the latest available book value of the underlying asset, as certified by the Issuer in a certificate delivered to the Agent at least 15 Business Days prior to the entering into of any agreement relating to such disposal. The Issuer kindly asks the Bondholders to waive the requirement imposed by Clause 13.8 item (ii) related to the contemplated sale of its Subsidiaries in Colombia, i.e. so that the shares in the relevant SPVs may be disposed for a consideration that is lower than 120% of the latest available book value of the shares. The Issuer furthermore asks the Bondholder to waive the time period pertaining to Issuer's obligation to give notice to the Agent of a disposal at least 15 Business Days in advance of the disposal, meaning that the Issuer shall still be obliged to give notice to the Agent in advance of a disposal of a Colombian SPV, however without such notice having to be given 15 Business Days in advance. For the avoidance of doubt, the requirement set out in Clause 13.8 (i), i.e. that the disposal must be made on arm's length terms, will continue to apply.

*Request for Waiver regarding Clause 13.8(i) and Clause 13.8(ii) – internal restructuring of assets*

Pursuant to Clause 13.8, the Issuer is required to ensure that any disposal of assets, including shares in an SPV, (i) is conducted on arm's length terms, and (ii) that the consideration payable for such disposal amounts to at least 120% of the latest available book value of the underlying asset or project. The Issuer respectfully requests that the Bondholders agree to waive these requirements solely in connection with an internal restructuring of assets within the Issuer's group, specifically involving the Issuer's Subsidiary Recap Energy Storage AB.

The internal reorganization aims to optimize the Group's asset management and improve operational efficiency. As this transaction will take place within the group, it does not involve any third-party buyers and is therefore not at arm's length by nature. Similarly, the consideration payable in this transaction may not meet the 120% threshold but will reflect fair and reasonable values based on the latest available book value of the assets or shares.

For clarity, the waiver requested in this section is limited to the requirements under Clause 13.8(i) and Clause 13.8(ii) in relation to the internal transfer of assets or shares within the group and does not affect any other obligations under Clause 13.8 or the Finance Documents. The Issuer remains committed to maintaining transparency and keeping the Bondholders informed throughout this process.

*Revised definition of Permitted Security*

The Issuer's Subsidiary Recap Battery I AB has, pursuant to item (e) under the definition of *Permitted Debt*, a loan facility agreement to incur debt up to SEK 150,000,000 entered into with Scandinavian Credit Fund I AB (publ) dated 6 October 2022. An amendment and restatement agreement relating to the aforementioned loan facility agreement was executed on 23 November 2022. The Issuer's Subsidiary Recap Battery II AB has, pursuant to item (f) under the definition of *Permitted Debt*, a loan facility agreement to incur debt up to SEK 150,000,000 entered into with Scandinavian Credit Fund I AB (publ) dated 23 November 2022. Hereinafter, the "**Facility Agreements**" refers to the loan facility agreements entered into by Recap Battery I AB and Recap Battery II AB.

In connection with the Subsidiaries' first utilisation under the Facility Agreements, the Issuer and certain subsidiaries entered into a share pledge agreements in favour of certain secured parties under the Facility Agreement, pursuant to which the Issuer agreed to pledge the shares in Recap Energy Storage AB as security for due fulfilment of obligations under the facility agreement (the "**Share Pledge**"). The Issuer's Share Pledge should have been included as a "Permitted Security" in the Terms and Conditions already when the Bonds were issued, but this was missed out by the relevant parties.



Furthermore, in connection with the Facility Agreements, the Issuer entered into a pledge agreement in favour of certain secured parties under the Facility Agreements, pursuant to which the Issuer and Recap Energy Storage AB pledged all of its current and future loans to Recap Energy Storage AB, Recap Battery I AB, Recap Battery II AB, Recap Battery V AB, Recap Battery VI AB, and Recap Power AB as security for due fulfilment of obligations under the facility agreement (the "**Shareholder Loan Pledge**"). The Issuer's Shareholder Loan Pledge should have been included as a "Permitted Security" in the Terms and Conditions already when the Bonds were issued, but this was missed out by the relevant parties.

Therefore, for the sake of good order and in order to rectify this mistake, it is now proposed that the Share Pledge and Shareholder Loan Pledge in favour of the relevant secured parties, shall be added to item (d) and (e) under the definition of *Permitted Security* in the Terms and Conditions.

#### *Miscellaneous*

In addition to the above, the Issuer is proposing that the Bondholders kindly agree to:

1. authorize the Agent to (on behalf of the Bondholders) take all such steps as may be deemed necessary or desirable to implement the proposals and/or to achieve its purpose, to execute and enter into any documents that may be necessary in connection with the Proposal including any consequential amendments to the Terms and Conditions, under the strict acknowledgment that the Agent will not be held liable by the Bondholders for the exercise by the Agent of any if its rights and powers given to it under this paragraph.
2. unconditionally and irrevocably authorise the Agent to, on behalf of all the Bondholders (without obtaining any further consent), subscribe for the Consent Fee Shares in the set-off issue by way set-off of the Consent Fee and in connection therewith confirm the set-off, and to enter into, sign, issue, execute and deliver (as applicable) the documents relating to the subscription for the Consent Fee Shares.
3. acknowledge the limitation of liability set out in above under the heading "LIMITATION OF LIABILITY OF THE AGENT".

The requests for approvals, consents and waiver set out in this paragraph 2 above are jointly referred to as the "**Proposal**".

#### **B. Decision procedure**

The Agent will determine whether replies received are eligible to participate in the Written Procedure, continuously calculate the replies provided in respect of the Proposal and determine the result of the Written Procedure as soon as possible based thereon.

Once a requisite majority of consents of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure have been received by the Agent, the relevant decision shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision taken in the Written Procedure will be sent by notice to the Bondholders, published on the websites of the Issuer and the Agent.

Minutes from the Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

IF THE PROPOSAL IS APPROVED BY THE WRITTEN PROCEDURE IT WILL BE BINDING ON ALL BONDHOLDERS WHETHER THEY PARTICIPATED IN THE WRITTEN PROCEDURE OR VOTED AGAINST THE PROPOSAL OR NOT, IN ACCORDANCE WITH THE TERMS AND CONDITIONS.



### ***Voting rights***

Anyone who wishes to participate in the Written Procedure must on the Record Date:

- (i) be registered on the Securities Account as a direct registered owner (*direktregistrerad ägare*); or
- (ii) be registered on the Securities Account as authorised nominee (*förvaltare*),

with respect to one or several Bonds.

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee (*förvaltare*) or another intermediary, you may have two different options to influence the voting for the Bonds.

1. You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
2. You can obtain a power of attorney or other authorisation from the authorised nominee or other intermediary and send in your own voting form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate.

Bonds owned by the Issuer, any other Group Company or an Affiliate do not entitle the holders to any voting rights and are not included in the Adjusted Nominal Amount.

### ***Quorum***

Pursuant to Clause 16.4.5 of the Terms and Conditions, a quorum in respect of the Written Procedure will only exist if a Bondholder (or Bondholders) representing **at least fifty (50) per cent** of the Adjusted Nominal Amount reply to the Proposal.

If a quorum does not exist, the Agent shall initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure. At the option of each Bondholder, a voting form provided at or before 12.00 (CET) on **13 January 2025** in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

### ***Majority***

Pursuant to Clause 16.4.2 sub-paragraphs (a), (c) and (f) of the Terms and Conditions, **at least sixty-six and two thirds (66 2/3) per cent.** of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure must consent to the Proposal in order for it to be approved.

### ***Final date to vote in the Written Procedure***

The Agent must have received the votes by mail, courier or e-mail to the address indicated below no later than by **12.00 (CET) on 13 January 2025**. Votes received thereafter will be disregarded.

***Effectiveness etc.***

Provided that the requisite majority has voted in favour of the Proposal, the Issuer and the Agent shall enter into an amendment and restatement agreement (the “**Amendment and Restatement Agreement**”) for the purpose of amending and restating the Terms and Conditions accordingly, as well as enter into and deliver any other agreements and/or documents that are necessary and/or desirable for the purpose of effectuating the Proposal and the transactions contemplated thereunder.

The amendments of the Terms and Conditions shall, pursuant to the terms of the Amendment and Restatement Agreement, become effective on the date (the “**Effective Date**”) when the Agent has received, *inter alia*:

- a. up-to-date copies of the Issuer’s articles of association and certificates of registration;
- b. copies of all necessary corporate resolutions of the Issuer in order to execute the Amendment and Restatement Agreement and any other document to be executed in connection therewith, to which it is a party;
- c. unless included in the corporate resolutions, a copy of a power of attorney from each of the Issuer to relevant individuals for their execution of the Amendment and Restatement Agreement and any other document to be executed in connection therewith, and to which it is a party;
- d. evidence that the Issuer has received irrevocable subscription commitments from one or several investors, whereby such investors have undertaken to subscribe for new shares in the Issuer by way of cash or by way of set-off of existing debt, at a price per share equal to the price per share offered to the Bondholders for the Consent Fee Shares, in a total subscription amount not being lower than SEK 9,000,000;
- e. evidence that an extraordinary general meeting in the Issuer has resolved to issue:
  - i. the Consent Fee Shares to the Entitled Bondholders by way of set-off issue in accordance with the terms of the Proposal;
  - ii. new shares to the investors referred to in sub-paragraph d above in a total amount being no less than SEK 9,000,000 (to be issued in cash and/or by way of set-off of existing debt); and
- f. a statement from the Issuer to the Agent, in which the Issuer confirms that the CSD has accepted registration of the Terms and Conditions as amended and restated through the Amendment and Restatement Agreement.

If the Effective Date has not occurred on or prior to 27 January 2025, then the Proposal shall not be effective.

***Address for sending replies:***

By regular mail:

CSC (Sweden) AB

Attn: Wilma Björn, P.O. Box 16285, 103 25 Stockholm

By courier:

CSC (Sweden) AB

Attn: Wilma Björn, Sveavägen 9, 10th floor, 111 57 Stockholm

By e-mail:

trustee@intertrustgroup.com

## VOTING FORM

For the Written Procedure initiated on 17 December 2024 for the Secured Fixed Rate Bonds with ISIN: EUR BONDS: SE0020552800 and SEK BONDS: SE0020552792 (the "Bonds") issued by Recap Energy AB (publ), Swedish reg. no. 556919-6503 (the "Issuer"), under the terms and conditions dated 27 July 2023, as amended and restated on 4 July 2024.

The Issuer requests the Bondholders to approve the Proposal set out in the notice for the Written Procedure. The Agent is hereby empowered to enter into all necessary documentation required to implement the Proposal, in the event the Proposal is approved.

---

### Reply

Name of person/entity voting: \_\_\_\_\_

Nominal Amount voted for: \_\_\_\_\_

The undersigned hereby (put a cross in the appropriate box) votes for alternative:

**A) Approve**

**B) Reject**

**C) Refrain from voting**

with respect to the Proposal.

The undersigned hereby confirms (put a cross in the appropriate box) that this voting form shall constitute a vote also for a second Written Procedure (if any) pursuant to clause 16.4.7 of the Terms and Conditions with respect to the Proposal:

**Confirmed**

**Not confirmed**

Signature

-----  
Name in print:

Contact information

Email:

Tel:

**NOTE: Please attach a power of attorney/authorization if the person/entity voting is not registered on the Securities Account as a direct registered owner or authorized nominee. The voting form shall be signed by an authorized signatory. A certified copy of a registration certificate or a corresponding authorization document for the legal entity shall be appended to the voting form for any legal entity voting. The registration certificate, where applicable, may not be older than one year.**

**POWER OF ATTORNEY/AUTHORISATION<sup>1</sup>**

**For the Written Procedure initiated on 17 December 2024 for the Secured Fixed Rate Bonds with ISIN: EUR BONDS: SE0020552800 and SEK BONDS: SE0020552792 (the "Bonds") issued by Recap Energy AB (publ), Swedish reg. no. 556919-6503 (the "Issuer"), under the terms and conditions dated 27 July 2023, as amended and restated on 4 July 2024.**

Authorized Person<sup>2</sup>: \_\_\_\_\_

Nominal Amount<sup>3</sup>: \_\_\_\_\_

Grantor of authority<sup>4</sup>: \_\_\_\_\_

We hereby confirm that the Authorized Person specified above has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of<sup>5</sup>: \_\_\_\_\_

We are (put a cross in the appropriate box):

Registered as authorized nominee on a Securities Account

Registered as direct registered owner on a Securities Account

Other intermediary and hold the Bonds through<sup>6</sup> \_\_\_\_\_

Date:

Signature

\_\_\_\_\_

---

<sup>1</sup> Use this form to confirm a person's/entity's authority to vote if the person/entity is not registered as a direct registered owner or authorized nominee.

<sup>2</sup> Insert the name of the person/entity that should be authorized to vote.

<sup>3</sup> Insert the aggregate nominal amount the Authorized Person should be able to vote for.

<sup>4</sup> Insert the name of entity/person confirming the authority.

<sup>5</sup> The total Nominal Amount the undersigned represents.

<sup>6</sup> Mark this option if the undersigned is not registered as authorized nominee or direct registered owner in the Securities Account kept by Euroclear Sweden. Please insert the name of the firm the undersigned holds the Bonds through.

For further questions please see below.

*To the Issuer:*

Recap Energy AB (publ), Marco Berggren, marco.berggren@recap.se, +46 70 726 74 55

*To the Agent:*

CSC (Sweden) AB, trustee@intertrustgroup.com, +46 8 402 72 00

**Stockholm on 17 December 2024**

**CSC (Sweden) AB**

**as Agent**



# TERMS AND CONDITIONS

for

Recap Energy AB (publ)

SECURED FIXED RATE BONDS

SEK BONDS – ISIN: SE0020552792

EUR BONDS – ISIN: SE0020552800

Originally dated 27 July 2023 as amended and restated on 4 July 2024 [and as amended and restated on \[•\]](#)

*Other than the registration of the Bonds under Swedish law, 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 this document or any other material relating to the Issuer or the Bonds in any jurisdiction, where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.*

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## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

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

“**Accounting Principles**” means generally accepted accounting practices and principles in the country in which the Issuer or a relevant Group Company is incorporated including, if applicable, International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

“**Additional Amounts**” has the meaning set forth in Clause 8.2.1.

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

“**Advance Purchase Agreements**” means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services in the normal course of business with credit periods which are not longer than 90 days after the supply of assets or services, or (b) any other trade credit incurred in the ordinary course of business when payment is due no more than 90 days of the date of trade.

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

“**Agency Agreement**” means the agency agreement entered into on or about the [First](#) Issue Date between the Agent, the Security Agent and the Issuer or any replacement agency agreement entered into after the [First](#) Issue Date between the Issuer and an agent and/or a security agent.

“**Agent**” means [CSC \(Sweden\) AB \(formerly known as](#) Intertrust (Sweden) AB), Swedish reg. no. 556625-5476, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

“**Arranger**” means SIP Nordic Fondkommission AB, reg. no. 556708-6649, Kungsgatan 27, 111 56 Stockholm, Sweden.

“**Battery Entity Exit Event**” means (i) the acquisition or reverse acquisition by the Issuer’s subsidiary, ReCap Energy Storage AB, reg. no. 559047-2246, of an entity listed on First North Growth Market or any other multilateral trading facility, and leading to the shareholder(s) of ReCap Energy Storage AB holding a majority of the shares in



the publicly traded entity; (ii) an initial public offering of the shares in ReCap Energy Storage AB on any regulated market, or other recognised marketplace for organised and public trading of securities, anywhere in the world; and/or (iii) a sale of all, or substantially all, shares and/or assets in ReCap Energy Storage AB.

“**Bond**” means a SEK Bond and/or a EUR Bond issued on ~~the~~ an Issue Date.

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

“**Bondholders’ Committee**” means a committee of natural persons appointed by the Bondholders to represent their interests in relation to the Bonds by a decision in accordance with Clause 16.4.3.

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clauses 16.1 (*Request for a decision*), 16.2 (*Convening of Bondholders’ Meeting*) and 16.4 (*Majority, quorum and other provisions*).

“**Bond Issue**” means the ~~issuance of the Bonds~~ Initial Bond Issue and any Subsequent Bond Issue.

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday and on which day the Swedish CSD settlement system is open and banks in Sweden are open for general banking business and which, in relation to any date for payment or purchase of EUR, is a TARGET Day. 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.

~~“**Call Option Amount**” means the amount set out in Clause 10.4.1 (*Voluntary Redemption (call option)*), as applicable.~~

“**Change of Control Event**” means the occurrence of an event or series of events whereby any Person or Persons acting in concert (where “**acting in concert**” means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate control of the Issuer), directly or indirectly, (a) gains control over more than 50 % of the shares or votes of the Issuer, or (b) obtains 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.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds Euroclear Sweden AB, reg. no. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

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

“**Deferred Interest 1**” has the meaning set forth in Clause 9.1.2(a).

“**Deferred Interest 2**” has the meaning set forth in Clause 9.1.2(b).

[“Deferred Interest 3” has the meaning set forth in Clause 9.1.2\(c\).](#)

[“Deferred Interest 4” has the meaning set forth in Clause 9.1.2\(d\).](#)

[“Deferred Interest 5” has the meaning set forth in Clause 9.1.2\(e\).](#)

[“Deferred Interest 6” has the meaning set forth in Clause 9.1.2\(f\).](#)

**“Escrow Accounts”** means a SEK bank account and a EUR bank account opened by the Arranger with a reputable bank, on which (i) the Net Proceeds will be held by the Arranger until the conditions in Clause 4.3 (*Conditions precedent to disbursement*) have been fulfilled.

**“EUR Bonds”** means the debt instruments for the Nominal Amount, denominated in EUR and which are governed by and issued under these Terms and Conditions, with ISIN SE0020552800.

**“Euro”** or **“EUR”** means the single currency of the participating member states of the European Union in accordance with the legislation of the European Community relating to Economic and Monetary Union.

**“Event of Default”** means an event or circumstance specified in Clause 14.1.

**“Equity Contribution”** means the Issuer’s unconditional shareholders’ contribution to Recap Energy Storage AB to be applied by that company for investments in battery storage projects and for general corporate purposes.

**“Final Maturity Date”** means, ~~subject to the Issuer’s Second Extension Option,~~ the date falling ~~fifteen (15)~~thirty (30) months after the First Issue Date or, to the extent such day is not a Business Day, the first following Business Day.

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

**“Finance Leases”** means any finance leases, to the extent the arrangement is or would have been treated as a finance or a capital lease in accordance with the Accounting Principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles as applicable on the First Issue Date shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as a finance lease.

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

- (a) monies borrowed or raised, including bank financing and Market Loans;
- (b) the amount of any liability in respect of any Finance Leases;
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

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

**“Financial 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*).

**“First Issue Date”** means 27 July 2023.

**“Force Majeure Event”** has the meaning set forth in Clause 24.1.

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

**“Group Company”** means each of the Issuer and each of its Subsidiaries.

**“Initial Bond Issue”** means the issuance of the Initial Bonds.

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

**“Initial Exchange Ratio”** means the SEK/EUR exchange rate (average of purchase and sales rates) quoted on the Swedish Central Bank’s website at 12:00 Swedish time on the First Issue Date.

**“Insolvent”** means, in respect of a relevant person, that it is deemed to be insolvent in each case, within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), admits inability to pay its debts as they fall due, suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (except for Bondholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (Sw. *lag (2022:964) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

**“Interest”** means the interest on the Bonds calculated in accordance with Clauses 9.1.1 to ~~9.1.3~~9.1.4.

**“Interest Payment Date”** means the earlier to occur of (i) the date on which the relevant Bonds are redeemed ~~in full~~ and (ii) the Final Maturity Date ~~(whether extended or not)~~.

“**Interest Period**” means (i) in respect of the first Interest Period, the period from, but excluding, the [First Issue Date](#) to, and including, 27 July 2024, (ii) in respect of the second Interest Period, the period from, but excluding, 27 July 2024 to, and including, 27 October 2024, ~~and~~ (iii) in respect of the third Interest Period ~~(if any)~~, the period from, but excluding, 27 October 2024 to, and including, 27 January 2025 ~~(or a shorter period if relevant)~~ [\(iv\) in respect of the fourth Interest Period, the period from, but excluding, 27 January 2025 to, and including, 28 April 2025, \(v\) in respect of the fifth Interest Period, the period from, but excluding, 28 April 2025 to, and including, 28 July 2025, \(vi\) in respect of the sixth Interest Period, the period from, but excluding, 28 July 2025 to, and including, 27 October 2025, and \(vii\) in respect of the seventh Interest Period, the period from, but excluding, 27 October 2025 to, and including, the Final Maturity Date.](#)

“**Interest Rate**” means a fixed rate of 15 % per annum.

“**ISIN**” means International Securities Identification Number – the identification number of the Bonds.

“**Issue Date**” means ~~27 July 2023~~ [the First Issue Date and the subsequent date when a Subsequent Bond Issue takes place.](#)

“**Issuer**” means Recap Energy AB (publ), a public limited liability company incorporated in Sweden with reg. no 556919-6503.

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

“**Material Adverse Effect**” means a material adverse effect on (a) the business, financial condition or operations of any Group Company, (b) the Group Companies' ability to perform and comply with the Finance Documents, including their payment obligations thereunder, or (c) the validity or enforceability of the Finance Documents.

“**MTF**” means any multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

“**Net Proceeds**” means the proceeds from the issue of ~~the~~ Bonds after deduction has been made for the Transaction Costs [in respect of the Initial Bond Issue.](#)

“**Nominal Amount**” has the meaning set forth in Clause 2.3.

“**Original Maturity Date**” means 27 July 2024.

[“\*\*Partial Redemption Amount\*\*” has the meaning set forth in 10.5.1.](#)

“**Paying Agent**” means Eminova Fondkommission AB, reg. no. 556889-7887 or any other legal entity appointed by the Issuer to act as its paying agent and issuing agent with respect to the Bonds in the CSD.

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

- (a) incurred by the Issuer under the Bonds [\(including under any Subsequent Bond\)](#);
- (b) constituting Subordinated Loans in the Issuer;
- (c) incurred by Recap Green Bond I AB (publ), reg. no. 559380-7430, under the SEK 45,000,000 and EUR 5,200,000 bonds issued by Recap Green Bond I AB (publ);
- (d) incurred by Recap Iberica under the EUR 4,400,000 senior facility agreement dated 11 November 2022 and entered into by, among others, Recap Iberica Finance and Bankinter, S.A., Spanish CIF no. A-28/157360;
- (e) incurred by ReCap Battery I AB, reg. no. 559385-2733, under the SEK 150,000,000 loan facility agreement dated 6 October 2022 and entered into by ReCap Energy Storage AB, ReCap Battery I AB and Scandinavian Credit Fund I AB (publ), reg. no. 559008-0627;
- (f) incurred by ReCap Battery II AB, reg. no. 559385-2758, under the SEK 150,000,000 loan facility agreement dated 23 November 2022 and entered into by ReCap Energy Storage AB, ReCap Battery II AB and Scandinavian Credit Fund I AB (publ), reg. no. 559008-0627;
- (g) commonly entered into as part of the Group Companies' daily business (e.g. leasing arrangements or similar), provided that the total outstanding amount does not exceed EUR 100,000 at any given time;
- (h) incurred in the ordinary course of business under Advance Purchase Agreements;
- (i) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, inter alia, the redemption of the Bonds;
- (j) incurred by the Issuer under a EUR 170,000, and SEK 400,000, loan dated 21 June 2023 and entered into by the Issuer and ReCap Solar Mallorca AB, reg.no 559268-5415; and
- (k) incurred by the Issuer under a SEK 4,100,000, loan dated 29 September 2021, and entered into by the Issuer and Manton Investment AB, reg.no 556856-3588; and
- (l) incurred by ReCap Solar Fund II AB (reg. no 559180-9305), ReCap Solar Fund III AB (reg. no 559254-6195) and ReCap Solar Fund VI AB (reg. no 559317-0714) under EUR 2,286,000 loans entered into with GoParity.

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

- (a) provided under the Finance Documents;
- (b) provided on the date hereof by (i) Recap Green Bond I AB to the bondholders, and (ii) by the Issuer to Recap Green Bond I AB and its subsidiaries, in the

amount of EUR 500,000, under the bonds referred to in paragraph (c) of the definition of Permitted Debt;

- (c) provided on the date hereof by Recap Iberica to Bankinter, S.A. under the senior facility agreement referred to in paragraph (d) of the definition of Permitted Debt;
- (d) provided on the date hereof by (i) ReCap Energy Storage AB and ReCap Battery I AB and (ii) by the Issuer through a share pledge of all shares in Recap Energy Storage AB and a pledge of all current and future loans to Recap Energy Storage AB, Recap Battery I AB, Recap Battery II AB, Recap Battery V AB, Recap Battery VI AB and Recap Power AB, in each case (i)-(ii) under the loan facility agreement referred to in paragraph (e) of the definition of Permitted Debt;
- (e) provided on the date hereof by (i) ReCap Energy Storage AB and ReCap Battery II AB and (ii) by the Issuer through a share pledge of all shares in Recap Energy Storage AB and a pledge of all current and future loans to Recap Energy Storage AB, Recap Battery I AB, Recap Battery II AB, Recap Battery V AB, Recap Battery VI AB and Recap Power AB, in each case (i)-(ii) under the loan facility agreement referred to in paragraph (f) of the definition of Permitted Debt;
- (f) provided on the date hereof by ReCap Solar Fund II AB (reg. no 559180-9305), ReCap Solar Fund III AB (reg. no 559254-6195) and ReCap Solar Fund VI AB (reg. no 559317-0714) under the loans referred to in paragraph (l) of the definition of Permitted Debt;
- (g) 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);
- (h) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds in full are intended to be received; and
- (i) any Security created for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full (other than with respect to an escrow account (if applicable) which may be perfected in connection with the incurrence of such debt),

provided that no assets subject to Transaction Security may be granted as security to any third party.

~~“Deferred Interest 1” has the meaning set forth in Clause 9.1.2(a).~~

~~“Deferred Interest 2” has the meaning set forth in Clause 9.1.2(b)~~

“**Record Date**” means, in relation to any payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the CSD Regulations from time to time.

“**Redemption Date**” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and repurchase of the Bonds*).

**"Redemption Premium"** means an amount per Bond equal to ~~(i) 101 per cent. of the Nominal Amount, together with any accrued but unpaid Interest, if redeemed on any date falling after the Original Maturity Date but on or before the Final Maturity Date, or (ii) subject to the Issuer's Second Extension Option, 102 per cent. of the Nominal Amount, together with any accrued but unpaid Interest, if redeemed on any date falling after the Second Extension Option Date but before or on the Final Maturity Date (as extended by way of the Second Extension Option).~~

**"Recap Iberica"** means Recap Iberica Finance S.L.U, Spanish reg. no B-76754324.

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

~~**"Second Extension Option"** shall have the meaning set out in Clause 10.1.1.~~

~~**"Second Extension Option Date"** means, subject to the Issuer's Second Extension Option, the date falling 15 months after the Issue Date, i.e. 27 October 2024.~~

**"Second Amendment Effective Date"** means the Effective Date under and as defined in the Second Amendment and Restatement Agreement.

**"Second Amendment and Restatement Agreement"** means the second amendment and restatement agreement dated [•], to which these Terms and Conditions is Schedule 2.

**"Secured Obligations"** means all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents.

**"Secured Parties"** means the Bondholders and the Security Agent (including in its capacity as Agent and Security Agent under the Agency Agreement).

**"Securities Account"** means the account for dematerialised securities (Sw. *avstämningsregister*) maintained by the CSD pursuant to the 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 Agent"** means CSC (Sweden) AB (formerly known as Intertrust (Sweden) AB), Swedish reg. no. 556625-5476, or another party replacing it, as Security Agent, in accordance with these Terms and Conditions, which acts on behalf of the Secured Parties and holds the Transaction Security on behalf of the Secured Parties.

**"Security Documents"** means the security documents creating the following security subject to the terms of these Terms and Conditions:

- (a) a Swedish law governed first-priority pledge over all (current and future) shares issued by Recap Solar AB (the **"Share Pledge"**), Swedish reg. no. 559104-5538 (**"Recap Solar"**);

- (b) a Swedish law governed first-priority security agreement over floating charge certificates (Sw. *företagsinteckningsbrev*) in an amount of SEK 100,000,000 within 100,000,000 of the Issuer (the “**Floating Charge Pledge**”); and
- (c) any other document designated by the Issuer and the Agent as a Security Document.

“**SEK Bonds**” means the debt instruments for the Nominal Amount, denominated in SEK and which are governed by and issued under these Terms and Conditions, with ISIN SE0020552792.

“**Special Mandatory Redemption**” has the meaning set forth in Clause [4.4.14.5.1](#).

“**SPV**” means any Subsidiary that is an operating company, which owns a solar power or battery storage asset or project.

“**Strategic Transaction Event**” means the disposal of all or substantially all of the shares and/or assets of Recap Solar AB and/or Recap Energy Storage AB.

“**Subordinated Loans**” means any loan made to the Issuer as debtor, if such loan:

- (a) according to its terms is subordinated to the obligations of the Issuer under the Finance Documents;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date;
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Maturity Date; and
- (d) otherwise is made on terms and conditions satisfactory to the Agent.

[“Subsequent Bond Issue” has the meaning set forth in Clause 2.5.](#)

[“Subsequent Bonds” means any Bonds issued after the First Issue Date on no more than one occasion.](#)

“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), a company over which another person directly or indirectly, in respect of which such person, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners; or
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

“**Swedish Financial Instruments Trading Act**” means the Swedish Financial Instruments Trading Act (Sw. *lag (1991:980) om handel med finansiella instrument*).

“**Swedish Kronor**” or “**SEK**” means the lawful currency of Sweden.



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

“**Transaction Costs**” means all arrangement and legal fees, costs and expenses, stamp duties, registration and other taxes incurred by the Issuer, the Arranger, the Agent and the Security Agent in connection with a Bond Issue ~~and~~ the Transaction Security [and/or any Written Procedure](#).

“**Transaction Security**” means the Security provided for the Secured Obligations pursuant to the Security Documents.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clauses 16.1 (*Request for a decision*), 16.3 (*Instigation of Written Procedure*) and 16.4 (*Majority, quorum and other provisions*).

## 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 provision of “**law**” is a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (d) a “**regulation**” includes any regulation, rule or official directive, request or guideline by any official body;
- (e) a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality; and
- (f) a time of day is a reference to Stockholm time.

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

1.2.3 Subject to Clause 1.2.4 below, when ascertaining whether a limit or threshold specified in EUR or 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 EUR or SEK (as applicable) for the previous Business Day, as published by the European Central Bank or the Swedish Central Bank (as applicable) on its website. If no such rate is available, the most recently published rate shall be used instead.

- 1.2.4 Notwithstanding Clause 1.2.3 above, at a Bondholders' Meeting or by way of a Written Procedure, the calculations of whether a quorum exists and if the relevant consent has been obtained pursuant to Clause 16 (Decisions by Bondholders), shall be made in SEK. Each Bond shall always entitle to one vote at a Bondholders' Meeting or by way of a Written Procedure. The value of the vote of each SEK Bond shall be the Nominal Amount of the EUR Bond converted into SEK at the Initial Exchange Ratio and the value of the vote of each SEK Bond shall be the Nominal Amount of the SEK Bond. For the avoidance of doubt, the Adjusted Nominal Amount shall at all times be calculated based on the Initial Exchange Ratio.
- 1.2.5 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.
- 1.2.6 No delay or omission of the Agent or the Security Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## **2. STATUS OF THE BONDS**

- 2.1 The SEK Bonds are denominated in SEK and the EUR Bonds are denominated in EUR and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- 2.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- 2.3 The nominal amount of each SEK Bond is initially SEK 10,000 and of each EUR Bond is initially EUR 1,000 (the "**Nominal Amount**"). The maximum Total Nominal Amount of the Initial Bonds as at the First Issue Date is 94,220,000 in SEK and 500,000 in EUR. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount, provided that Initial Bonds may also be sold at a price below par to any larger investors in the Initial Bond Issue, subject to agreement between the Issuer and the Arranger.
- 2.4 The minimum permissible investment amount upon issuance of the Bonds is EUR 100,000 and SEK 1,250,000 (or at least the SEK equivalent of EUR 100,000), respectively.

- 2.5 The Issuer may on one occasion issue Subsequent Bonds (the “Subsequent Bond Issue”). An issue of Subsequent Bonds shall be made in accordance with Clause 4.3 (Conditions precedent to a Subsequent Bond Issue). Subsequent Bonds shall benefit from and be subject to the Finance Documents and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. All Subsequent Bonds shall be issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount. The maximum Total Nominal Amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed 98,220,000 in SEK and 500,000 in EUR. Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 9.1.1, and otherwise have the same rights as the Initial Bonds.
- 2.6 ~~2.5~~The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) *pari passu* and without any preference among them and (ii) at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application.
- 2.7 ~~2.6~~The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 2.8 ~~2.7~~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, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.
- 2.9 ~~2.8~~The CSD, initially being Euroclear Sweden AB, shall perform its obligations as CSD in accordance with the rules and regulations for issuers and issuing agents as regularly applied to it in relation to Swedish bond offerings.

### **3. USE OF PROCEEDS**

- 3.1 The Net Proceeds from the Initial Bond Issue shall be on-lent to the relevant Subsidiary where the relevant cost arises (as applicable) and be used in the following order:
- (a) to refinance the existing debt of the Issuer of up to SEK 4,000,000 under its overdraft facility agreement with Svenska Handelsbanken AB (publ);
  - (b) up to SEK 15,000,000 to be applied for general corporate purposes of the Issuer except for repayment of any existing indebtedness of the Issuer other than as referred to in (b) above; and
  - (c) to make the Equity Contribution.

3.2 The proceeds from a Subsequent Bond Issue shall be used to finance Transaction Costs.

#### **4. CONDITIONS PRECEDENT**

##### **4.1 Conditions precedent to the First Issue Date**

4.1.1 The Issuer shall provide to the Agent, no later than 15.00 p.m. one (1) Business Day prior to the First Issue Date (or such later time as agreed by the Agent), each document and other evidence listed in Part I (Conditions precedent to the First Issue Date) of Schedule 1 (Conditions Precedent) in the form and substance satisfactory to the Agent.

4.1.2 The Agent shall confirm to the Paying Agent when it is satisfied that the conditions in Clause 4.1.1 have been fulfilled (or amended or waived in accordance with Clause ~~18~~ 17 (Amendments and waivers)). The First Issue Date shall not occur (i) unless the Agent makes such confirmation to the Paying Agent no later than 9.00 a.m. on the First Issue Date (or later, if the Paying Agent so agrees), or (ii) if the Paying Agent, the Issuer and the CSD agree to postpone the First Issue Date.

##### **4.2 The Escrow Accounts**

4.2.1 The Net Proceeds of the offering of the Initial Bonds shall be paid by the Paying Agent into the Escrow Account.

4.2.2 The Net Proceeds from the Initial Bond Issue shall be held by the Arranger on the Escrow Accounts and shall be released when the conditions precedent for disbursement pursuant to Clause ~~4.3.1~~ 4.4.1 below have been fulfilled.

##### **4.3 Conditions precedent to a Subsequent Bond Issue**

4.3.1 The Issuer shall provide to the Agent, no later than 15.00 p.m. one (1) Business Day prior to a Subsequent Issue Date (or such later time as agreed by the Agent), each document and other evidence listed in Part III (Conditions precedent to a Subsequent Bond Issue) of Schedule 1 (Conditions Precedent) in the form and substance satisfactory to the Agent.

4.3.2 The Agent shall confirm to the Paying Agent when it is satisfied that the conditions in Clause 4.3.1 have been fulfilled (or amended or waived in accordance with Clause 17 (Amendments and waivers)). A Subsequent Issue Date shall not occur (i) unless the Agent makes such confirmation to the Paying Agent no later than 9.00 a.m. on the relevant Subsequent Issue Date (or later, if the Paying Agent so agrees), or (ii) if the Paying Agent, the Issuer and the CSD agree to postpone the relevant Subsequent Issue Date

#### 4.4 **4.3 Conditions precedent to disbursement**

4.4.1 ~~4.3.1~~ The Agent's approval of the disbursement from the Escrow Accounts, as regards the Net Proceeds from the Initial Bond Issue, is subject to the Issuer providing the Agent with each document and other evidence listed in Part II (*Conditions precedent to disbursement*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably), and that the actions listed therein have been taken or will occur on the disbursement date.

4.4.2 ~~4.3.2~~ The Agent, acting in its reasonable discretion, may waive the deadline or the requirements for documentation set out in Clause ~~4.3.1~~4.4.1, or decide in its discretion that the delivery of certain documents as set out in Clause ~~4.3.1~~4.4.1 shall be made subject to an agreed closing procedure between the Agent and the Issuer. The Agent shall confirm to the Arranger when the conditions precedent in Clause ~~4.3.1~~4.4.1 have been satisfied.

#### 4.5 **4.4 Escrow of Proceeds**

4.5.1 ~~4.4.1~~ If the conditions precedent for disbursement pursuant Clause ~~4.3.1~~4.4.1 have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within sixty (60) Business Days from the First Issue Date, the Issuer shall repurchase all Initial Bonds at a price equal to 100 per cent. of the Total Nominal Amount together with any accrued but unpaid Interest, that would follow from an application of Clause 10.4.1 (a "**Special Mandatory Redemption**") The funds on the Escrow Account shall in such case be applied to redeem the Initial Bonds on behalf of the Issuer. Any shortfall shall be covered by the Issuer. The repurchase date shall fall no later than thirty (30) Business Days after the ending of the sixty (60) Business Days period referred to above.

4.5.2 ~~4.4.2~~ A Special Mandatory Redemption shall be made by the Issuer giving notice to the Bondholders and the Agent promptly following the date when the Special Mandatory Redemption is triggered pursuant to Clause ~~4.4.1~~4.5.1. The Issuer is bound to redeem the Initial Bonds in full at the applicable amount on a date specified in the notice from the Issuer, such date to fall no later than ten (10) Business Days after the effective date of the notice.

#### 4.6 **4.5 Role of the Agent**

The Agent may assume that the documentation delivered to it pursuant to ~~Clause~~ Clauses 4.1.1, 4.3.1 and 4.4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to (i) verify the contents of any such documentation or (ii) review such documentation from a legal or commercial perspective of the Bondholders.

### **5. BONDS IN BOOK-ENTRY FORM**

5.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the SEK Bonds and the EUR Bonds will be registered in accordance with the Financial Instruments Accounts Act and the CSD Regulations. Registration requests relating to the Bonds shall be directed to an Account Operator.

- 5.2 The Issuer shall at all times ensure that the registration of the Bonds in the CSD is correct.
- 5.3 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 5.4 The Agent shall, in order to carry out its functions and obligations under these Terms and Conditions, have access to the securities depository registered with the CSD for the purposes of reviewing ownership of Bonds registered in the securities depository. At the request of the Agent, the Issuer shall promptly obtain such information from the debt register (Sw. *skuldbok*) and/or securities depository kept by the CSD in respect of the Bonds and provide it to the Agent.
- 5.5 The Agent may use the information referred to in Clause 5.4 only for the purposes of carrying out its duties and exercising its rights in accordance with the Finance Documents and shall not disclose such information to the Issuer, any Bondholder or third party unless necessary for such purposes.

## **6. RIGHT TO ACT ON BEHALF OF A BONDHOLDER**

- 6.1 If a beneficial owner of a Bond who is not registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bond, acceptable to the Agent.
- 6.2 If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.
- 6.3 A Bondholder (whether registered as such or proven to the Agent's satisfaction to be the beneficial owner of the Bond as set out in Clause 6.1) may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- 6.4 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6.3 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 or the Agent has actual knowledge to the contrary.
- 6.5 The Bondholders may in accordance with Clause 16.4.3 appoint a Bondholders' Committee to represent their interests in relation to the Bonds and in accordance with Clause 16.4.4 delegate powers to such Bondholders' Committee. The Bondholders' Committee represents all Bondholders and exercises such delegated powers on behalf of all Bondholders.

- 6.6 The Bondholders' Committee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it or any member thereof under or in connection with any Finance Document, unless directly caused by a breach of the powers delegated to it or by gross negligence or wilful misconduct.

## **7. REPRESENTATIONS AND WARRANTIES**

- 7.1 The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself and in respect of each Group Company to the Agent (on behalf of the Bondholders) on the date of disbursement of Net Proceeds pursuant to Clause 4.3 (*Conditions precedent for disbursement*), with reference to the facts and circumstances then existing.
- 7.2 All information which has been presented to the Agent or the Bondholders in relation to the Bonds is, to the best knowledge of the Issuer, having taken all reasonable measures to ensure the same:
- (a) true and accurate in all material respects as at the date the relevant information is expressed to be given; and
  - (b) does not omit any material information likely to affect the accuracy of the information as regards the evaluation of the Bonds in any material respects unless subsequently disclosed to the Agent in writing or otherwise made publicly known.
- 7.3 No Event of Default exists or is likely to result from the issuance of the Bonds or the entry into, the performance of, or any transaction contemplated by, these Terms and Conditions or the other Finance Documents.
- 7.4 The entry into the Security Documents and the granting of the Transaction Security do not and will not conflict with:
- (a) any law or regulation applicable to the Issuer;
  - (b) the Issuer's constitutional documents; or
  - (c) any agreement or instrument binding upon the Issuer.

## **8. PAYMENTS IN RESPECT OF THE BONDS**

### **8.1 Payment obligations and currency**

- 8.1.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds requested by a Bondholder pursuant to these Terms and Conditions, shall be made to such person who is registered as a Bondholder on a Securities Account on the Record Date immediately preceding the Interest Payment Date or other relevant payment date, by way of (if no specific order is made by the Agent) crediting the relevant amount to the bank account nominated by such Bondholder in connection with its Securities Account in the CSD.

- 8.1.2 With respect to SEK Bonds and EUR Bonds, if a Bondholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effected by the CSD to such Bondholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Bondholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 8.1.3 Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Terms and Conditions will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its Securities Account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- 8.1.4 All amounts payable under the Finance Documents shall be payable in the relevant denomination of the Bonds as set out in Clause 2.1 above. If, however, the denomination differs from the currency of the bank account connected to the Bondholder's Securities Account in the CSD, any cash settlement may be exchanged and credited to this bank account in accordance with the procedures of the CSD.
- 8.1.5 If the Interest Payment Date or other relevant date for payments to the Bondholders pursuant to the Finance Documents falls on a day on which the CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary have been set out for such payment in the relevant Finance Document.
- 8.1.6 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 9.2 during such postponement.
- 8.1.7 If payment or repayment is made in accordance with this Clause 8.1 (Payment obligations and currency), the Issuer shall be deemed to have fulfilled its obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 8.1.8 Any payment which shall be made under these Terms and Conditions shall be made in accordance with the Business Day Convention.
- 8.1.9 Notwithstanding anything to the contrary in these Terms and Conditions, the Bonds shall be subject to, and any payments made in relation thereto shall be made in accordance with, the rules and procedures of the CSD.

## **8.2 Taxation**



- 8.2.1 All amounts payable by the Issuer to the Bondholders shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Sweden or any authority thereof or therein unless such withholding or deduction is required by regulation or the interpretation or application of such regulation. If such withholding or deduction is required, the Issuer will at the request of the relevant Bondholder pay such additional amounts (the “**Additional Amounts**”) as are necessary in order that the net amount received by the relevant Bondholder, after such withholding or deduction, shall be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction.
- 8.2.2 Notwithstanding Clause 8.2.1, no Additional Amounts shall be payable on account of any taxes or duties which:
- (a) are payable by reason of any relevant person having, or having had, some connection with Sweden other than the mere holding of the Bond(s);
  - (b) would not be payable if a relevant person made a declaration of non-residence or similar claim for exemption to the relevant tax authority;
  - (c) would not be payable if a relevant person could claim an exemption under a tax treaty;
  - (d) are withheld or deducted pursuant to any European Union Directive or Regulation concerning the taxation of interest income or any regulation implementing or complying with such Directive or Regulation; or
  - (e) gives rise to a tax credit that may be effectively used by a relevant person.
- 8.2.3 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.

## 9. INTEREST

### 9.1 Interest Rate, payment of Interest and calculation of Interest

- 9.1.1 Each Initial Bond carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the First Issue Date to (and including) the relevant Redemption Date.
- 9.1.2 Interest accrues during the Interest Periods. Payment and capitalisation of Interest (which shall be made quarterly following the end of the first Interest Period) shall be made as follows:
- (a) Interest accrued from the first Interest Period shall be capitalised on 27 July 2024 (and thereafter carry Interest) (the “**Deferred Interest 1**”) and payment of the Deferred Interest 1 shall be deferred until the Interest Payment Date; ~~and~~
  - (b) ~~subject to the Issuer's Second Extension Option,~~ Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1) from the second Interest Period shall be capitalised on 27 October 2024 (and thereafter carry Interest)

(the “**Deferred Interest 2**”) and payment of the Deferred Interest 2 shall be deferred until the Interest Payment Date;

- (c) Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-2) from the third Interest Period shall be capitalised on 27 January 2025 (and thereafter carry Interest) (the “**Deferred Interest 3**”) and payment of the Deferred Interest 3 shall be deferred until the Interest Payment Date;
- (d) Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-3) from the fourth Interest Period shall be capitalised on 28 April 2025 (and thereafter carry Interest) (the “**Deferred Interest 4**”) and payment of the Deferred Interest 4 shall be deferred until the Interest Payment Date;
- (e) Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-4) from the fifth Interest Period shall be capitalised on 28 July 2025 (and thereafter carry Interest) (the “**Deferred Interest 5**”) and payment of the Deferred Interest 5 shall be deferred until the Interest Payment Date; and
- (f) Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-5) from the sixth Interest Period shall be capitalised on 27 October 2025 (and thereafter carry Interest) (the “**Deferred Interest 6**”) and payment of the Deferred Interest 6 shall be deferred until the Interest Payment Date; and
- (g) Interest accrued (including, for the avoidance of doubt, upon Deferred Interest 1-6) from the seventh Interest Period shall fall due on the Interest Payment Date.

9.1.3 Payment of Deferred Interest 1-6 (including, for the avoidance of doubt, any accrued Interest thereof (as applicable)) and Interest accrued during the seventh Interest Period shall be made to the Bondholders on the Interest Payment Date.

9.1.4 ~~9.1.3~~ Interest shall be calculated on the basis of a 360-day year comprised of twelve (12) months of thirty (30) days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

## **9.2 Default Interest**

If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is five (5) percentage 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 ordinary Interest Rate shall apply instead.

## **10. REDEMPTION AND REPURCHASE OF THE BONDS**

**10.1 ~~Second Extension Option and redemption~~ Redemption at maturity**

~~10.1.1 The Issuer has the right to extend the original Final Maturity Date with three (3) months (the “**Second Extension Option**”), by giving notice to the Agent and Bondholders at least twenty (20) Business Days prior to the original Final Maturity Date provided that in each case that no Event of Default is outstanding and continuing on the date when the Issuer gives written notice.~~

10.1.1 ~~10.1.2~~ The Issuer shall redeem all, and not only some, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to the Redemption Premium, ~~as applicable considering when redemption of the outstanding Bonds occurs.~~ If the Final Maturity Date ~~(whether extended or not)~~ is not a Business Day, then redemption shall occur on the first following Business Day.

## **10.2 Purchase of Bonds by the Issuer**

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way, subject to disenfranchisement of voting rights. Bonds held by the Issuer may at the Issuer’s discretion be retained, sold or cancelled by the Issuer.

## **10.3 Restrictions on transfer on Bonds**

10.3.1 Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Agent shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

10.3.2 A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Terms and Conditions (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## **10.4 Voluntary total redemption (call option)**

10.4.1 The Issuer may redeem all, but not only some, of the Bonds early at any time from and including the ~~Issue~~ Second Amendment Effective Date to, but excluding, the Final Maturity Date, at a price equal to ~~(i) 111.25 per cent. of the Nominal Amount of the Bonds, if made on any date falling on or before the date falling nine months after the Issue Date, (ii) 100 per cent. of the Nominal Amount together with any accrued but unpaid interest, if made on any date falling nine months after the Issue Date but before or on the Original Maturity Date.~~ the Redemption Premium.

10.4.2 Redemption in accordance with Clause 10.4.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice and not more than thirty (30) Business Days' notice to the Bondholders and the Agent, in each case calculated from the effective date of the notice. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.

## 10.5 Voluntary partial redemption

10.5.1 ~~The As from the Second Amendment Effective Date, the~~ Issuer may redeem the Bonds ~~on one occasion before the Final Maturity Date in part on four (without carry-back or carry forward) occasions, in a minimum aggregate amount of not less than 25 per cent. of the outstanding volume that:~~

(a) on the first occasion, is equivalent to 25 per cent. of the then outstanding Total Nominal Amount (the "Partial Redemption Amount"); and

(b) on each subsequent occasion, is equivalent to the Partial Redemption Amount,

in each case (a)-(b), at a price per redeemed Bond equal to the Redemption Premium.

10.5.2 Partial redemption in accordance with this Clause 10.5 ~~shall be made~~ must occur on the last day in an Interest Period as notified by the Issuer ~~giving not less than fifteen (15) Business Days' notice~~ to the Bondholders and the Agent at least ten (10) Business Days in advance of the redemption date. Any such notice is irrevocable and, upon expiry of such notice, the Issuer is bound to redeem the Bonds in part on the last date of the Interest Period specified by the Issuer (being a date falling 15 no less than 10 Business Days after the notice was sent-) at the applicable amounts. The applicable amount shall be an even amount in SEK and EUR (as applicable) and paid to the Person who is registered as a Bondholder on the Record Date prior to the relevant Redemption Date.

## 10.6 Mandatory Early Redemption due to a Battery Entity Exit Event

Upon the occurrence of a Battery Entity Exit Event, the Issuer shall redeem all, but not some only, of the outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued but unpaid Interest. Mandatory Early Redemption due to a Battery Entity Exit Event shall be made by the Issuer giving irrevocable notice to the Bondholders and the Agent promptly following the date when the Battery Entity Exit Event is triggered. The Issuer shall redeem the Bonds in full at the applicable amount on a date specified the notice from the Issuer, such date to fall no later than ten (10) Business Days after the effective date of the notice. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date.

## **10.7 Mandatory repurchase due to a Change of Control Event or a Strategic Transaction Event (put option)**

- 10.7.1 Upon the occurrence of a Change of Control Event or a Strategic Transaction Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 percent. of the Nominal Amount together with accrued but unpaid Interest during a period of 30 calendar days following the notice of a Change of Control Event and/or a Strategic Transaction Event. The Put Option repayment date will be the fifth business day after the end of the 30-calendar day exercise period. For the avoidance of doubt, a Strategic Transaction Event that is also a Battery Entity Exit Event under sub-paragraph (c) of the definition of Battery Entity Exit Event shall not be treated as a put option, but as a mandatory redemption under Clause ~~10.5~~[10.6](#).
- 10.7.2 Each Bondholder may exercise its put option pursuant to Clause 10.7.1 by written notice to its Account Operator, who will notify the Paying Agent of the exercise of the put option. The repurchase amount shall fall due on the Redemption Date, which will be the fifth Business Day after the end of the period referred to in Clause 10.7.1.
- 10.7.3 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 10.7, the Issuer may comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 10.7 by virtue of the conflict.
- 10.7.4 Any Bonds repurchased by the Issuer pursuant to this Clause 10.7 may at the Issuer's discretion be retained, sold or cancelled.
- 10.7.5 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 10.7, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Bonds in the manner and on the terms set out in this Clause 10.7 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 10.7, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

## **10.8 Early redemption due to a tax event**

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.2 (Taxation) as a result of a change in applicable law (or in the interpretation thereof) implemented after the date of these Terms and Conditions, the Issuer will have the right to redeem all, but not only some, of the outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount, together with any accrued but unpaid Interest. The Issuer shall give written notice of such redemption to the Agent and the Bondholders at least 20 Business Days prior to the relevant Redemption Date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

## **10.9 Redemption Premium**

For the avoidance of doubt, any redemption of the Bonds pursuant to this Clause 10 shall be made at the Redemption Premium.

## **11. TRANSACTION SECURITY ETC.**

### **11.1 Granting of the Transaction Security**

11.1.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants, and shall procure that the relevant security providers grant, the Transaction Security to the Secured Parties as represented by the Security Agent. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Security Documents. The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents.

11.1.2 The Security Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.

11.1.3 Unless and until the Security Agent has received instructions from the Bondholders in accordance with Clause 16 (Decisions by Bondholders), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party (in case of a third party, with simultaneously notice to the Issuer) or take any other reasonable actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

11.1.4 For the purpose of exercising the rights of the Secured Parties, the Security Agent may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Security Agent provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Security Agent and the CSD), that the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 11.1.4.

11.1.5 The Security Agent shall be entitled and obliged to release all Transaction Security upon the full discharge of the Secured Obligations, in accordance with Clause ~~4.4.1~~ [4.5.1](#) and in accordance with the terms of the Security Documents.

### **11.2 Release of Security in accordance with the Security Documents**

11.2.1 The Security Agent may at any time, acting on instructions of the Agent (acting on behalf of the Bondholders), release Transaction Security in accordance with the terms of the Security Documents.

11.2.2 The Security Agent shall be entitled to release all Transaction Security when it is satisfied of the full discharge of all Secured Obligations. Written confirmations or excerpts from the CSD system issued by the CSD to the Issuer and/or the Agent showing that the Bonds have been repaid in full shall be deemed sufficient evidence (in each case provided that the Agent does not have actual knowledge to the contrary).

### **11.3 Enforcement of Security**

11.3.1 The Security Agent may only take any action to accelerate or enforce any Transaction Security in accordance with the terms of these Terms and Conditions and the terms of Secured Documents.

11.3.2 Upon an enforcement of the Transaction Security, the proceeds shall be made and/or distributed in the order of priority set forth in Clause 15.1.

11.3.3 Any excess funds after the application of proceeds in accordance with the terms of Clause 11.3.2 above shall be paid to the Issuer.

11.3.4 In the event of an acceleration of the Bonds, the Issuer shall redeem all Bonds ~~with the applicable Call Option Amount per Bond as set forth in Clause 10.4.1~~ at an amount per Bond equal to the Redemption Premium.

11.3.5 All Security and/or guarantees or arrangement having similar effects may be released by the Security Agent, without the need for any further referral to or authority from anyone, upon any enforcement provided that the proceeds are distributed in accordance with the principles set forth in Clause 15.

## **12. INFORMATION TO BONDHOLDERS**

### **12.1 Information from the Issuer**

12.1.1 The Issuer shall make the following information available in the English language to the Bondholders by way of publication on the website of the Issuer without being requested to do so:

- (a) as soon as the same become available, but in any event within five (5) months after the end of each financial year, 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.

12.1.2 The Issuer shall within two (2) months after the end of each financial quarter provide the Agent with a quarterly management comment, including relevant information on the progress of the Issuer's and its Subsidiaries' RES projects as well as unaudited consolidated financial statements of the Group and the unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet and a cash flow statement.

12.1.3 The Issuer shall:

- (a) immediately notify the Agent and the Bondholders upon becoming aware of (i) the occurrence of a Change of Control Event, (ii) the occurrence of a Strategic Transaction Event, (iii) the occurrence of a Battery Entity Exit Event and/or (iv) 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 determination or any combination 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. Such notice may be given in advance of the occurrence of any of the listed events in (i)-(iv) above, and be conditional upon the occurrence of such abovementioned event or if a definitive agreement is in place providing for such events in (i)-(iv);
- (b) send copies of any statutory notifications of the Issuer to the Agent, including, but not limited to, in connection with mergers, de-mergers and changes of the Issuer's share capital or equity;
- (c) as soon as practicable following an acquisition or disposal of Bonds by the Issuer, inform the Agent of the aggregate Nominal Amount held by the Issuer, or the amount of Bonds cancelled by the Issuer;
- (d) provide the Agent with any other information requested by the Agent and required by the Swedish Financial Instruments Trading Act; and
- (e) within a reasonable time, provide such information about the Group's business, assets and financial condition as the Agent may reasonably request.

## **12.2 Information from the Agent and a Bondholders' Committee**

12.2.1 Subject to the restrictions of a non-disclosure agreement entered into in accordance with Clause 12.2.2, the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

12.2.2 A Bondholders' Committee may agree with the Issuer not to disclose information received from the Issuer. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the Bondholders' Committee

## **12.3 Information among the Bondholders**

Upon request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds. The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed.

## **12.4 Publication of Finance Documents**

12.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Agent and the Issuer.



- 12.4.2 The latest versions of the Finance Documents (other than the Agency Agreement) shall be available to the Bondholders at the office of the Agent during normal business hours.

## **13. GENERAL UNDERTAKINGS**

### **13.1 General**

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13 (*General Undertakings*).

### **13.2 Authorisations**

The Issuer shall, and shall procure that its Subsidiaries will, obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business carried out by a Group Company, if a failure to do so would have or is reasonably likely to have a Material Adverse Effect.

### **13.3 Compliance with laws**

The Issuer shall, and shall procure that its Subsidiaries will, comply in with all laws and regulations to which it may be subject from time to time, if a failure to do so would have or is reasonably likely to have a Material Adverse Effect.

### **13.4 Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business carried on or intended to be carried on by the Group as of the [First](#) Issue Date.

### **13.5 Mergers and de-mergers**

The Issuer shall procure that neither the Issuer nor any of its Subsidiaries will enter into a merger or demerger.

### **13.6 Restricted payments**

The Issuer shall not and shall procure that the Subsidiaries does not (i) pay any dividend in respect of its shares (unless to the Issuer or to another Group Company), (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted or unrestricted equity with repayment to shareholders (unless to the Issuer or to another Group Company), (iv) make any payments under any loans (including, for the avoidance of doubt, any interest) save for mandatory prepayments and/or scheduled payments of principal and/or interest under Permitted Debt (for the avoidance of doubt except for any payments under Subordinated Loans or under any loan made by any direct or indirect shareholder of the Issuer other than the scheduled repayment with respect to item (j), (k) and (l) under the definition of Permitted Debt with funds not directly or indirectly originating from the proceeds of ~~the a~~ Bond Issue), (v) make any repayments on loans to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer or its shareholders or pay any interest thereon, or (vi) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer.

**13.7 Financial Indebtedness**

The Issuer shall not, and shall procure that neither of its Subsidiaries will, incur any additional Financial Indebtedness, other than Permitted Debt.

**13.8 Disposal of assets**

The Issuer shall not, and shall procure that neither of its Subsidiaries will, sell or otherwise dispose of all or substantially all of its assets or operations to any person, save for disposals permitted under the Finance Documents or any disposal of (A) all of the shares in a SPV or (B) any asset or project owned by a SPV, provided in each case that such disposal is (i) made on arm's length terms and (ii) the consideration payable in connection with such disposal amounts to at least 120 % of the latest available book value of the underlying asset or project as certified by the Issuer in a certificate delivered to the Agent at least 15 Business Days prior to the entering into of any agreement relating to such disposal.

**13.9 Negative pledge**

The Issuer shall not, and shall procure that neither of its Subsidiaries will, provide, prolong or renew any guarantee or security over any of its assets (present or future), provided however that the Issuer and each of its Subsidiaries has a right to provide, prolong and renew any Permitted Security.

**13.10 Financial support**

The Issuer shall not, and shall procure that neither of its Subsidiaries will, provide any loan or security or guarantee to or for the benefit of any party, other than any Permitted Debt and Permitted Security.

**13.11 Related party transactions**

The Issuer shall, and shall procure that its Subsidiaries, conduct all dealings with any person (other than Group Companies) at arm's length terms.

**13.12 Insurance**

The Issuer shall, and shall procure that its Subsidiaries will, keep their material assets insured to an extent which is customary for similar material assets on the relevant geographical market, with one or more reputable insurers.

**13.13 Environmental compliance**

The Issuer shall, and shall procure that its Subsidiaries will, comply with all applicable environmental authorisations, regulations and laws and any orders issued by any public authority.

**13.14 Admission to trading**

The Issuer is under no obligation to ensure that the Bonds are admitted to listing on any Regulated Market or MTF, but has the right to list the Bonds on any Regulated Market or MTF or other relevant marketplace if it so desires.

**13.15 Undertakings relating to the Agency Agreement**

- 13.15.1 The Issuer shall, in accordance with the Agency Agreement:
- (a) pay fees to the Agent and the Security Agent;
  - (b) indemnify the Agent and the Security Agent for costs, losses and liabilities;
  - (c) furnish to the Agent or the Security Agent, as the case may be, all information requested by or otherwise required to be delivered to the Agent or the Security Agent (as applicable); and
  - (d) not act in a way which would give the Agent and/or the Security Agent a legal or contractual right to terminate the Agency Agreement.
- 13.15.2 The Issuer, the Agent and the Security Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

**13.16 CSD related undertakings**

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

**14. ACCELERATION OF THE BONDS**

- 14.1 The Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing more than fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 14.5, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if any of the following events occur and is continuing:

(a) **Non-payment**

The Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:

- (i) is caused by technical or administrative error; and
- (ii) is remedied within five (5) Business Days from the due date;

(b) **Other obligations**

The Issuer or any other party (other than the Agent) does not comply with any terms of or acts in violation of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) above), unless the non-compliance:

- (i) is capable of remedy; and

- (ii) is remedied within fifteen (15) Business Days of the earlier of (i) the Issuer or the relevant party becoming aware of the non-compliance, and (ii) the Agent requesting the Issuer in writing to remedy such failure.

(c) **Illegality**

It is or becomes impossible or unlawful for the Issuer or any other Group Company to fulfil or perform any of the provisions of the Finance Documents or if the obligations of the Issuer or any other Group Company under the Finance Documents are varied (other than in accordance with the terms of the Finance Documents) or otherwise are not, or cease to be, legal, valid, binding and enforceable;

(d) **Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step (other than (i) vexatious or frivolous and as disputed in good faith and discharged, stayed or dismissed within thirty (30) days of commencement, and (ii) provided that it is not subject to any Transaction Security, a solvent liquidation) is taken in relation to:

- (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer or any other Group Company; and
- (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 or any of its assets or any analogous procedure or step is taken in any jurisdiction.

(e) **Insolvency**

Either of the Issuer or any other Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent or a moratorium is declared in respect of the Financial Indebtedness of the Issuer;

(f) **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer or any other Group Company, having an aggregate value of an amount equal to or exceeding SEK 500,000 and is not discharged within thirty (30) days;

(g) **Cross-default**

- (i) any Financial Indebtedness of the Issuer, or any other Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described),
- (ii) any commitment for any Financial Indebtedness of the Issuer, or any other Group Company is cancelled or suspended by a creditor as a result of an event of default (however described), or

- (iii) any creditor of the Issuer, or any other Group Company becomes entitled to declare any Financial Indebtedness of the Issuer or any other Group Company due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur under this paragraph if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than SEK 500,000 (or its equivalent in any other currency or currencies);

(h) **Merger or demerger**

A decision is made that the Issuer or any other Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged; or

(i) **Continuation of business**

The Issuer or any other Group Company ceases to carry on its business if such discontinuation has or is likely to have a Material Adverse Effect.

- 14.2 The Agent may not accelerate the Bonds in accordance with Clause 14.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 14.3 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 14.4 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 14.5 If the Bondholders instruct the Agent to accelerate the Bonds in accordance with the provisions of Clause 14.1, the Agent shall, provided that the provisions of these Terms and Conditions have been complied with, promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 14.6 If the right to accelerate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 14.7 In the event of an acceleration of the Bonds in accordance with this Clause 14, the Issuer shall redeem all Bonds at an amount per Bond equal to ~~(i) 100 per cent. of the Nominal Amount together with any accrued but unpaid Interest, if made on or prior to the Original Maturity Date, or (ii) equal to the Redemption Premium, if made after the Original Maturity Date, as applicable considering when the acceleration occurs.~~
- 14.8 The Issuer shall on demand by a Bondholders' Committee reimburse all costs and expenses reasonably incurred by it for the purpose of investigating or considering an Event of Default and the Bondholders' potential actions in relation to such Event of Default.

## 15. DISTRIBUTION OF PROCEEDS

- 15.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of:
- (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent and the Security Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
  - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Bondholders' rights as may have been incurred by the Agent or the Security Agent;
  - (iii) any costs incurred by the Agent or the Security Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 18.2.6; and
  - (iv) any costs and expenses incurred by the Agent that have not been reimbursed by the Issuer in accordance with Clause 16.4.12,
- together with default interest in accordance with Clause 9.2 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

- (b) *secondly*, in or towards payment pro rata of any cost and expenses reasonably incurred by a Bondholders' Committee in accordance with Clause 14.8 that have not been reimbursed by the Issuer, together with default interest in accordance with Clause 9.2 on any such amount calculated from the date it was due to be reimbursed by the Issuer
- (c) *thirdly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds;
- (d) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (e) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 9.2 on delayed payments of Interest and repayments of principal under the Bonds.

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

- 15.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1(a), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1(a).
- 15.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or that the Security Agent receives (directly or indirectly) in connection with the enforcement of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent or the Security Agent, as the case may be, shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.
- 15.4 If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid, the Record Date specified in Clause 8.1 shall apply.

## **16. DECISIONS BY BONDHOLDERS**

### **16.1 Request for a decision**

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.

- 16.1.2 Any request from the Issuer, the Regulated Market or MTF (if the Bonds are listed and the Regulated Market or MTF (as applicable) is entitled to do so pursuant to the general rules and regulations of the Regulated Market or MTF (as applicable)) or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if:
- (a) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given; or
  - (b) the suggested decision is not in accordance with applicable laws and regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Issuer, the Regulated Market, the MTF or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Paying Agent shall upon request provide the convening Bondholder(s) with the information available in the debt register (Sw. skuldbok) and/or securities depositary kept by the CSD in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 16.1.6 Should the Issuer want to replace the Agent and/or the Security Agent, it may (i) convene a Bondholders' Meeting in accordance with Clause 16.2 (Convening of Bondholders' Meeting) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 16.3.1. After a request from the Bondholders pursuant to Clause 18.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16.2 The Issuer shall inform the Agent and/or the Security Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent and/or Security Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.



16.1.7 Should the Issuer or any Bondholder(s) convene a Bondholders' Meeting or instigate a Written Procedure pursuant to Clause 16.1.5 or 16.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Bondholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

## **16.2 Convening of Bondholders' Meeting**

16.2.1 The Agent shall convene a Bondholders' Meeting by way of notice to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

16.2.2 The notice pursuant to Clause 16.2.1 shall include:

- (a) time for the meeting;
- (b) place for the meeting;
- (c) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) a form of power of attorney;
- (e) the agenda for the meeting;
- (f) any applicable conditions precedent and conditions subsequent;
- (g) the reasons for, and contents of, each proposal;
- (h) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (i) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement; and
- (j) information on where additional information (if any) will be published.

16.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.

16.2.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **16.3 Instigation of Written Procedure**

16.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

- 16.3.2 A communication pursuant to Clause 16.3.1 shall include:
- (a) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
  - (b) 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;
  - (c) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 16.3.1);
  - (d) any applicable conditions precedent and conditions subsequent;
  - (e) the reasons for, and contents of, each proposal;
  - (f) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
  - (g) if the voting is to be made electronically, the instructions for such voting; and
  - (h) information on where additional information (if any) will be published.
- 16.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 16.3.1, when consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3 as the case may be, even if the time period for replies in the Written Procedure has not yet expired.
- 16.3.4 The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

#### **16.4 Majority, quorum and other provisions**

- 16.4.1 Only a Bondholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (Right to act on behalf of a Bondholder) from a Bondholder:
- (a) on the Record Date specified in the notice pursuant to Clause 16.2.2, in respect of a Bondholders' Meeting; or
  - (b) on the Record Date specified in the communication pursuant to Clause 16.3.2, in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the Adjusted Nominal Amount. Each whole Bond entitles to one vote and any fraction of a Bond voted for by a person shall be disregarded. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be. Bonds held by the Issuer shall not be considered when calculating if necessary majority has been achieved pursuant to this Clause 16.4 and shall thus not carry any voting right.

16.4.2 The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2:

- (a) a change to the terms of any of Clause 2.1, and Clauses 2.3 to ~~2.6~~2.7;
- (b) a change to the definition of ~~Early-Redemption Amount~~Premium;
- (c) a change to the Interest Rate or the Nominal Amount;
- (d) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of proceeds*);
- (e) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16.4;
- (f) a change of Issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
- (g) a release of the Transaction Security, except in accordance with the terms of the Finance Documents;
- (h) subject also to the provisions of Clause 11.5, an exercise of the Purchase Option in accordance with the terms of the Purchase Option Agreement;
- (i) a mandatory exchange of the Bonds for other securities; and
- (j) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 17.1(a) or (c)), an acceleration of the Bonds, the appointment of a Bondholders' Committee, or the enforcement of any Transaction Security.

- 16.4.4 The Bondholders may delegate such powers to a Bondholders' Committee as the Bondholders may exercise pursuant to Clauses 16.4.2 and 16.4.3. The delegation shall require the same majority and quorum as the subject matter would have required pursuant to Clause 16.4.2 or Clause 16.4.3, as the case may be. Any decisions made by the Bondholders' Committee pursuant to such delegation shall be approved by more than fifty (50) per cent. of the members of the Bondholders' Committee.
- 16.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 16.2.4 (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 16.4.6 If a quorum exists for some but not all of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 16.4.7 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 16.4.7, the date of request of the second Bondholders' Meeting pursuant to Clause 16.2.1 or second Written Procedure pursuant to Clause 16.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 16.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 16.4.8 Any decision which extends or increases the obligations of the Issuer, the Agent or the Security Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer, the Agent or the Security Agent, under the Finance Documents, shall be subject to the Issuer's, the Agent's or the Security Agent's consent, as applicable.
- 16.4.9 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 16.4.10 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a Bondholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that vote in respect of the proposal at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable (such time period to be no less than ten (10) Business Days).

- 16.4.11 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Bondholders.
- 16.4.12 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.4.13 If a decision is to be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by the Issuer as per the Record Date for voting, 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 for determining whether a Bond is owned by the Issuer.
- 16.4.14 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **17. AMENDMENTS AND WAIVERS**

- 17.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Bonds, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders as a group;
  - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
  - (c) such amendment or waiver is required by applicable law or regulation, a court ruling or a decision by a relevant authority; or
  - (d) has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.
- 17.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- 17.3 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 17.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 12.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

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

## **18. THE AGENT AND THE SECURITY AGENT**

### **18.1 Appointment of the Agent and the Security Agent**

- 18.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. företagsrekonstruktion) or bankruptcy (Sw. konkurs) (or its equivalent in any other jurisdiction) of the Issuer and to act as Agent in relation to any mandatory exchange of the Bonds for other securities (including, for the avoidance of doubt, a right for the Agent to subscribe for any such new securities on behalf of the relevant Bondholder). By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf as Agent.
- 18.1.2 By subscribing for Bonds, each initial Bondholder in its capacity as a Secured Party appoints the Security Agent to act as its agent in all matters relating to the Secured Documents and the Transaction Security, any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security.
- 18.1.3 Each Bondholder shall immediately upon request provide the Agent or the Security Agent, as the case may be, with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent or the Security Agent (as applicable)), that the Agent or the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its respective duties under the Finance Documents. The Agent and the Security Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 18.1.4 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 18.1.5 The Issuer shall promptly upon request provide the Security Agent with any documents and other assistance (in form and substance satisfactory to the Security Agent), that the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Secured Documents.
- 18.1.6 The Agent and the Security Agent are entitled to fees for all their work in their respective capacities and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents and the Security Agent's obligations as Security Agent under the Secured Documents are conditioned upon the due payment of such fees and indemnifications.

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

## **18.2 Duties of the Agent and the Security Agent**

18.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents. The Agent shall provide reasonable assistance to a Bondholders' Committee and participate in its meetings.

18.2.2 The Security Agent shall represent the Bondholders in accordance with the Secured Documents, including, inter alia, holding the Transaction Security in its capacity as Security Agent pursuant to the Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders.

18.2.3 When acting pursuant to the Finance Documents, each of the Agent and the Security Agent is always acting with binding effect on behalf of the Bondholders in their respective capacities. Neither the Agent nor the Security Agent are ever acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent or the Security Agent, as the case may be, does not bind the Bondholders or the Issuer.

18.2.4 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner. When acting pursuant to the Secured Documents, the Security Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.

18.2.5 Each of the Agent and the Security Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

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

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

- (a) after the occurrence of an Event of Default;
- (b) for the purpose of investigating or considering:
  - (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or
  - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;

- (c) in connection with any Bondholders' Meeting or Written Procedure; or
  - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents (including for the purpose of deciding whether the conditions set out in Clause 17.1 are fulfilled).
- 18.2.8 Any compensation for damages or other recoveries received by the Agent or the Security Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (Distribution of proceeds).
- 18.2.9 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 18.2.10 Other than as specifically set out in the Finance Documents, neither the Agent nor the Security Agent shall be obliged to monitor (i) whether any Event of Default has occurred, (ii) the financial condition of the Issuer and the Group, (iii) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents, or (iv) whether any other event specified in any Finance Document has occurred or is expected to occur, and should the Agent or Security Agent not receive such information, the Agent or the Security Agent (as applicable) is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent or Security Agent (as applicable) does not have actual knowledge of such event or circumstance.
- 18.2.11 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.11. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 18.2.12 Notwithstanding any other provision of the Finance Documents to the contrary, neither the Agent nor the Security Agent is 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.
- 18.2.13 If in either of the Agent's or the Security Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent or Security Agent (as applicable)) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent or the Security Agent (as applicable) may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 18.2.14 Each of the Agent and the Security Agent shall give a notice to the Bondholders:



- (a) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement; or
- (b) if it refrains from acting for any reason described in Clause 18.2.13.

### **18.3 Liability for the Agent and the Security Agent**

- 18.3.1 Neither the Agent nor the Security Agent shall be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent and the Security Agent shall never be responsible for indirect or consequential loss.
- 18.3.2 Neither of the Agent and the Security Agent shall be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or the Security Agent (as applicable), or if the Agent or Security Agent (as applicable) has acted with reasonable care in a situation when the Agent or Security Agent (as applicable) considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 18.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 18.3.4 Neither the Agent nor the Security Agent shall have any liability to the Issuer or the Bondholders for damage caused by the Agent or Security Agent when acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 18.3.5 Any liability towards the Issuer which is incurred by the Agent or the Security Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

### **18.4 Replacement of the Agent**

- 18.4.1 Subject to Clause 18.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 18.4.2 Subject to Clause 18.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 18.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent (and, for the avoidance of doubt, Security Agent). The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent (and, for the avoidance of doubt, Security Agent) appointed.
- 18.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
  - (b) the Agent was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 18.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 18.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
  - (b) the period pursuant to Clause 18.4.4 having lapsed.
- 18.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

- 18.4.9 Any resignation or dismissal of the Agent pursuant to this Clause 18.4 (Replacement of the Agent) shall be deemed to constitute a resignation or dismissal (as applicable) of the Security Agent and vice versa, and the provisions of Clause 18.4.1 through 18.4.6 shall apply mutatis mutandis for (i) the resignation or dismissal of the Security Agent, (ii) the appointment of a successor Security Agent and, (iii) inter alia, the discharge of the retiring Security Agent from any further obligation in respect of the Finance Documents.

## **19. APPOINTMENT AND REPLACEMENT OF THE PAYING AGENT**

- 19.1 The Issuer appoints the Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 19.2 The Paying Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Paying Agent at the same time as the old Paying Agent retires or is dismissed. If the Paying Agent is Insolvent, the Issuer shall immediately appoint a new Paying Agent, which shall replace the old Paying Agent as paying agent in accordance with these Terms and Conditions.
- 19.3 The Paying Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Paying Agent, as may be necessary in order for the Paying Agent to carry out its duties under the Terms and Conditions.

## **20. APPOINTMENT AND REPLACEMENT OF THE CSD**

- 20.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 20.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **21. NO DIRECT ACTIONS BY BONDHOLDERS**

- 21.1 A Bondholder may not take any steps whatsoever against any Group Company or with respect to the Transaction Security 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 or bankruptcy (or its equivalent in any other jurisdiction) of any Group Company in relation to any of the obligations and liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.

- 21.2 Clause 21.1 shall not apply if:
- (a) the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 18.1.3), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 18.2.13, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.14 before a Bondholder may take any action referred to in Clause 21.1; or
  - (b) the Agent has been instructed in accordance with these Terms and Conditions to enforce the Transaction Security but is legally unable to take such enforcement actions.
- 21.3 The provisions of Clause 21.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 10.5 (*Mandatory repurchase due to a Change of Control Event or a Strategic Transaction Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## 22. LIMITATION OF CLAIMS

All claims for payment under the Terms and Conditions, including interest and principal, will be subject to the provisions of the Swedish Limitations Act (Sw. *preskriptionslag (1981:130)*).

## 23. NOTICES AND PRESS RELEASES

### 23.1 Notices

23.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

- (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, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
- (b) if to the Issuer, to the following address:

Recap Energy AB (publ)  
Eriksbergsgatan 10 3tr  
114 30 Stockholm, Sweden  
Att: Marco Berggren  
E-mail: marco.berggren@recap.se

or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and

- (c) if to the Bondholders, shall (i) if made by the Agent, be sent via the CSD with a copy to the Issuer, and (ii) if made by the Issuer, be sent via the Agent, alternatively through the CSD and/or to their addresses as registered with the CSD with a copy to the Agent. A notice to the Bondholders shall also be published on the websites of the Agent.

23.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery (or, in terms of notice or other communication to the Bondholders, delivered through the CSD as set out in Clause 23.1.1(c) above) or letter, or, if between the Issuer and the Agent, 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 23.1.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1.1, in case of email, when received in readable form by the email recipient, or in case of notice or other communication posted through the CSD, on the date of the message being issued by the CSD.

23.1.3 Any notice pursuant to the Finance Documents shall be in English.

23.1.4 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

## **23.2 Press releases and publications**

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

23.2.2 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 10.4 (Voluntary early redemption (call option)), 10.5 (Voluntary partial redemption), 10.6 (Mandatory Early Redemption due to a Battery Entity Exit Event), 10.7 (Mandatory repurchase due to a Change of Control Event or a Strategic Transaction Event (put option)), or 10.8 (Early redemption due to a tax event) shall also be published on the website of the Issuer or the Agent, as applicable.

## **24. FORCE MAJEURE AND LIMITATION OF LIABILITY**

24.1 Neither the Agent nor the Paying Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Paying Agent itself takes such measures, or is subject to such measures.

- 24.2 The Paying Agent shall have no liability to the Bondholders if it has observed reasonable care. The Paying Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 24.3 Should a Force Majeure Event arise which prevents the Agent or the Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 24.4 The provisions in this Clause 24 (*Force Majeure and Limitation of Liability*) apply unless they are inconsistent with mandatory law.

## **25. GOVERNING LAW AND JURISDICTION**

- 25.1 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.
- 25.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).
- 25.3 Clauses 25.1 and 25.2 above shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
-

We hereby certify that the above terms and conditions are binding upon ourselves.

[The signature blocks were relevant on the date on which the Terms and Conditions were originally executed and are now obsolete. They are however, included for information purposes and for reference purposes in the Terms and Conditions.](#)

**RECAP ENERGY AB (PUBL)**

as Issuer

Place: Stockholm

Date:

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Name:

---

Name:

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

**INTERTRUST CSC (SWEDEN) AB**

as Agent and Security Agent

Place: Stockholm

Date:

---

Name:

---

Name:



**SCHEDULE 1****CONDITIONS PRECEDENT****PART I – CONDITIONS PRECEDENT TO ~~DISBURSEMENT~~THE FIRST ISSUE  
DATE****1. Corporate documents**

- (a) Copies of the articles of association and certificate of registration of the Issuer.
- (b) A copy of a resolution from the board of directors of the Issuer:
  - (i) approving the issue of the Bonds and approving the terms of (a) the Terms and Conditions, (b) the Agency Agreement, and (c) the Security Documents, and resolving to enter into such documents and any other documents necessary in connection therewith;
  - (ii) authorising a specified person or persons to execute the Terms and Conditions, the Agency Agreement and the Security Documents; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it or in connection with the Terms and Conditions, the Agency Agreement and the Security Documents.
- (c) A copy of a passport or driver's license which includes a specimen of the signature of each person authorised by the resolution referred to in paragraph (b) above and actually signing the Terms and Conditions and/or the Agency Agreement.

**2. Finance Documents**

- (a) A duly executed copy of the Terms and Conditions;
- (b) A duly executed copy of the Agency Agreement; and
- (c) A duly executed copy of each of the Security Documents

**CONDITIONS PRECEDENT****PART II – CONDITIONS PRECEDENT TO DISBURSEMENT****1. Corporate documents**

- (a) Copies of the articles of association and certificates of registration of the Issuer, Recap Solar and Recap Energy Storage AB.
- (b) a copy of a resolution from the board of directors of the Issuer:
  - (i) approving the terms of the Finance Documents to which it is a party, the Equity Contribution and approve to undertake the necessary actions in order for the Share Pledge and the Floating Charge Pledge to be executed, and resolving to enter into such documents and any other documents necessary in connection therewith;
  - (ii) authorising a specified person or persons to execute the Finance Documents and the Equity Contribution and any other documents necessary in connection therewith; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it or in connection with the documents set forth in sub-paragraph (ii).
- (c) a copy of a resolution from the board of directors of Recap Solar:
  - (i) approving the terms of the Finance Documents (to which it is a party) and approving to undertake all necessary actions in order for the Share Pledge to be executed and registered in Recap Solar's share ledger and resolving to enter into such documents, and any other documents necessary in connection therewith;
  - (ii) authorising a specified person or persons to execute the Finance Documents and the Share Pledge and any other documents necessary in connection therewith; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it or in connection with the documents set forth in sub-paragraph (ii).
- (d) constitutional documents and duly executed corporate resolutions (approving the Finance Documents), for any party to the Finance Documents (other than the Issuer, Recap Solar and the Agent), together constituting evidence that the Finance Documents have been duly executed.
- (e) A copy of a passport or driver's license which includes a specimen of the signature of each person authorised by the resolution referred to in sub-paragraph (ii) of paragraphs (b) – (e) above and actually signing any Finance Document and/or the Agency Agreement

## 2. Security Documents

- (a) A duly executed copy of the Swedish law governed pledge agreement pertaining to the first-priority pledge over all (current and future) shares issued by Recap Solar.
- (b) A duly executed copy of the Swedish law governed first-priority security agreement over floating charge certificates (Sw. *företagsinteckningsbrev*) in an amount of SEK 100,000,000 within 100,000,000 of the Issuer.
- (c) evidence (in form and substance satisfactory to the Agent) that the Transaction Security either has been or will immediately following disbursement from the Escrow Account be perfected in accordance with the terms of the Finance Documents.

## 3. Other documents and evidence

- (a) Evidence (in form and substance satisfactory to the Agent) that Net Proceeds from the [Initial](#) Bond Issue shall be used in accordance with the purposes of the [Initial](#) Bond Issue satisfactory to the Agent.
- (b) Evidence (in form and substance satisfactory to the Agent) that the Transaction Security either has been or will immediately following disbursement from the Escrow Account be perfected in accordance with the terms of the Finance Documents.
- (c) Satisfactory evidence that the Equity Contribution has been or will be paid immediately following the disbursement.
- (d) A release letter or similar confirmation thereof, acceptable for the Security Agent, issued by Svenska Handelsbanken AB (publ) for the release of floating charge certificates (Sw. *företagsinteckningsbrev*) in an amount of SEK 4,000,000 within 4,000,000 of the Issuer.
- (e) Legal opinion(s) on (i) the capacity and due execution of the Finance Documents by a party thereto incorporated and (ii) the validity and enforceability of the Finance Documents, issued by reputable law firm(s) in a form and substance satisfactory to the Agent.
- (f) A conditions precedent satisfaction letter from a Swedish law firm in respect of the conditions referred to above in this Schedule 1.

### **PART III – CONDITIONS PRECEDENT TO A SUBSEQUENT BOND ISSUE**

#### **1. Corporate documents**

- (a) Copies of the articles of association and certificate of registration of the Issuer.
- (b) A copy of a resolution from the board of directors of the Issuer:
  - (i) A copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into documents necessary in connection therewith; and
  - (ii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it or in connection with the Subsequent Bond Issue.

#### **2. Other documents and evidence**

- (a) A duly executed copy of a compliance certificate from the Issuer certifying that, so far as it is aware, no Event of Default is continuing or would result from the Subsequent Bond Issue.
- (b) Evidence (in form and substance satisfactory to the Agent) that the Net Proceeds from the Subsequent Bond Issue shall be used to cover Transaction Costs.
- (c) Such other documents and evidence as are agreed between the Agent and the Issuer.

# Recap

## Company presentation

Written procedure December 2024

CREATING THE FUTURE OF ENERGY

This presentation material (the "Presentation") is prepared by **Recap Energy AB (publ)**, Swedish company reg. no. 556919-6503 (the "Issuer") and is to be regarded as marketing material only and will therefore not provide a complete picture of the bonds issued by the Issuer on 27 July 2023 (the "Bonds"). This Presentation does not constitute an offer to invest or divest any securities of any kind. The information contained herein is shared with a limited group of investors and institutions, or advisors or representatives of such groups. This Presentation is not intended for the general public, nor does it constitute investment advice to the general public or to any other party. This Presentation is strictly confidential and may not be copied, published, distributed or transmitted in whole or in part by any medium or in any form for any purpose. The information in this Presentation relates to a, by the Issuer, proposed extended tenure of the Bonds and certain amendments to the terms and conditions in respect of the Bonds, including payment of a consent fee offered to the holders of Bonds for approving the requested amendments and waivers, to be paid by way of set-off issue against new shares in the Issuer (the aforementioned amendments and transactions are hereinafter collectively referred to as the "Extension") and does not constitute an offer to invest in securities of any kind, nor shall any part, or all, of this Presentation form the basis of, or be relied on in connection with, any investment decision in relation to any securities. When making an investment decision or a decision with respect to the Extension, each potential and current investor must rely on its own examination, analysis and enquiry of the Issuer and the terms of the Extension.

This Presentation does not constitute a prospectus and no prospectus has nor will be approved by or registered with the Swedish competent authority, the Swedish Financial Supervisory Authority (Sw. Finansinspektionen), in accordance with Article 20 of Regulation 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the Prospectus Regulation) or with any other authority in connection with the potential Extension. This Presentation may not be distributed directly or indirectly, to or into, including but not limited to, the U.S., Canada, Australia, Hong Kong, Singapore, South Africa, New Zealand, Japan, South Korea, Switzerland or to any other jurisdiction in which such distribution would be unlawful or would require specific permits, registration or any other measures or actions to be taken by the Issuer in accordance with the above-mentioned. Persons located in such jurisdictions where specific permits or other actions are required or which the information otherwise may not be directed to may not receive this Presentation. The Bonds has not and will not be registered under the U.S. Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction of the US, or any applicable securities laws in Canada, Australia, Hong Kong, Singapore, South Africa, New Zealand, Japan, South Korea, Switzerland or any other country where such registration is required and may not be transferred or distributed, directly or indirectly, in the United States, or to U.S. Persons (as defined in Regulation S under the U.S. Securities Act) or to any person residing in any of these jurisdictions. An application for an investment in the Bonds in breach of these restrictions may be left without regard.

The information in this Presentation has not been independently verified and no technical, financial, accounting, tax, insurance, human resources, commercial or environmental due diligence with respect to the Issuer has been conducted, neither has any due diligence been conducted with respect to the Issuer's foreign subsidiaries. Only a limited legal due diligence has been carried out by external counsel with respect to certain documentation and similar material related to the Issuer's business and operations, Such limited legal due diligence has been carried out on the basis of a limited information request list and follow-up questionnaire answered by the management of the Issuer and the due diligence has been fully reliant upon the correctness of the material and thereto related answers provided by the management of the Issuer. Therefore, there may be risks relating to the Issuer's business, results and financial position not yet identified. All information in this Presentation should be carefully considered, in particular with respect to the specific risks arising with respect to a commitment to invest in the Bonds and accepting the Extension. There are no guarantees that the Issuer will be able to fulfil its obligations under the Extension which is referred to in this Presentation.

The information in this Presentation is provided as of the date hereof and is subject to change without any notice, and the Issuer will not, and has no obligation to, update this Presentation or produce any additional information documents. All funds which have been lent to the Issuer may be lost as a consequence of factors which the Issuer can or cannot influence. Actual events and results may differ substantially from what is stated in forward looking statements as a result of risks and other factors which this Presentation contains, and which it does not contain, as applicable. By taking receipt of this Presentation, the reader accepts being aware of the circumstances, requirements and restrictions which apply for taking receipt of this Presentation, and that no violation thereof is made.

Certain information contained in this Presentation, including any information on the Issuer's plans or future financial or operating performance and other statements that express the Issuer's management's expectations or estimates of future performance, constitute forward-looking statements (when used in this Presentation, words such as "anticipate", "believe", "estimate", "expect", "intend", "will", "should", "aim" and "target" and similar expressions, as they relate to the Issuer or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Issuer cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Issuer to be materially different from the Issuer's estimated future results, performance or achievements expressed or implied by those forward-looking statements.

No person is nor has been authorized to give any information or provide any representation or warranty on behalf of the Issuer in connection with the Extension. If such information, representation, or warranty has been given, it cannot be relied upon as if it had been given by the Issuer or with the Issuer's approval, and the Issuer assumes no responsibility or liability for any such information, representation or warranty. Furthermore, no member of the Issuer's board of directors or any other person makes any representation or warranty, express or implied, save for what follows from applicable law, as regards the correctness and/or completeness of the information stated in this Presentation.

## Climate Bonds certification

The certification of the Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bond Standard and does not, and is not intended to, make any representation, warranty, undertaking, express or implied, or give any assurance with respect to any other matter relating to the Extension or any Bond, including but not limited to the Presentation, the transaction documents that has been entered into or shall be entered into in connection with the Extension, the Issuer or the management of the Issuer.

The certification of the Bonds as Climate Bonds by the Climate Bonds Initiative was addressed solely to the board of directors of the Issuer and is not a recommendation to any person to purchase, hold or sell the Bonds or accept the Extension and such certification does not address the market price or suitability of the Bonds for a particular investor. Each bondholder of the Bonds should determine for itself the relevance of this certification. An accept of the Extension should be based upon such investigation that each potential or existing bondholder of the Bonds deems necessary. The certification does not address the merits of the decision by the Issuer or any third party to participate in any bond issue and does not express and should not be deemed to be an expression of an opinion as to the Issuer or any aspect of any bond issue (including but not limited to the financial viability of any bond issue) other than with respect to conformance with the Climate Bond Standard.

In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the fairness, accuracy, reasonableness and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility or liability to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any bond issue (including, for the avoidance of doubt, the Extension) or the Issuer. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of the Extension. The certification may only be used with the Bonds and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

The certification does not, and is not in any way intended to, address the likelihood of timely payment of interest when due on the Bonds and/or the payment of principal at maturity or any other date. The certification may be withdrawn at any time in the Climate Bonds Initiative's sole and absolute discretion and there can be no assurance that such certification will not be withdrawn.

## Governing law and disputes

This Presentation, the Extension or any other legal issues in connection therewith shall be governed by Swedish law, without regard to its conflict of law principles providing for the applications of the laws of any other jurisdiction, and any dispute or claim arising out of or in connection this Presentation and/or the Extension shall be exclusively settled by the courts of Sweden. The District Court of Stockholm (Sw. Stockholms tingsrätt) shall be the court of first instance.

## Fees attributable to the Extension

Vinga Corporate Finance AB, as corporate finance adviser, will be paid a fee by the Issuer in respect of the Extension.

## Recap Energy AB (publ)

This Presentation has been put together in connection with the Extension.

## Statement of responsibility

It is hereby confirmed that the board of directors of **Recap Energy AB (publ)** is responsible for the information contained in the Presentation. Furthermore, Recap Energy AB (publ) hereby confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Presentation is, to the best of the Issuer's knowledge, in accordance with the facts and contains no omissions likely to affect its import in any respect.

// The Board of Directors of **Recap Energy AB (publ)**

**IMPORTANT INFORMATION: THE RISK FACTORS PREPARED IN CONNECTION WITH THE EXTENSION DESCRIBED AT THE END OF THIS PRESENTATION MUST BE CAREFULLY READ AND CONSIDERED BEFORE ANY INVESTMENT DECISION IS TAKEN.**

# AGENDA



Summary

Recap



Company introduction



Business areas



Strategic overview



Financials



Risk factors



## BACKGROUND TO THE WRITTEN PROCEDURE

- Recap Energy AB (publ) ("Recap") is a Swedish company with financial interests and operations within renewable energy project development, energy storage projects and energy management systems
- In July 2023 Recap, issued senior secured corporate bonds with ISIN code SE0020552792 & SE0020552800 (the "Bonds") with the main purpose being to finance the development of the business area Battery Energy Storage Systems ("BESS")
  - During the summer of 2024 the maturity date of the bonds were extended to end of January 2025
- The business area BESS has developed well, and Recap aims to divest parts of it to an institutional investor and has mandated a large Nordic based investment bank to carry out such transaction, and the net proceeds are intended to be used to repay the outstanding Bonds
- Unfortunately, there has been a delay in the transaction, and although discussions with investors are ongoing such a transaction will not be completed before January 27<sup>th</sup> 2025 when the Bonds are due
- Recap is now asking the bondholders of the Bonds for certain amendments in the terms and conditions, including an extension of the maturity date until January 27<sup>th</sup> 2026, which should be sufficient time to complete the contemplated transaction<sup>1</sup>

## KEY TAKEAWAYS

### Extended maturity date

- Recap asks bondholders to extend the maturity date to January 27<sup>th</sup>, 2026

### Consent fee

- The investors will upon approval receive a consent fee of 4% of the initial nominal amount of the Bonds, paid in shares at a price of SEK 2.6 / share (equity valuation of approx. SEK 50m)

### Partial repayment

- Recap asks for allowance to partially repay the Bonds with minimum 25% of the initial nominal amount (together with accrued interest (including, for the avoidance of doubt, interest capitalized up until the early redemption date)) at each coupon date

### PIK-interest

- Interest will accrue at a rate of 15% p.a. and be capitalized quarterly

### Share issue of SEK 9m

- The request is subject to evidence of min. SEK 9m in equity being contributed to the company

### Transactions costs

- Partially settled via issuance of new SEK-bonds of a nominal amount of SEK 4m

### Request for waivers and changes to permitted security

- The Issuer request a waiver from clause 13.8 (ii) to be able to dispose of its Colombian assets for less than 120% of its book value
- The Issuer request a waiver from clause 13.8 (i) and (ii) because of an internal restructuring of assets where the group internal ownership of completed BESS-assets have changed
- Revised definition of permitted security to fully utilize its bridge construction financing for BESS-assets

***Investors are asked to read the notice of written procedure and the marked-up, amended terms and conditions to review the proposed amendments***

# Summary of financing steps and strategic decisions

Financial steps in restructuring			
Item	Situation beginning of Q4	New terms	Level of completion <sup>1</sup>
Bonds issued by Recap Green Bond I AB (publ)	Recap has supported the structure with > 30 MSEK in additional subordinated capital. Current electricity prices makes it impossible for RGBI to cover its debt service obligations.	50 % of 9 MEUR has been converted into preference shares in RGBI.  Interest structure has been changed to 2% of the remaining bond volume that is being paid out on an ongoing basis.	95% Final administration in progress
Bonds issued by Recap Energy AB (publ)	Bond debt of approx. SEK 100m (excluding accrued but unpaid interest) matures in January 2025. Repayment was pending a strategic partial sale of Recap Energy Storage AB.	The maturity date of the bonds will be extended with 12 months. Interest will continue to be capitalized quarterly and is to be repaid at the new maturity date.	50% Final suggestions presented to investors
New share issue of SEK 30m in Recap Energy AB (publ)	The Group needs additional liquidity for its operations. The Group targets to raise SEK 30m	n/a	25% Recap has received soft commitments of: Cash SEK 3.5m Debt conversion: SEK 4.6m

Other strategic decisions taken:	<ul style="list-style-type: none"> <li>Recap has taken a strategic decision to divest its Colombian on-balance solar assets</li> <li>Recap will discontinue its Colombian business operations if they have not turned profitable before February 2025</li> <li>Recap has taken a decision to divest BESS-projects of 22 MW that is expected to reach RTB-status by Q1 2025</li> <li>Continued dialogue and work to bring in new investors into its BESS business area, Recap Energy Storage AB ("RES")</li> </ul>
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WWW.RECAPENERGY.COM

## Amended terms and conditions

- A marked-up version of the amended terms and conditions has been distributed by the Agent in connection with the notice of Written Procedure

## Timeline and delivery of votes

- The Agent must have received the votes by mail, courier, or e-mail to the address noted below no later than by 12:00 on the 13<sup>th</sup> of January 2024. Vote received thereafter will be disregarded.
- Votes shall be sent to CSC (Sweden) AB (formerly Intertrust (Sweden) AB):
  - *By regular mail:*
    - CSC (Sweden) AB
    - Attn. Wilma Björn, P.O. Box 16285, 103 25 Stockholm
  - *By courier:*
    - CSC (Sweden) AB
    - Attn. Wilma Björn, Sveavägen 9, 10<sup>th</sup> floor, 111 57 Stockholm
  - *By e-mail:*
    - trustee@intertrustgroup.com

## Issued volume

- The Issuer has issued Bonds of approx. SEK 100,000,000 in the following currencies:
  - SEK: 94,220,000
  - EUR: 500,000

## Quorum and majority

- Quorum is obtained in the written procedure if Bondholders representing at least 50% of the adjusted nominal amount participate in the voting and replies to the Proposal (as defined in the notice of Written Procedure)
- Approval of the Proposal requires an acceptance rate of at least 66.67% of the registered votes
- In a second written procedure the quorum requirement is set to 0%
- Recap intends to launch a second written procedure as soon as possible if quorum is not obtained

# AGENDA



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Recap was founded in 2010 initially as a sustainable finance consulting firm. Since 2016 Recap began offering Energy as a Service (EaaS) solutions to C&I clients through self-consumption facilities. With a technical and commercial team, Recap began the deployment of its EaaS business in Spain, initially focused on the Canary Islands. Shortly after it expanded to the rest of Spain and Portugal. The expansion did not stop there, as Recap created the Colombian (2018) and Nordic (2018), and Brazilian (2019) subsidiaries that offer similar EaaS solutions. Recap is constantly looking to expand its energy services in established markets and is now also expanding the reach of energy storage and battery as a service for corporate clients.

**What do we do?:** Recap develops bankable solar photovoltaic and battery assets, invests in and aggregates them, providing energy services to the commercial and industrial (C&I) sector.

**Mission:** Provide flexible, customized and fully financed clean energy solutions to C&I clients.

**Vision:** Enable the global energy transition for a growing number of C&I businesses becoming their decarbonization and energy efficiency partner of choice in Europe and Latin America.

"Recap develops bankable projects within solar and energy storage, bridging the gap between large institutional investors and C&I clients"



Pioneers with the **Battery as a Service** concept

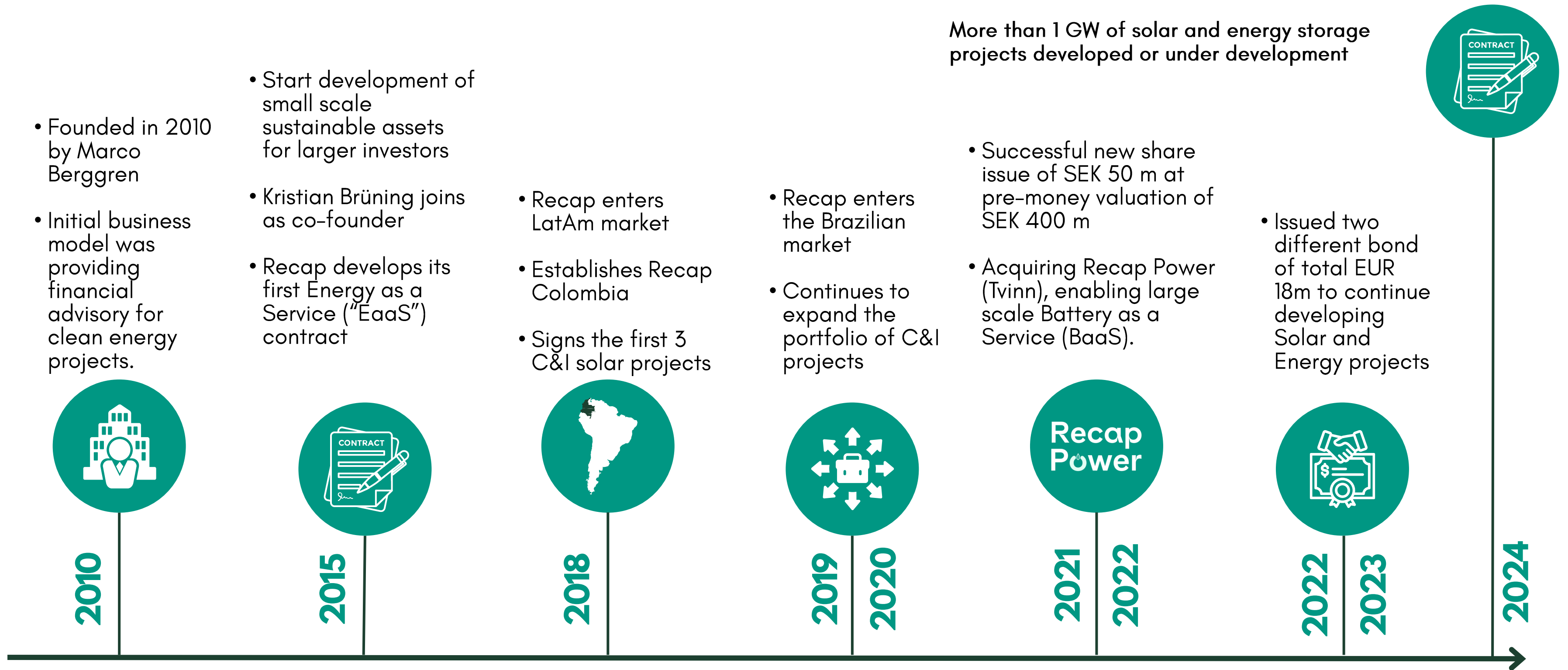


2024 Total developed and under development  
**1,070 MW**

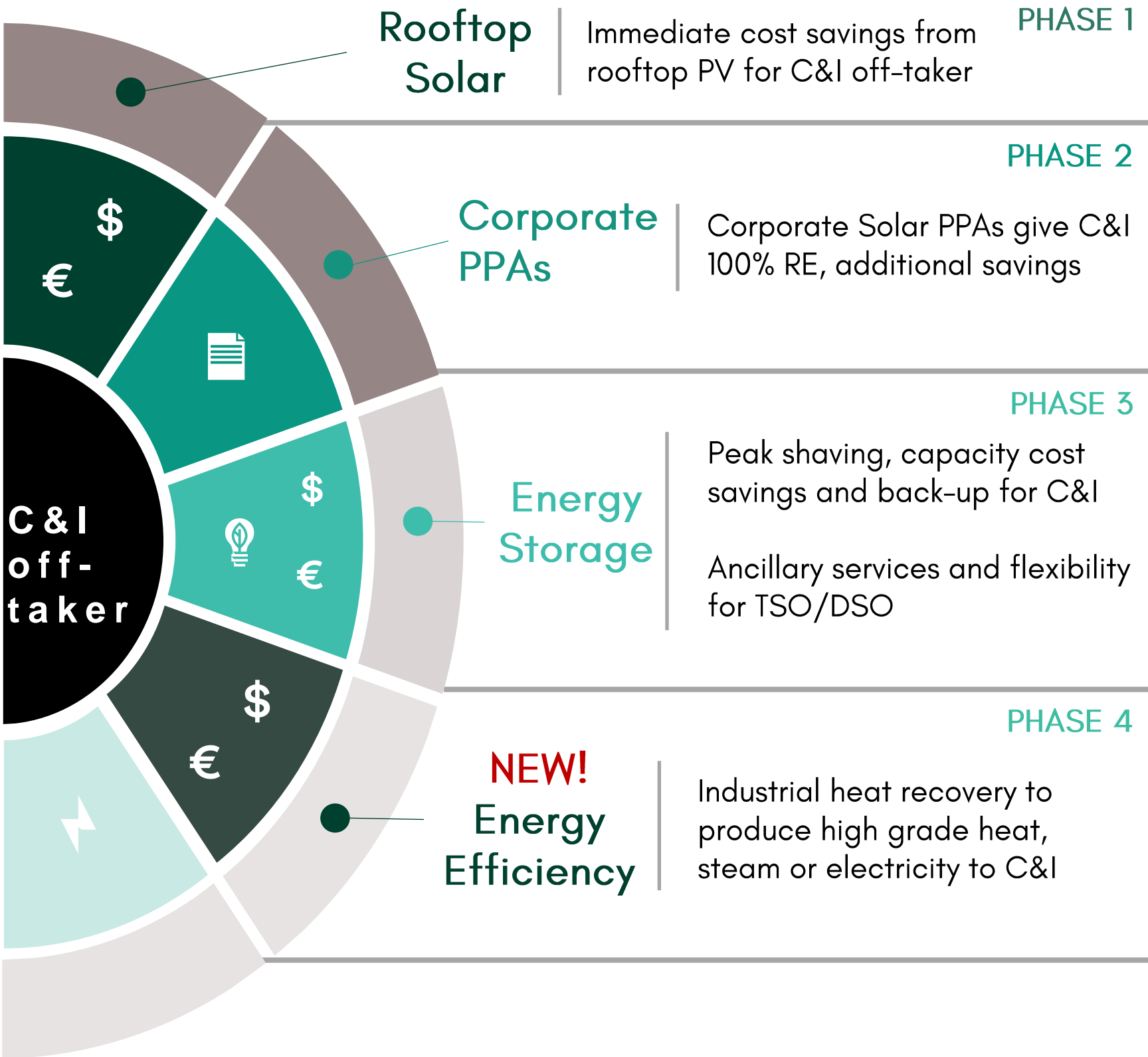


2023 Active markets  
**5**

# Recap's timeline



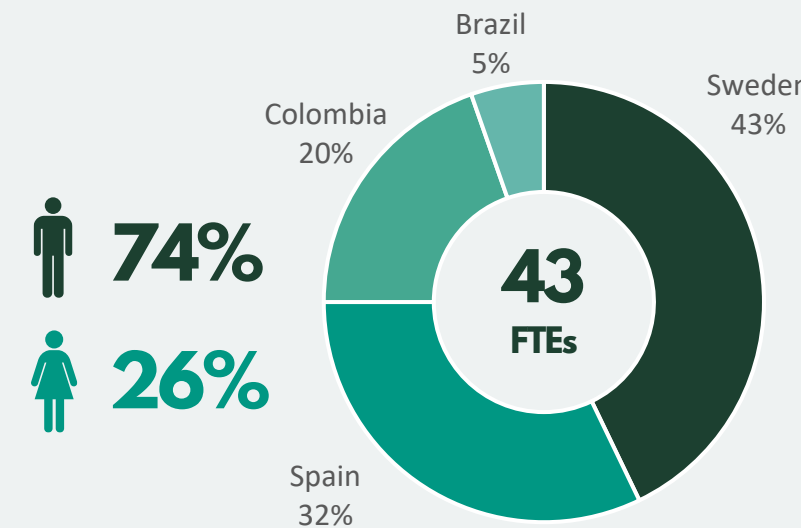
## BUSINESS AREAS



## HOW WE OPERATE:

Recap runs an independent investment platform and builds high-yield portfolios of sustainable assets for investors in solar energy and energy storage applications. Recap operates in Sweden, Spain, Colombia, Brazil and Portugal.

## THE TEAM:



## HEADQUARTERS Stockholm, Sweden



## TOTAL C&I CUSTOMER OFFERING:

All of Recap's projects are managed by its in-house energy management system, Nebula.



## Recap Energy AB (publ)

### BOARD OF DIRECTORS

Kristian Brüning  
**Chair of the Board**

Nicholas Anderson  
**Board Member**

Peter Ekman  
**Board Member**

### MANAGEMENT TEAM

Marco Berggren  
**CEO / Board Member**

Jesus de la Fuente  
**CCO**

Eduardo Rechden  
**COO**

Átila Passos  
**CLO**

Max Müller  
**CFO**

Kristian Brüning  
**CIO**

Natalia Comin  
**M&A Director**

Nico Wolf  
**Senior Invest. Director**

### LOCAL OPERATIONS + GLOBAL SUPPORT

Global Support

Recap Power

Spain / Portugal

Colombia

Sweden

Brazil

**Marketing & Communications**

**HR & ESG**

**Financial Analysts**

**Business Controllers**

**Legal Support**

Jonas Thyni  
**General Director**

**Energy Engineers**

**Software Developers**

Javier Delgado  
**General Director**

**Sales Department**

**Finance Department**

**Legal Department**

**Technical Department**

Juan Carlos Molinares  
**General Director**

**Sales Department**

**Finance Department**

**Legal Department**

**Technical Department**

Fredrik Rex  
**General Director**

**Sales Department**

**Project Management**

Erik Canelhas  
**General Director**

**Sales Department**

**Finance Department**

8 FTEs

8 FTEs

11 FTEs

5 FTEs

2 FTEs

2 FTEs

## BOARD OF DIRECTORS



**KRISTIAN BRÜNING**  
**CHAIR OF THE BOARD, CO-FOUNDER & CIO**

Kristian is a member of the Management Team.



**MARCO BERGGREN**  
**MEMBER OF THE BOARD, FOUNDER & CEO**

Marco is a member of the Management Team.



**NICHOLAS ANDERSON**  
**MEMBER OF THE BOARD**

Nicholas has more than 50 years of experience in banking and finance from various established institutions and founder of Munifin.



**PETER EKMAN**  
**MEMBER OF THE BOARD**

Peter has extensive experience in business development and investment, spanning real estate finance and the industrial sector.





**MARCO BERGGREN**  
FOUNDER & CEO, BOARD MEMBER

**13** Years in Recap

**19** Years of experience in renewable energy

Marco founded Recap in 2010 after working 5 years at Tricorona with management positions, leading development of over 300 CDM projects in Europe, Latin America and Asia and heading the tech transfer division. He holds a M.Sc. in International Economics and a M.Sc in Environmental Economics from Gothenburg School of Business



**KRISTIAN BRÜNING**  
CO-FOUNDER & CIO, CHAIR OF THE BOARD

**7** Years in Recap

**11** Years of experience in renewable energy

Kristian joined Recap during the company's transition from consultancy to Energy as a Service. He brings a wealth of experience, having served as a director at both PwC and Wartsila. Additionally, he has provided senior advisory support to the non-profit organization Climate Bonds Initiative. He holds a M.Sc. (Econ) from HANKEN School of Economics and Business Administration and a CEFA accreditation.



**MAX MÜLLER**  
CFO, PARTNER

Max joined Recap in 2021, contributing with more than 15 years of experience in financial planning and strategy. Prior to his role at Recap, he served as the CFO at Equestrian Stockholm. Max brings additional experience in CDM project development and carbon credit trading from his previous portfolio manager role at Tricorona. He has a M.Sc. in Business Administration from the University of Lund.



**EDUARDO RECHDEN**  
COO, PARTNER

Eduardo joined Recap in 2018, bringing over 20 years of international experience in the development of environmental projects. His expertise spans both the private and governmental sectors. Eduardo holds a MSc. in Environmental Management and Policy from Lund University and a M.Sc. in Environmental Management from the University of Seville.



**JESÚS M. DE LA FUENTE ORTIZ**  
CCO

Jesus joined Recap in 2023 with over 15 years of international sales experience in the energy sector. He led marketing for distributed generation for Siemens in Europe and launched a 15MW gas turbine. As Director for Asia-Pacific, he expanded biogas and syngas applications in India and Southeast Asia. He holds an MSc in Industrial Engineering from Carlos III University and has published on gas turbines and lectured at various institutions.



**NATALIA COMIN**  
M&A DIRECTOR, PARTNER

Natalia joined Recap in 2019, bringing with her 6 years of experience in corporate law. Her previous roles include working with exports at the Disa group and serving as a paralegal at PwC Spain. She holds a M.Sc. in International Business from the University of Extremadura and a Law and business Degree from University of Pontificia de Comillas (ICADE)



**NICO WOLF**  
SENIOR INVESTMENT DIRECTOR, PARTNER

Nico joined Recap in 2018 and has more than 7 years of experience in the renewable energy sector. He co-founded Endless AB with Eduardo Rechden, where they worked on consultancy for distributed generation projects. He has a degree in Business and Economics with a major in Environmental and Energy Management, from Dresden University of Technology.



**ÁTILA PASSOS**  
CLO

Átila joined Recap in 2024, bringing over 10 years of international experience as a General Counsel and leadership team member in energy sector companies such as Pöyry and AFRY. He is a member of the Brazilian Bar Association in São Paulo (OAB/SP), holds an LLM degree from the University of Helsinki, and attended the Construction Law Summer School at the University of Cambridge. Átila has also participated in leadership courses at HANKEN & SSE Executive Education in Finland.

# AGENDA



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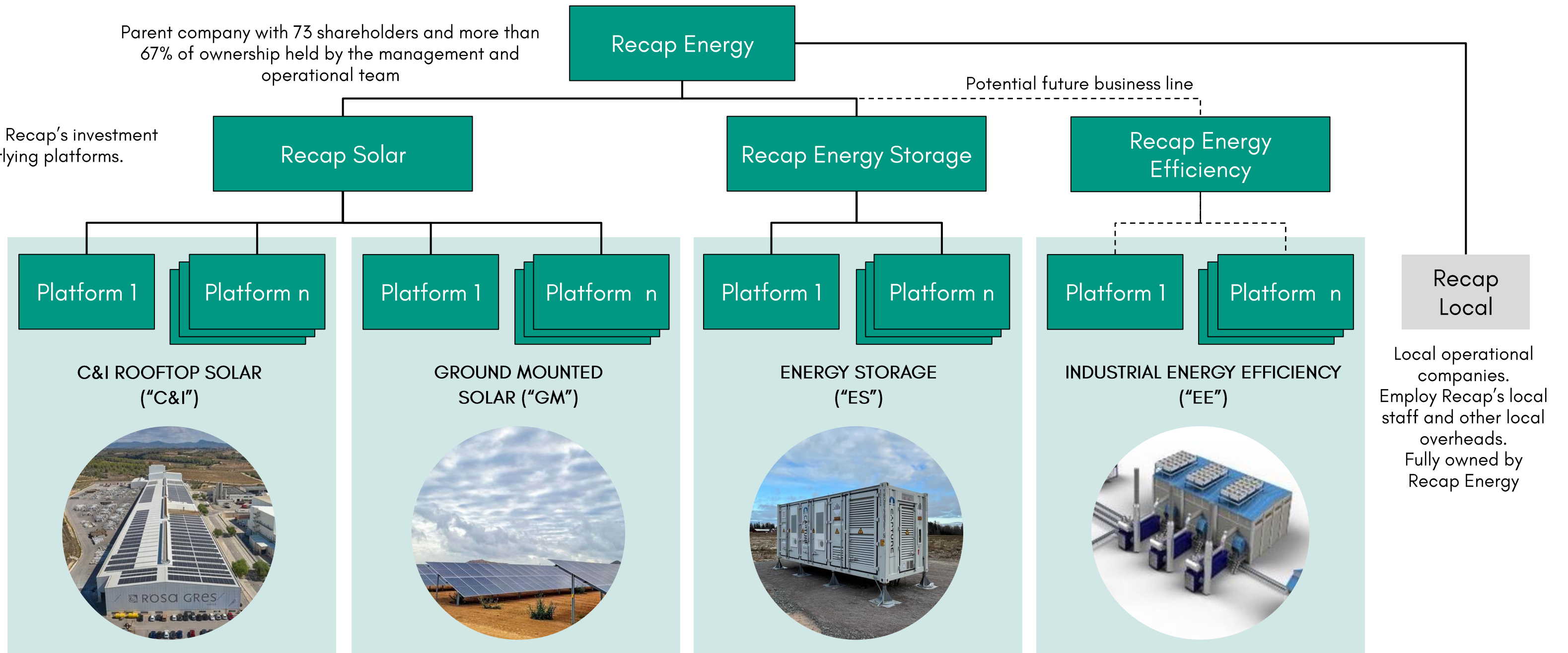
Financials



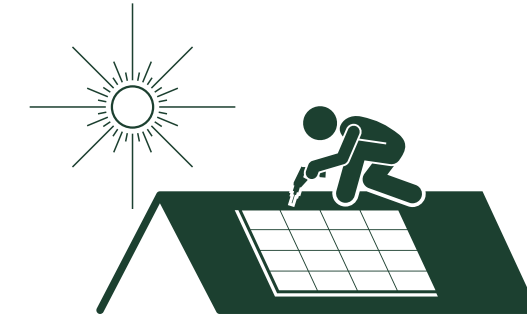
Risk factors

## CORPORATE STRUCTURE

Recap's business consists of creating different platform companies with institutional investors. The separate legal entities are funded on a non-recourse basis with a focus on different assets, countries and regions.



Photovoltaic solar installations on the roofs of C&I clients (commercial and industrial).  
Customers buy the power at a lower price than the retail price from grid.



## Specialized in self-consumption solar projects

Through its EaaS (Energy as a Service) business model, Recap provides flexible and customized energy services to the commercial and industrial (C&I) segment. The client takes advantage of cheaper solar energy thus reducing their energy cost without making any own investment.

Rooftop solar installations provide power behind the meter, allowing the client to consume power directly from the solar plant, avoiding transmission and distribution costs and inefficiencies, as well as related taxes.

At the end of the 10-15 year contract period, the installation will become the property of the client.

## Markets

Recap develops C&I solar rooftop projects in Spain/Portugal and Colombia.



Customized technical and financial solutions



Rooftop solar installations provide power behind the meter

2024 Total commissioned and contracted capacity  
**47 MW<sub>p</sub>**  
And a total pipeline of  
**255 MW<sub>p</sub>**



Projects developed in 5 different countries



**"Energy savings and emission reductions with zero investment for C&I clients"**

## GÓMA CAMPS

**Size:** 5,041.3 kWp  
**Location:** Aragón  
**Annual production:** 8,011,325 kWh  
**Annual CO2 reductions:** 3,116.43 tons



## DANOSA

**Size:** 2,416.05 kWp  
**Location:** Castilla  
**Annual production:** 3,468,255 kWh  
**Annual CO2 reductions:** 1,349.16 tons



## INTEGRA2 MÉRIDA

**Size:** 53.13 kWp  
**Location:** Extremadura  
**Annual production:** 80,903 kWh  
**Annual CO2 reductions:** 31.47 tons



## ROSAGRES

**Size:** 2,000.00 kWp  
**Location:** Tarragona  
**Annual production:** 2,631,000 kWh  
**Annual CO2 reductions:** 1,157.6 tons



## COTTON SOUTH

**Size:** 2,375.12 kWp  
**Location:** Andalucía  
**Annual production:** 4,949,424 kWh  
**Annual CO2 reductions:** 1,925.01 tons

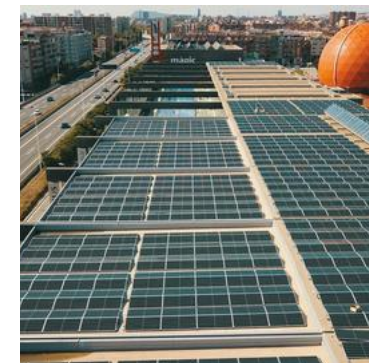


## HERMANOS TREJO

**Size:** 60.84 kWp  
**Location:** Extremadura  
**Annual production:** 100,557 kWh  
**Annual CO2 reductions:** 39.2 tons

## CC MAGIC

**Size:** 1,000.5 kWp  
**Location:** Cataluña  
**Annual production:** 1,424,682 kWh  
**Annual CO2 reductions:** 554.21 tons



## DECOCER

**Size:** 979.9 kWp  
**Location:** C. Valenciana  
**Annual production:** 1,406,000 kWh  
**Annual CO2 reductions:** 618.6 tons



## ES REPSOL PALO BLANCO

**Size:** 20.13 kWp  
**Location:** Canarias  
**Annual production:** 32,209 kWh  
**Annual CO2 reductions:** 12.53 tons



Financing and development of solar plants on ground from Greenfield to RTB



Corporate PPAs for off-site solar plants.

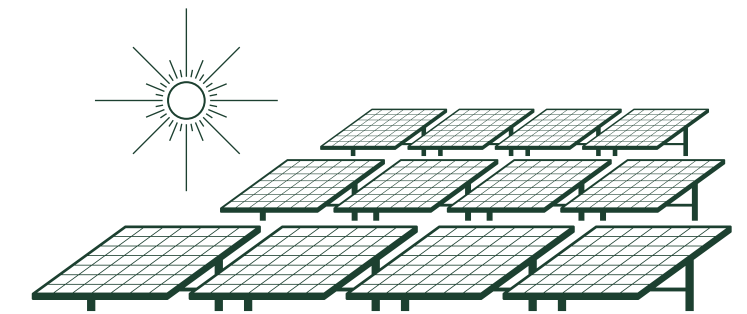
## Ground Mounted Solar

To have access to Ground Mounted Solar Project for the offering of corporate PPA, Recap has taken on development of these type of projects

The development consist of originating suitable land, receive connection points to the grid, develop the EIA and prepare the construction permits and selling the projects at RTB

Moreover, Recap can support the purchaser of the projects with preparing basic design of the solar plant and to procure bankable EPCs.

This development of solar plants allows Recap to be able to link the projects with corporate PPAs to industrial clients of its C&I portfolio.



2024 Capacity under development

**799 MW<sub>p</sub>**

And a total pipeline of

**2 GW<sub>p</sub>**



## Markets

Recap develops Ground Mounted Solar projects in Sweden, Spain and Colombia.

Recap develops and invest in energy storage to offer Battery as a Service (BaaS) to C&I clients, combined with a solar installation or stand alone, and DSOs.

## Batteries

Battery energy storage can provide a number of benefits for C&I clients and DSOs, such as peak-shaving, higher available capacity and greater independence from the grid. A battery can be a perfect complement to the solar installation that allows the customer to use solar energy outside of solar hours and reduce the export of solar energy to the grid.

## Markets

Recap develops Energy Storage projects in Sweden, Spain and Brazil.



**4.95  
MW**  
in operation



2024 Total capacity in late stage development  
**219 MW**  
And a total pipeline of  
**984 MW**



Pioneers with the concept  
**Battery as a Service**  
in Sweden.

# Energy storage – selected projects

## FRYKEN SOL

**Capacity:** 1,000 kW / 1,100 kWh  
**Location:** Värmland (SE)  
**Application:** Ancillary services  
**Agreement:** Battery as a Service (BaaS)



## VASAKRONAN

**Capacity:** 150 kW / 240 kWh  
**Location:** Uppsala (SE)  
**Application:** Ancillary services  
**Agreement:** Land Lease



## KATRINEHOLM

**Capacity:** 500 kW / 522 kWh  
**Location:** Katrineholm (SE)  
**Application:** Ancillary services  
**Agreement:** Land Lease

## MARIESTAD

**Capacity:** 1,000 kW / 1,470 kWh  
**Location:** Mariestad (SE)  
**Application:** Peak shaving and ancillary services  
**Agreement:** Battery as a Service (BaaS)



## TÖREBODA

**Capacity:** 2,300 kW / 2,600 kWh  
**Location:** Töreboda (SE)  
**Application:** Peak shaving and ancillary services  
**Agreement:** Battery as a Service (BaaS)

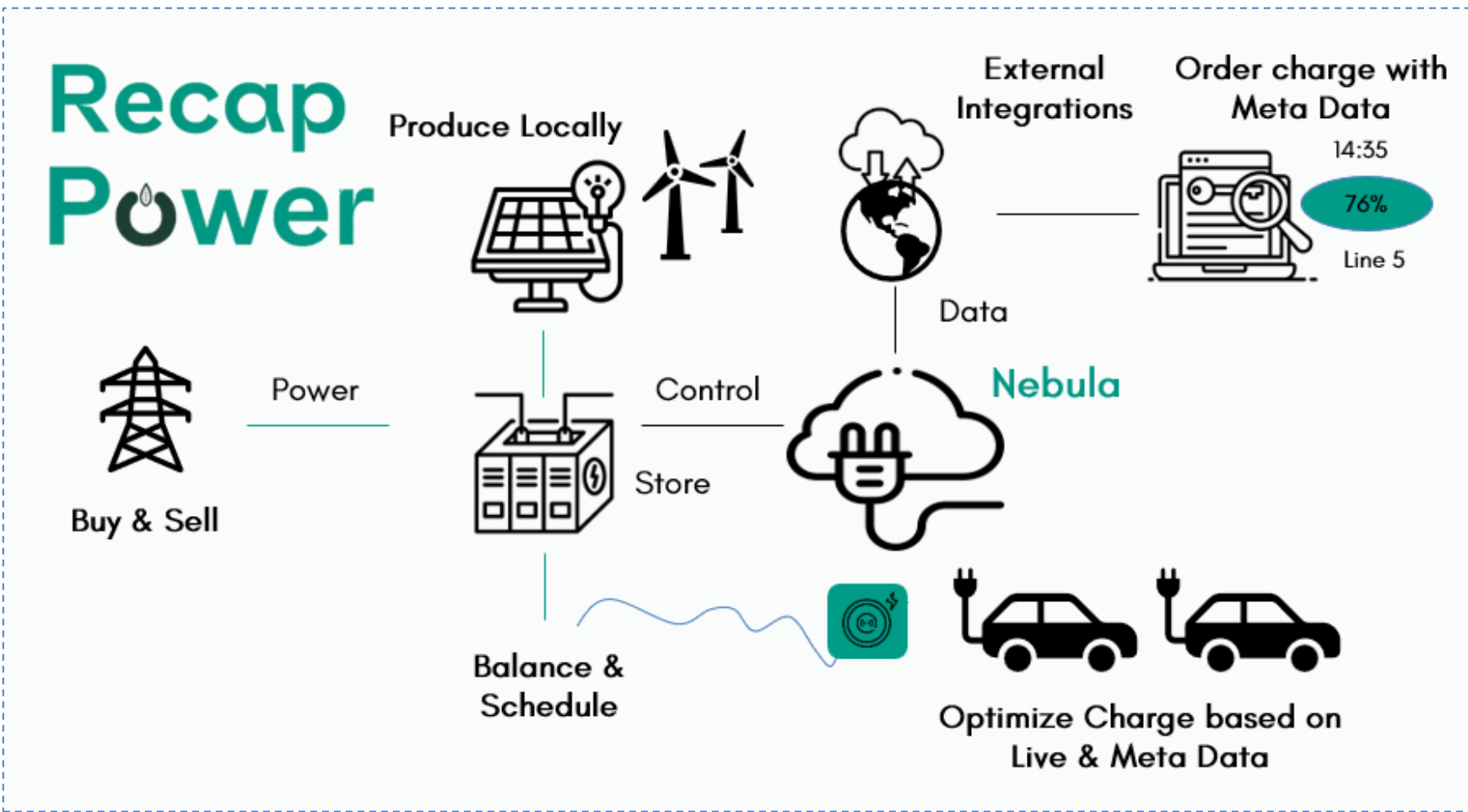


# NEBULA – proprietary energy management system

- Recap Power has developed Nebula since 2018, a proprietary energy management systems (“EMS”) that connects and controls any energy resource, such as batteries storage, solar plants, heat pumps or any other equipment where voltage regulations is allowed. Nebula is developed to optimize service stacking of energy resources
- In Sweden, Recap Power act as a technical aggregator providing services to any resources providing ancillary services to the TSO or flexibility to local DSOs
- Nebula managing and optimizing over 50 of Recap’s solar plants and batteries globally. Nebula is designed to be able to manage an infinite number of resources simultaneously

Nebula offers advanced scheduling for resource optimization and a flexible energy management system that can integrate new resources in under 30 minutes

Nebula can optimize energy and power usage of any energy resource to match available power in the grid



## Scheduling and Rules

- Resources can be scheduled to perform certain tasks at a given moment
- For example, a battery system can be scheduled to peak shave at one time and bid on ancillary services another (service stacking). Such tasks can also be triggered by a set of rules

## Aggregation and Allocation

- Nebula aggregates Recap’s resources to make joint bids on the ancillary markets
- Once a bid is won, Nebula allocates the requested capacity among the different resources

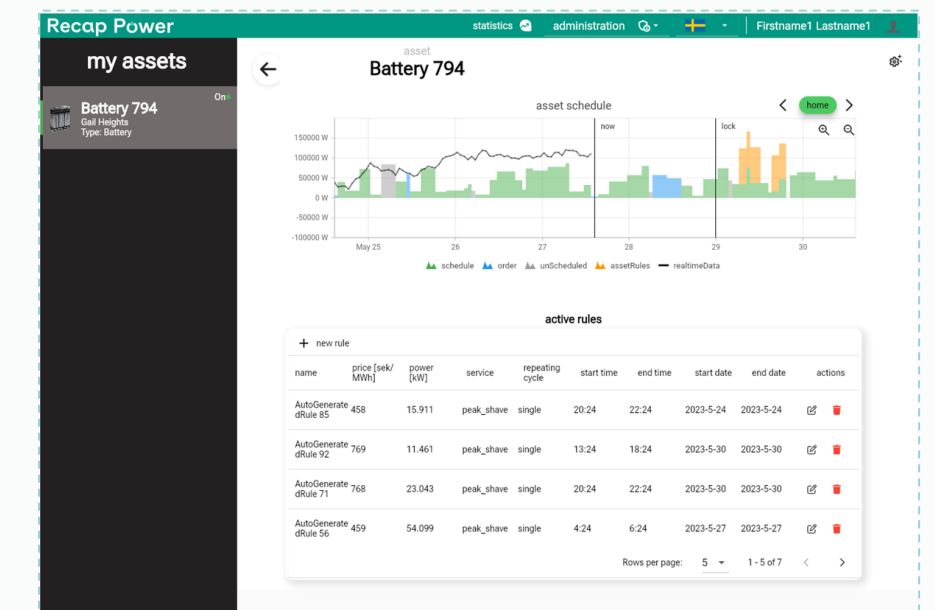
## Flexibility

- Nebula is managing all kinds of energy resources, for example battery systems, solar plants, EV charges, and heat pumps
- Integrating a new resource into the system can be done in less than 30 minutes

## Invoicing

- Nebula is used to automate the invoicing process
- Nebula collects data from Recap’s solar projects and automatically invoices the clients for the electricity they have consumed

Screenshot from Nebula showcasing the management and optimization of a battery asset.



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Risk factors

- During the second half of 2024 Recap has faced a challenging market which has caused a slowdown in development pace
- The management and board of directors of Recap has performed a strategic oversight of the company with focus on optimizing short-term cash flow to secure stakeholder values
- An action plan has been put into place with the goal of becoming cash flow positive from the Company's operations
- The actions that will be carried out is set out below and have a positive (estimated) liquidity impact of **SEK 35 – 40m for 2025** (excluding divestment and co-investor onboarding in Recap Energy Storage)<sup>1</sup>

Item	Action	Estimated timing	Estimated impact
<b>Divestment Colombian assets</b>	<ol style="list-style-type: none"> <li>1. Divesting a portfolio of 3 MW operating C&amp;I project assets</li> <li>2. Divesting of a portfolio of 43 MW RTB solar projects</li> </ol>	H1 2025	<ol style="list-style-type: none"> <li>1. Estimated net liquidity impact of SEK 10m and a result of positive 5 MSEK</li> <li>2. Estimated net liquidity impact of SEK 6.7m and a result of positive 4 MSEK</li> </ol> <p>→ Total estimated liquidity impact of SEK 16.7m for the Group during 2025</p>
<b>Discontinuation of Colombian and Brazilian business</b>	Discontinuation of Colombian and Brazilian business if not turn profitable by February 2025	Q1 2025	Reduction of cost base of around SEK 100k per month (staff and overhead)
<b>Sale of 22 MW RTB batteries</b>	Divestment of 3 BESS projects that will reach RTB-stage during 2025	Q1 2025	Estimated liquidity impact of SEK 20.5m and a positive result of SEK 14.2m
<b>Bring on of co-investors in RES</b>	Investment bank-led process of attracting one or several institutional investors to the RES-platform	2025	<ol style="list-style-type: none"> <li>1. Liquidity inflow of SEK 100m – SEK 150m</li> <li>2. Reduced investment demand on Recap Energy</li> <li>3. Reduction of Opex of around SEK 1.2m per month as these will be carried by RES and financed by co-investors</li> </ol>
<b>Cash flow focus</b>	Focus operational resources on development service contracts which generate short-term cash flow	2025	n/a

## 1 DEVELOPMENT SERVICE (2025 - )

Development services to investor including:

- Origination and off-takers agreements
  - Development to RTB
  - Preparation for FID for bankability
  - Technical and financial supervision during construction
- **50% payment at FID and 50% at COD, option to co-invest in portfolio projects**

Asset management services to investor including:

- Invoicing and revenue collection
  - Supervision of O&M and warranties
  - Technical management with Nebula
  - Reporting financial and technical performance of assets
- **Fixed fee per month + variable fee based on financial performance**

## 2 Platform development (2026-)

Invest in and development of portfolio platforms:

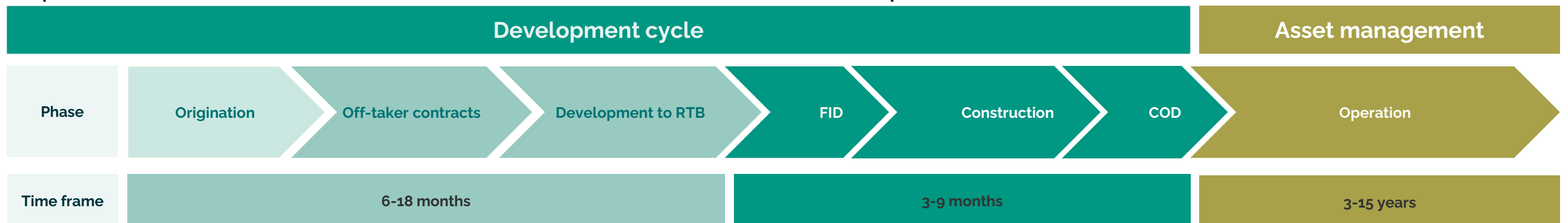
- Recap invests EUR 5 - 10m in platform development
  - Start attracting large cap investors to expand / complete the platform when first project(s) has reached COD and pipeline is large enough
  - Sell shares in and capitalize the platform when 10% of expected portfolio has been reached
- **Expected minimum ROI of 100%**

Development service to platform company

- **EUR 50 - 100k / MW with 50% at FID and 50% at COD**

Asset management services to platform company

- **Fixed fee per month + variable fee based on financial performance**



# Future operational focus on two business areas (cont.)

## 1. Development services

### ON-GOING SERVICES

- 1** Development and asset management services to EVLI (C&I in Spain):
  - Objective to develop 100 MWn of C&I solar in Spain and Portugal
  - EUR 70k/MWp with 50% at FID and 50% at COD
  - Asset management: 2% of invoiced revenues from solar plants
 ➤ Expected revenues 2025: EUR 750k (executing portfolio with probability)
- 2** Development service to EVLI (Gm in Spain):
  - Objective to supervise development of 83 MW GM Solar in Spain
  - EUR 10k/MWp with 50% at FID and 50% at COD
 ➤ Expected revenues 2025: EUR 50k
- 3** Development service RSM (GM in Spain):
  - Objective to supervise development of GM Solar in Baleares
  - EUR 10k/MWp at RTB and EUR 10k/MWp at COD
 ➤ Expected revenues 2025: EUR 50k

### SERVICES UNDER NEGOTIATION

- 1** Development services to Renovables Zamora (signing process, Spain):
  - Objective to develop 100 MWn of ground mounted in Spain, Portugal and Sweden
  - EUR 25k/MWp with 50% at FID and 50% at COD
 ➤ Expected revenues 2025: EUR 500k (40 MW in FID)
- 2** Development and asset management service TermoYopal (Under negotiation, Colombia):
  - Objective to develop 20 MWn of C&I solar in Colombia
  - USD 50k/MWp with 50% at FID and 50% at COD
  - USD 50k/MWp in in-kind in platform company
 ➤ Expected revenues 2025: EUR 375k (10 MW in FID + 5 MW in COD)
- 3** Development and asset management service BTG Pactual/Vinci (Under discussion, Brazil):
  - Development support with Nebula EMS for large scale BESS in auction
  - USD 10-15k/month in retainer + USD 10k / MW
 ➤ Expected revenues 2025: EUR 300k

# Future operational focus on two business areas (cont.)

## 2. Platform developments with focus 2026

### ON-GOING PLATFORMS

#### 1 Co-investment with Korkia (GM in Sweden):

- Objective to invest and develop 200 MWp per year from 2025
  - Recap invests 35% of development cost, EUR 0.3m during 2025
  - Recap receives EUR 60k in retainer for supporting services
  - Expected dividends payout starting early 2026
- Expected proceeds per year from 2026: EUR 1.8m



#### 2 Co-investment with EVLI in C&I platform (Spain):

- Objective to invest to reach 40 MWp during 2025
  - Recap owns 25% of the platform and is required to invest EUR 2m by end of Q1 2025
  - Debt finance facility of EUR 25m in place with Triodos bank
- Expected net proceeds 2025: TBD



#### 3 On-balance investment and develop BESS in Sweden (capitalization process):

- Objective to develop and install 100 MW per year from 2025
  - Recap owns 100% of the platform and has invested SEK 100m through bridge finance from Scandinavian Credit Fund and Vinga
  - Sell 70% of the platform company for at least EUR 15m early 2026, or sell BESS projects at RTB to an AssetCo (and keep ownership in RES)
  - Development and asset service for the outstanding portfolio
  - Recap has financed the investments by corporate bond issuances and bridge financing which aims to be refinanced with the contemplated transaction in RES
- Expected proceeds 2025: EUR 15,

## FINANCIAL MARKET ACTIVITIES AND FUNDING

- 1** Written procedure in Recap Green Bond I AB (publ) :
  - Recap has received approval that current bondholders will convert 50% of the nominal amount + accrued but unpaid interest into preference shares in Recap Green Bond I AB (publ)
  - The conversion strengthen the consolidated balance sheet of Recap Energy, although the equity received is not attributable to the common share holders

➤ Improves consolidated equity with approx. EUR 4.5 – 5m
- 2** Written procedure in Recap Energy AB (publ) :
  - Recap has asked the bondholders to extend the maturity date until January 27<sup>th</sup> 2026
  - Interest is paid at redemption
  - Recap has certain partial redemption options

➤ Consent fee of approx. SEK 4m paid in equity by a set-off against common shares
- 3** New share issue in Recap Energy AB (publ) :
  - SEK 10m – SEK 30m
  - Approx. SEK 9.1m already committed (SEK 3.5m cash, SEK 5.6m via debt conversions)
  - Balance sheet

## NEXT STEPS: 12 MONTHS

- Positive cash flow
- Streamline the business models to development services and preparation of external platforms for 2026
- Raise 200-300 MSEK for platform development before end of 2025 with target of 100% ROI

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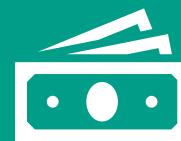
## Operational

Positive operating result 2025  
(excluding results from investment activities)



## Cash-flow

Cash flow positive for 2025



## Long-term

Secure investments of EUR 25m for platform investment in 2026



## FINANCIAL MARKET ACTIVITIES AND FUNDING

### Effects from written procedures:

- The written procedure in RGBI will improve the consolidated equity in the Group of EUR 4.5 - 5m
- The written procedure in Recap Energy AB (publ) will have a slight negative effect on the equity ratio, however, it have a major positive liquidity effect for the company as the debt is due and payable January 27<sup>th</sup> 2025

### Share issue:

- Recap has secured commitments of SEK 9.1m that will be invested in the share issue
- The majority is secured amongst existing investors
- Recap targets to raise SEK 30m
- The share issue will finance short term payables, transaction costs arisen from the various financial markets interventions, and, together with the divestments finance operations for 2025

SEKk	WP in RGBI	WP in RE	Share issue <sup>2</sup>	Payment of transaction costs	Net effect
<b>Total assets</b>	-	-	+3 525	-8 000	-4 475
Cash and bank balances	-	-	+3 525	-8 000	-4 475
<b>Equity</b>	+49 902	-6 000	+5 100	-	+49 002
Equity capitalization	+51 902		+9 100		+61 002
Transaction costs	-2 000	-6 000	-4 000		-12 000
<b>Liabilities</b>	-49 902	+6 000	-1 575	-8 000	-53 477
Long-term liabilities	-51 902	+4 000	-4 300		-52 202
Short-term liabilities			-1 275	-	-1 275
Accounts payable	+2 000	+2 000	+4 000	-8 000	-

### Net effects of interactions:

- Consolidated equity ratio improves with approx. SEK 49,000k
- Short term Liabilities managed
- Short term liquidity pressure avoided

→ Recap is a scalable company ready to execute on its updated strategy

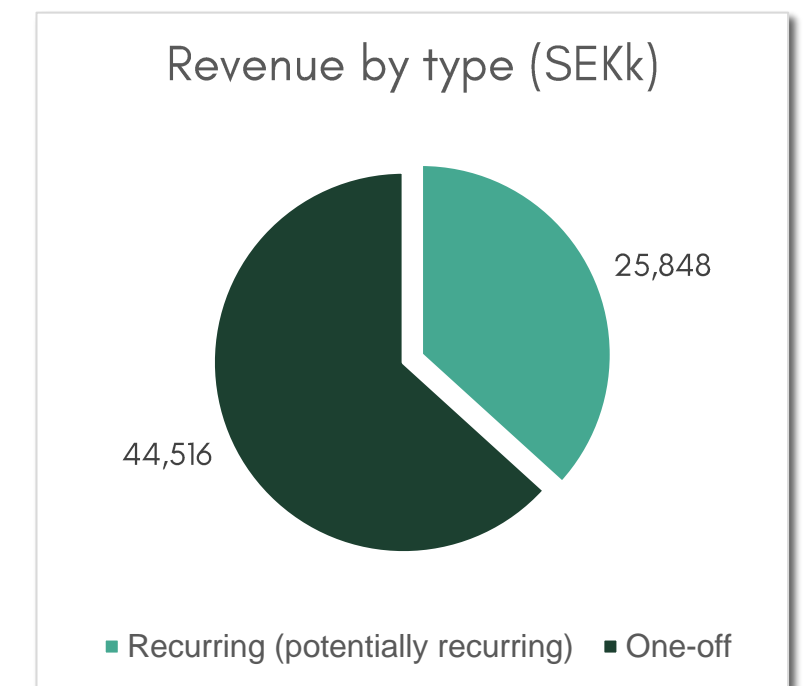
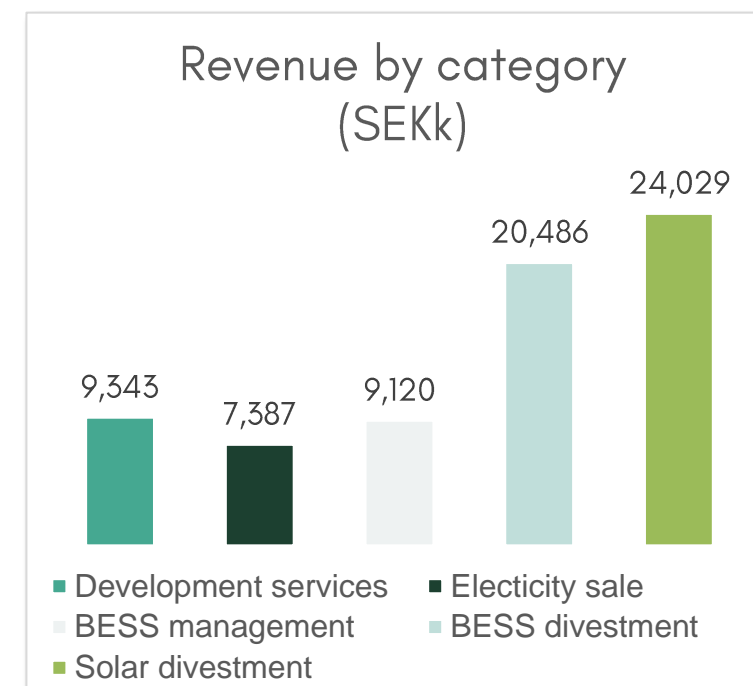
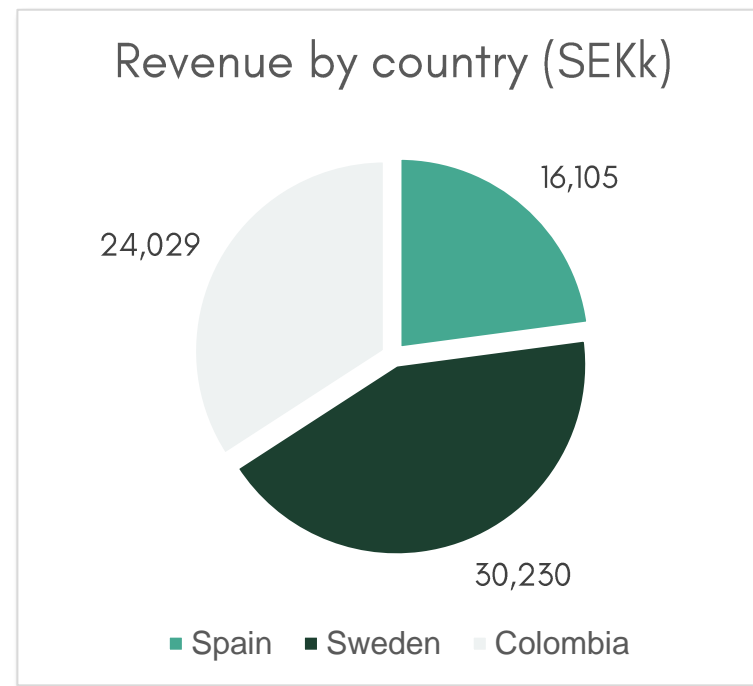
# Budget 2025 – focus on cash revenues

## Revenue budget for 2025

- Recap focuses its internal resources on creating cash revenues instead of building assets
- In total, a bit north of SEK 25m is expected to be derived from such activities, including:
  - Nebula-related revenue of SEK 3.5m
  - Ancillary service revenue of SEK 5.6m
  - Project and service revenues of SEK 9.3m
    - Sale of electricity of SEK 7.4m
- Recap will divest some semi-mature assets of 22 MW RTB BESS projects and 46 MW solar projects in Colombia
- The divestments are expected to generate one-time revenues of more than SEK 44m

Figures in SEKk

	jan-25	feb-25	mar-25	apr-25	maj-25	jun-25	jul-25	aug-25	sep-25	okt-25	nov-25	dec-25	2025
<b>Spain</b>													
Revenues from projects	363	895	770	363	746	363	525	644	363	538	363	916	6,849
Revenues from services	109	109	249	109	109	249	109	109	249	109	109	249	1,870
Sale of electricity and other	412	427	550	599	667	1,191	877	586	756	577	420	323	7,387
<b>Sweden</b>													
Korkia - retainer	156	0	0	156	0	0	156	0	0	156	0	0	624
Nebula - external flex	211	269	279	279	310	310	310	310	310	310	310	310	3,516
RES - Ancillary services	567	417	417	567	417	417	567	417	417	567	417	417	5,604
Divestment of 22 MW	0	13,037	7,450	0	0	0	0	0	0	0	0	0	20,486
<b>Colombia</b>													
Sale of 3 MW C&I	0	17,388	0	0	0	0	0	0	0	0	0	0	17,388
Sale of 43 MW RTB GM	3,709	0	0	0	0	2,932	0	0	0	0	0	0	6,641
	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total revenue</b>	<b>5,527</b>	<b>32,543</b>	<b>9,715</b>	<b>2,073</b>	<b>2,250</b>	<b>5,462</b>	<b>2,544</b>	<b>2,066</b>	<b>2,095</b>	<b>2,257</b>	<b>1,618</b>	<b>2,215</b>	<b>70,365</b>

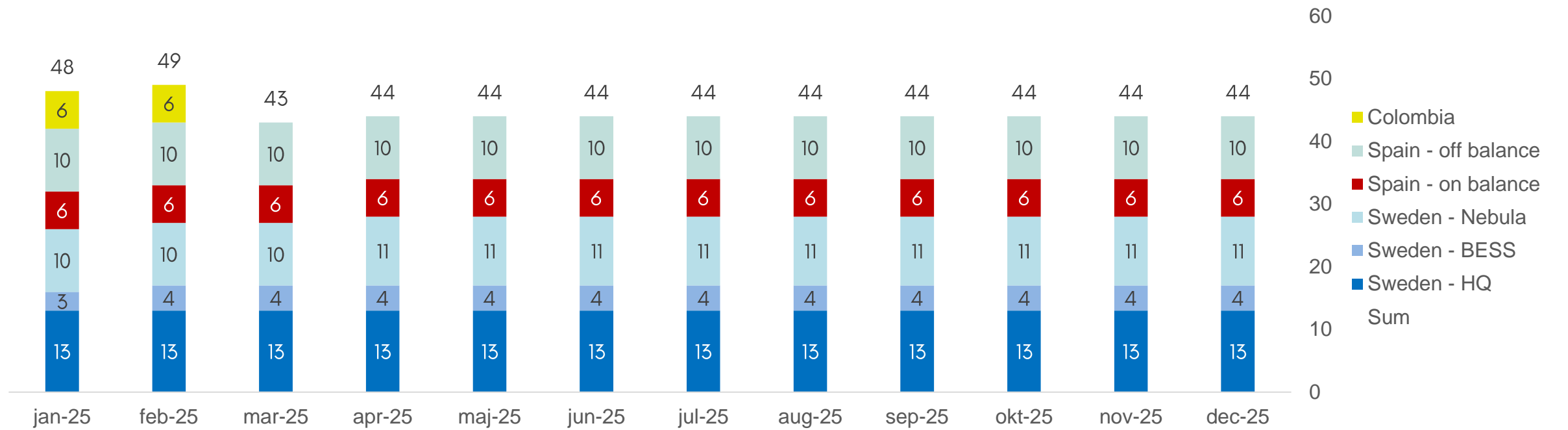


# Budget 2025 – focus on cost reductions

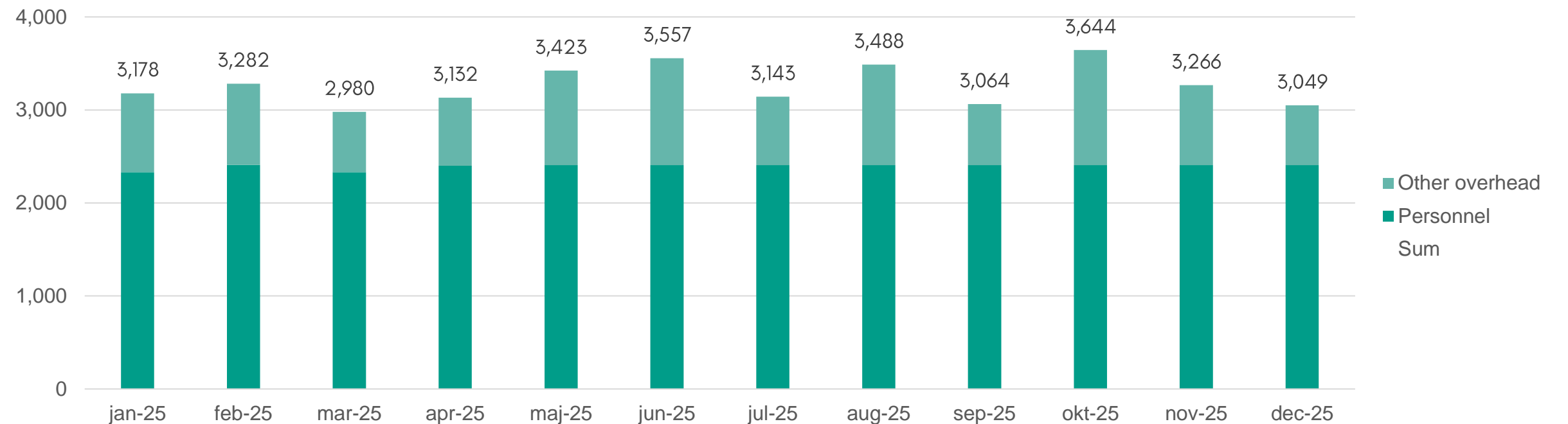
## Focused personnel for 2025

- Recap plan on discontinuing its Colombian and Brazilian business if they are not profitable
  - This will lead to a reduction in staff by 6
- The company plan to hire one new resource within its BESS-development team and one new resource on the Nebula team
- With these actions Recap expect the personnel to be reduced to 44 FTEs
- However, approx. 10 of the employees are paid for in Spain via its development agreement with Evli
  - On a net basis the revenue and personnel costs somewhat cancel out each other
- Total operating costs has been reduced during last part of 2024 and are expected to remain stable throughout 2025

Number of employees (#)



Total Opex (SEKk)

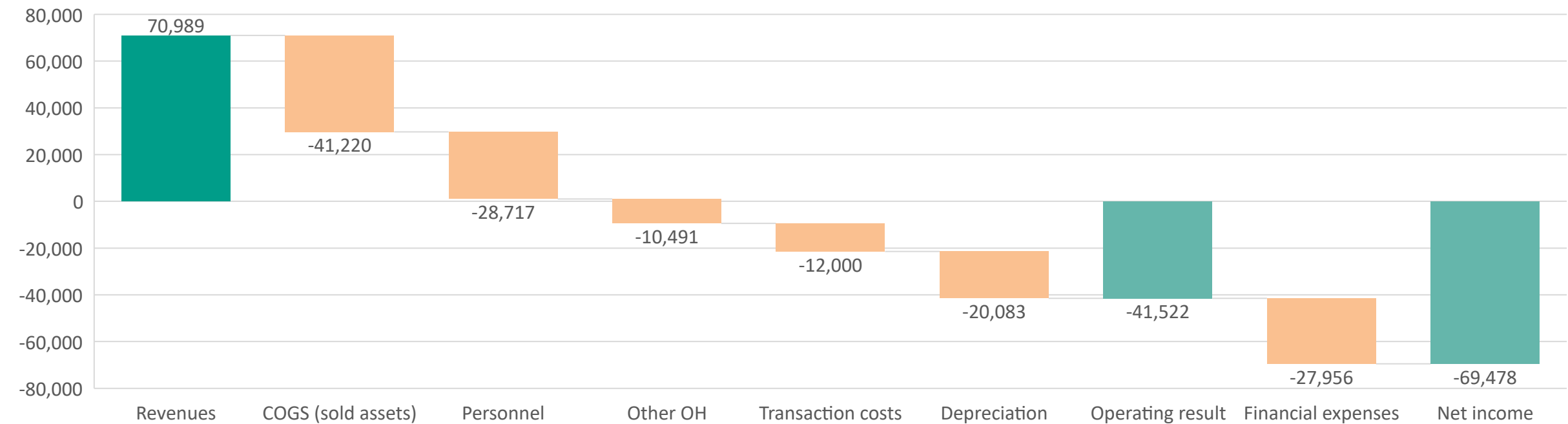


# Budget 2025 – Profit and loss budget for 2025

## PnL for 2025

- Recap will continue to make a loss for 2025 as the company do not forecast with a partial sale of RES in the budget
  - If a sale is materialized, Recap is expected to make a significant positive operating result
- The assets that are planned to be divested in Colombia will be divested at a loss
- Recap is still burdened by high financial expenses and one-off transaction costs during the reconstruction of the balance sheet carried out during 2024
- Recap will aim for profitability during 2025, driven by:
  - Additional contracts currently under development
  - The investment portfolios being realized
  - Sale (partial) of RES

Full year budget (SEKk)



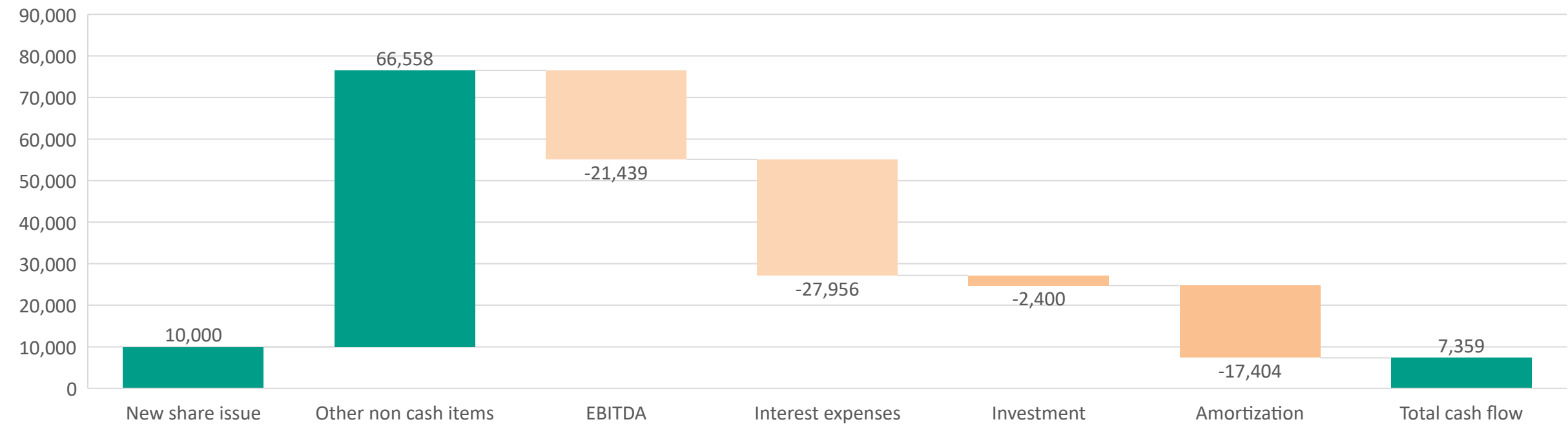
Total PnL (SEKk)	jan-25	feb-25	mar-25	apr-25	maj-25	jun-25	jul-25	aug-25	sep-25	okt-25	nov-25	dec-25	FY25
Revenues	5,683	32,543	9,715	2,229	2,250	5,462	2,700	2,066	2,095	2,413	1,618	2,215	70,989
Sold assets	0	-41,220	0	0	0	0	0	0	0	0	0	0	-41,220
Personnel	-2,330	-2,408	-2,329	-2,399	-2,406	-2,406	-2,406	-2,406	-2,406	-2,406	-2,406	-2,406	-28,717
Transaction costs	-12,000	0	0	0	0	0	0	0	0	0	0	0	-12,000
Other OH	-848	-874	-651	-733	-1,017	-1,151	-737	-1,082	-658	-1,238	-860	-643	-10,491
Depreciation	-1,674	-1,674	-1,674	-1,674	-1,674	-1,674	-1,674	-1,674	-1,674	-1,674	-1,674	-1,674	-20,083
Interest expenses	-4,567	-561	-1,933	-4,533	-529	-1,924	-4,533	-522	-1,916	-4,531	-499	-1,908	-27,956
Net income	-15,735	-14,193	3,129	-7,109	-3,376	-1,693	-6,650	-3,618	-4,560	-7,436	-3,821	-4,416	-69,478
<i>Of which minority</i>	1,114	348	718	460	304	529	380	357	659	648	336	789	6,642

# Budget 2025 – Cash positive despite loss

## Cash flow forecast for 2025

- Recap will have a lot of costs that are non-cash for 2025, including approx. SEK 20m in depreciations and significant amounts in non-cash interest
- Recap will have three refinancing objectives;
  - Refinancing the approx. EUR 4.5m corporate bonds in Recap Green Bond 1 AB
  - Refinancing a bridge loan by Scandinavian Credit Fund 1 AB (SEK 25m)
  - Refinancing of the bond in the parent company (by January 2026)
- For budgeting purposes it is assumed that these are replaced with similar facilities
- Recap expect to generate SEK 7.4m in positive cash flow, including the SEK 10m share issue<sup>1</sup>

Full year budget (SEKk)



Cash flow (SEKk)	jan-25	feb-25	mar-25	apr-25	maj-25	jun-25	jul-25	aug-25	sep-25	okt-25	nov-25	dec-25	FY25
EBITDA	-9,495	-11,959	6,735	-903	-1,173	1,905	-443	-1,422	-970	-1,231	-1,648	-835	-21,439
Interest expenses	-4,567	-561	-1,933	-4,533	-529	-1,924	-4,533	-522	-1,916	-4,531	-499	-1,908	-27,956
New share issue <sup>1</sup>	10,000	0	0	0	0	0	0	0	0	0	0	0	10,000
Other non cash items	7,752	41,220	1,583	3,752	0	1,583	3,752	0	1,583	3,752	0	1,583	66,558
Investment	-600	0	0	-600	0	0	-600	0	0	-600	0	0	-2,400
Amortization	-171	-10,444	-464	0	-1,552	-472	-102	-1,559	-480	-104	-1,566	-489	-17,404
Total cash flow	2,919	18,256	5,922	-2,284	-3,255	1,091	-1,927	-3,504	-1,783	-2,715	-3,713	-1,648	7,359

# Historical financials – consolidated income statement and balance sheet

Income statement (SEKk)	Jan - Sep 2024 <sup>1</sup>	2023
<b>Revenue</b>		
Net revenue	30,288	19,437
Other revenue items	15,399	13,473
<b>Total revenue and change in inventory</b>	<b>45,686</b>	<b>32,910</b>
<b>Operating costs</b>		
Other operating and external costs	-22,939	-31,169
Staff cost	-21,431	-22,286
Depreciation of material and immaterial assets	- 37,127	-17,162
<b>Total operating costs</b>	<b>-81,497</b>	<b>-70,616</b>
<b>Operating profit</b>	<b>-35,811</b>	<b>-37,706</b>
<b>Financial items</b>		
Result from associated companies	4,659	-138
Result from other financial assets and f/x	-4,663	-7,242
Other interest income and similar items	-29,324	10,683
Interest expenses and similar items	559	-34,134
<b>Total financial items</b>	<b>-28,769</b>	<b>-30,831</b>
<b>Earnings after financial items</b>	<b>-64,580</b>	<b>-68,537</b>
<b>Earnings before tax</b>	<b>-64,580</b>	<b>-68,537</b>
<b>Taxes</b>		
Tax on the annual profit	-173	-3,095
<b>Profit before minority interests</b>	<b>-64,753</b>	<b>-71,631</b>

Balance sheet (SEKk)	2024-09-30 <sup>1</sup>	2023-12-31
Goodwill and other intangible assets	73,404	79,651
Material assets not under construction	120,700	102,873
Assets under construction	51,118	65,962
Financial & other fixed assets	9,540	5,717
<b>Total fixed assets</b>	<b>254,762</b>	<b>254,204</b>
Short-term receivables	10,407	16,282
Inventory & goods and other	2,489	4,367
Cash and similar items	18,829	47,916
<b>Total current assets</b>	<b>29,715</b>	<b>68,573</b>
<b>Total assets</b>	<b>284,477</b>	<b>322,777</b>
Share capital	578	578
Other contributed capital	n/a	139,118
Accumulated profit/loss	n/a	-140,258
Unrestricted equity and result for the period	-62,686	n/a
<i>Equity to common share holders</i>		-562
Other equity / minority interest	3,702	4,101
<b>Total equity</b>	<b>-58,406</b>	<b>3,539</b>
Tax provisions		5,136
Debt to credit institutions (bond loan 2024)	197,306	
Other debt and provisions	93,306	185,892
<b>Total long term debt</b>	<b>290,612</b>	<b>185,892</b>
Short term financial indebtedness	25,187	94,302
Supplier payables	12,477	9,268
Other short term debt	14,607	24,639
<b>Total short term debt</b>	<b>52,271</b>	<b>128,209</b>
<b>Total equity and liabilities</b>	<b>284,477</b>	<b>322,777</b>

# Historical financials – Recap Energy AB (publ)

Income statement (SEKk)	Jan – Sep 2024 <sup>1</sup>	2023
<b>Revenue</b>		
Net revenue	16,913	16,629
Other revenue items		5
<b>Total revenue and change in inventory</b>	<b>16,913</b>	<b>16,634</b>
<b>Operating costs</b>		
Other operating and external costs	-6,885	-9,494
Staff cost	-9,819	-12,448
Other costs and supplies	-7,405	-916
<b>Total operating costs</b>	<b>-24,109</b>	<b>-22,858</b>
<b>Operating profit</b>	<b>-7,196</b>	<b>-6,224</b>
<b>Financial items</b>		
Result from group and associated companies	-963	-199
Result from other financial assets	397	-26
Other interest income and similar items	3,723	-8,396
Interest expenses and similar items	-12,742	1,782
<b>Total financial items</b>		<b>-6,838</b>
<b>Earnings after financial items</b>	<b>-9,584</b>	<b>-13,063</b>
<b>Earnings before tax</b>	<b>-16,780</b>	<b>-13,063</b>
<b>Taxes</b>		
Tax on the annual profit	0	0
<b>Profit before minority interests</b>	<b>-16,780</b>	<b>-13,063</b>

Balance sheet (SEKk)	2024-09-30 <sup>1</sup>	2023-12-31
Shares in group companies		106,273
Long-term receivables towards group companies	106,615	73,397
Other receivables		295
Construction in progress	55	
Other financial assets	106,615	
<b>Total fixed assets</b>	<b>183,123</b>	<b>179,965</b>
Receivables	540	-
Other receivables	232	108
Other current assets	5,572	2,785
Cash and similar items	731	1,038
<b>Total current assets</b>	<b>7,045</b>	<b>3,930</b>
<b>Total assets</b>	<b>190,168</b>	<b>183,995</b>
Share capital	578	578
Other contributed capital		76,953
Accumulated profit/loss	-7,926	-10,250
Unrestricted capital and loss for the period	57,849	
<b>Total equity</b>	<b>50,500</b>	<b>67,281</b>
Convertible loans		500
Debt to group companies	4,929	1,185
Other debt	104,803	5,572
<b>Total long term debt</b>	<b>110,898</b>	<b>7,258</b>
Short term financial indebtedness		92,364
Supplier payables	3,013	643
Other short term debt	24,159	5,477
Tax debt	-37	189
Accrued expenses and prepaid revenues	1,635	10,684
<b>Total short term debt</b>	<b>38,770</b>	<b>109,357</b>
<b>Total equity and liabilities</b>	<b>190,168</b>	<b>183,895</b>



# AGENDA



Summary

Recap



Company introduction



Business areas



Strategic overview



Financials



Risk factors

These risk factors have been prepared in connection with the raising of capital through a new issue of shares (the "Share Issue", and the shares issued in addition, the "Shares") in Recap Energy AB (publ), Swedish reg. no. 556919-6503 (the "Issuer"). These risk factors pertain to the Issuer and its subsidiaries (collectively referred to as the "Group" or the "Group Companies," and individually as a "Group Company").

An investment in the Share Issue involves risks. The financial position of the Issuer is crucial to consider when deciding whether to invest in the Share Issue. A number of risk factors and uncertainties, specific to the Issuer or in general, may negatively affect the Issuer. If any of these risks or uncertainties materialize, it may have a significantly negative impact on the operations, results, and financial position of the Issuer, which could affect the Issuer's financial position and the future market value of the Shares.

This section presents a number of risk factors, including general risks related to the Issuer's operations, significant risks associated with the Share Issue itself as well as general market risks. It should be noted that other risks not addressed in this section may also arise, including risks that are not yet known or are not considered significant but could impact the Issuer's future operations, results, and financial position, and thereby the Issuer's ability to fulfill its obligations under the Share Issue. The risk factors below are not presented in any particular order of priority. Potential investors should carefully consider all the information presented in this section and make an independent assessment before deciding regarding participation the Share Issue.

## RISKS RELATED TO THE ISSUER AND THE GROUP

### *Limited legal review*

The legal review conducted in preparation for the Share Issue was limited and only covered documentation related to certain fundamental aspects of the Issuer. It should specifically be noted that the legal review has focused on the Issuer and solely in relation to Swedish law, Swedish conditions and operations and, where applicable, Swedish Group Companies. Any material, information or conditions in relation to non-Swedish Group Companies of the Issuer or non-Swedish operations have been out of scope of this legal review. Any comments regarding such non-Swedish Group Companies or non-Swedish operations are included for information purposes only and shall not be relied upon as if included in our scope.

It should also be noted that the legal review has not included or considered any tax, financial, accounting, commercial, information technology, environmental, insurance/actuarial, or HR-related aspects, nor matters concerning the financing of pension obligations, regardless of whether such

information was provided by the Issuer or not. With respect to intellectual property rights, the legal review has not included any evaluation of potential infringements by third parties, or the nature of intellectual property rights owned or held by the Issuer or any other Group Company. Furthermore, the legal review was subject to time constraints. As a result, there may be significant risks within the Issuer that were not covered by the legal review and therefore have not been identified.

The legal review has been limited and based solely on the material provided by the Issuer with the explicit and agreed-upon assumption that such information is accurate, correct and duly executed, however a limited amount of material has only been provided as unsigned copies, in preliminary versions or in draft form. Consequently, there may be significant risks related to the Issuer if and to that extent the aforementioned assumption proves to be incorrect. Should such risks materialize, they could have a significant adverse effect on the Issuer's operations, results, and financial position and the future market value of the Shares.

It should particularly be noted that the Issuer's representatives have, in several instances, failed to provide the information requested during the legal review or have otherwise provided incomplete or inadequate information and material.

### *Risks related to dilution of shares*

The general meeting of the Issuer has authorized the board of directors in the Issuer to, up and until the next annual shareholders' meeting of the Issuer, resolve on new issue of shares, warrants (Sw. *teckningsoptioner*) and/or convertibles (Sw. *konvertibler*) with the right to subscribe for and/or convert to shares in the Issuer. Such an issue may, according to the authorization, be made by way of deviating from the shareholders' preferential rights. The authorization may result in a maximum dilution of 60 percent based on the number of shares existing at the time of the relevant meeting.

This meaning that there is a risk that the board of directors in their discretion exercises their authorization to issue new shares, warrants and/or convertibles, which in turn could result in a dilution of the investors' ownership post-completion of the Share Issue.

Furthermore, the Issuer has plans to implement an option program, potentially resulting in a dilution of investors' ownership post-completion, depending on the type of instrument to be issued within the context of share option program.

In addition, the Issuer has entered into loan agreements where the lenders have a voluntary conversion right for the lender to convert their loan amount into shares in the Issuer by way of a set-off issue.

Should the above-mentioned risks of dilution of investors' ownership materialize, they could have a significant adverse effect on the future market value of the Shares.

### *Risks related to changes in the Group structure*

The Issuer and the Group are currently involved in ongoing and anticipated transactions, including potential divestments of several non-Swedish Group Companies and Swedish Group Companies. If these contemplated divestments do not materialize and are not completed, the Issuer and the Group may miss the opportunity to free up capital that could be used to strengthen the balance sheet, potentially impacting the Issuer's liquidity and financial flexibility. Further, the Issuer is considering a potential investment from an external party in a Swedish Group Company. While this investment could provide additional capital and resources, it may also lead to changes in control or influence over strategic decisions.

It is important to note that these are potential transactions, and there is inherent uncertainty in whether they will be completed. This uncertainty may add a layer of complexity to the Group's strategic planning and financial forecasting, as it must consider both the potential benefits, and the risks associated with these transactions. The financial implications on the Issuer and the Group if they do not materialize must also be taken into account. Furthermore, if these contemplated transactions are completed, the structure of these transactions, including aspects such as the purchase price mechanisms, could also affect the financial situation of the Issuer and the Group.

Furthermore, the Issuer and/or its Group Companies have divested other Group Companies during the current or the two preceding years. Although the Issuer has confirmed that there are no contingent or other remaining liabilities related to these divestments, there is always a risk that unforeseen issues or claims could arise in the future. This could potentially lead to financial or legal obligations that may affect the Issuer's financial health.

The above-mentioned pending and completed transactions and changes in the Group structure could have a significant adverse effect on the Issuer's operations, results, financial position and the future market value of the Shares, particularly if the divestments are not finalized.

## **Risk related to the share issue in relation with the acquisition of Recap Power AB**

The Issuer acquired shares in its Group Company, Recap Power AB (formerly known as Thyni & Viketoft Innovation AB), through the issuance of new shares in the Issuer. The sellers of Recap Power AB provided payment in kind by contributing all shares in Recap Power AB as consideration for these newly issued shares. The decision to conduct the share issue was made by the Issuer's board of directors, pursuant to an authorization granted by the general meeting.

In light of the above, there is a risk that the sellers of Recap Power AB, as a result of the transaction, could be considered as closely related parties (Sw. *närstående personer*) to the Issuer. If so, the share issue could fall under the scope of the so-called Leo Act. This legislation includes specific requirements, such as a resolution by the general meeting supported by at least 90 % of all votes and shares represented at the meeting. While it remains uncertain whether the transaction is subject to the Leo Act, there is a risk that the share issue could be argued. Should the share issue be deemed to fall under the Leo Act and subsequently found to not meet its procedural requirements, there is a possibility that the share issue could be declared null and void. If the share issue is deemed null and void under the Leo Act, this scenario could result in some legal and practical complexities for the Issuer in relation to the transaction and the Issuer could face legal uncertainties in fulfilling its part of the transaction. Additionally, the potential nullification of the share issue could have a significant adverse effect on the Issuer's operations, results, and financial position, as well as the future market value of the shares.

## **Risk relating to capital deficiencies**

The Issuer has adopted a control balance sheet (Sw. *kontrollbalansräkning*) dated on 30 June 2024, i.e., a financial statement to assess the Issuer's financial position to determine if the equity is below half of the registered share capital. Although the Issuer's equity was found to be above half of the registered share capital, any future financial downturns could impact the Issuer's ability to maintain this position. Any future financial assessments indicating insufficient capital could necessitate the convening of shareholders' meetings to consider liquidation. In the event of future capital deficiencies, shareholders may face the risk of becoming jointly and severally liable for the Issuer's obligations if the Issuer continues operations despite the need for liquidation, and the shareholders have voted in favor for continuing the Issuer's operations.

Further, on 30 June 2024, the Issuer's subsidiary, Recap Green Bond I AB (publ) ("RGB"), has adopted a control balance sheet. The control balance sheet had

determined that RGB's equity was less than half of the registered share capital, resulting in that the board should immediately convene a shareholders' meeting in RGB to review the control balance sheet and decide on the necessary actions and whether the company should enter into liquidation. Such shareholders' meeting was held in RGB on 2 September 2024, where the shareholder, i.e. the Issuer, resolved that RGB should not enter into liquidation. It should be noted that on 4 December 2024, the holders of certain corporate bond issued by RGB approved a written procedure setting forth, among other things, the approval of certain transactions (including, but not limited to, the conversion of 50% of the nominal amount of the bonds issued by RGB into equity and the conversion of certain shareholder loans extended by the Issuer to RGB into equity) which, if carried out, is deemed to remedy RGB's equity position. As of the date hereof, the Issuer and RGB is working on effectuating the transactions approved via the written procedure, but these have not yet been carried out. Furthermore, as a consequence of RGB's historic equity position, RGB should, within eight months, convene a second shareholders' meeting. At this second shareholders' meeting, the shareholders must consider again the question of liquidation. If the transactions described above that are intended to restore the equity position of RGB has not been carried out at this point in time, and the control balance sheet at the second shareholders' meeting consequently does not show that the registered share capital is fully covered, the general meeting is obliged to decide that RGB should go into liquidation. The shareholder, i.e., the Issuer, may become jointly and severally liable for the future obligations of RGB, if the shareholders' meeting decides to continue its activities despite having to go into liquidation according to a second control balance sheet.

## **Risks related to ownership and significant influence**

The majority of the shares in the Issuer are held by the Group's management, directly or indirectly. Further, Manton Investment AB holds, prior to the Share Issue, shares equal to approximately 45 percent of the capital and votes of the Issuer, meaning that Manton Investment AB has significant influence over the Issuer's management and operations. Manton Investment AB is owned by Marco Berggren, the Issuer's CEO and a member of the board of directors, further concentrating the influence of the Issuer.

As the influence and control of the Issuer are concentrated, it may result in investors having little to no actual control over the Issuer and its operations, which could significantly adversely affect the future market value of the Shares.

## **Risks related to currency fluctuations**

The Issuer's reporting currency is Swedish Krona. However, the Group has

various Group Companies incorporated in Colombia, Brazil, Spain, Portugal and India. As a result, the Group has or will have monetary inflows and outflows in Brazilian real (Brazil), Colombian peso (Colombia), Indian rupee, and euro (Spain, Portugal), exposing the Group to currency fluctuations that may result in unpredictable revenues and losses.

## **Operational risks**

As the Issuer is involved in renewable energy, the Issuer and its Group are subject to stringent ESG standards. The issuer addresses compliance to these standards by maintaining adequate internal policies and ensuring compliance with them. Failure to adhere to these standards could result in legal penalties, loss of investor confidence, and damage to the Issuer's reputation. Additionally, any environmental incidents or non-compliance with social governance policies could lead to legal actions and financial repercussions.

## **Risks related to employment contracts**

The Issuer has provided a limited number of employment contracts for review. As a result, there are uncertainties regarding the inclusion of non-compete and non-solicitation clauses in these contracts. Specifically, it is not clear whether the existing contracts contain provisions that prevent key personnel from soliciting the Issuer's or the Group's clients, customers, or employees. Additionally, there is a lack of clarity on whether these contracts include restrictions that would prevent key personnel from working with or starting a competing business for a certain period after their departure from the Issuer or the Group. This absence of detailed contractual provisions may present a potential risk to the Issuer's business operations and competitive position.

## **Risks related to fluctuations in the price of electricity**

The energy market may be volatile, and changes in market conditions can impact the Issuer's operations and financial performance, as is the case with the deteriorating energy prices in Spain. Such market risks can lead to operational challenges, including project delays, cost overruns, and reduced profitability, which could have legal implications if contractual obligations are not met. The Group's profitability and market value of its assets depends on, among other things, the price development for electricity, which is affected and will continue to be affected by several factors beyond the Group's control, such as supply and demand in both local and regional markets, as well as government regulations and electricity taxes.

## *Risks related to permits, etc.*

The Group's operations require various project related environmental and building permits. As the Group operates in several geographic areas, the specific regulations that apply to different parts of the Group's operations will vary from one country or region to the other. If the necessary authorizations, permits, licenses, or registrations are not granted or cannot be obtained as planned, or if any of the currently granted authorizations, permits, licenses, or registrations are revoked, it could significantly adversely affect the Issuer's operations, results, and financial position.

## *Risks related to financing and security arrangements*

The Issuer's financing is largely based on external financing arrangements through bonds and external loans. Such financing arrangements have been secured through guarantees and security such as floating charges and pledges over shares in the majority of the Group Companies.

The bonds issued by the Issuer on the 22 December 2022 (the "Current Bonds") underwent a written procedure in July 2024 and the Issuer has on 16 December requested CSC (Sweden) AB (previously under the company name Intertrust (Sweden) AB) ("CSC (Sweden) AB"), in its capacity as Agent under the Current Bonds, to initiate a further written procedure, which is ongoing concurrently with the Share Issue, pursuant to which the bondholders can approve or reject a proposal from the Issuer regarding certain amendments to the terms and conditions. The proposed amendments in the contemplated written procedure include, inter alia, (i) extension of the final maturity date, (ii) an offer by the Issuer to pay a consent fee to the bondholders as consideration for the bondholders agreeing to the prolongation of the bonds' tenure, which will be set off against newly issued shares in the Issuer by way of a set-off issue, (iii) a prolongation of the current structure for capitalization and payment of interest (coinciding with the above-mentioned extension), (iv) the issuance of subsequent bonds, and (v) waivers of certain requirements in the terms and conditions governing the Current Bonds.

It is crucial that the requested written procedure is approved by a sufficient majority. Failure to do so could result in the Issuer facing financial difficulties, which may lead to an inability to fulfill its obligations under the Current Bonds' terms and conditions, which includes payment of accrued interest under the terms and conditions. On the other hand, if the measures and adjustments to the bond terms proposed within the framework of the written procedure is approved, they will result in the issuance of new shares by the Issuer which will result in a considerable dilution of the investors' ownership post-completion. Further, the need for a written procedure indicates potential financial instability in the Issuer and the Group. The terms and conditions governing the

Current Bond also include so-called cross default provisions, which constitute a ground for termination due to, for example, a breach of a financial commitment under any other financing than the Current Bonds held by the Issuer or by any Group Company. These provisions entail a right to accelerate the Current Bonds and demand immediate repayment in case of borrower default, as well as in an enforcement of collateral, which may have a material negative effect on the Issuer's operations and financial position, as well as on the value of the Issuer's shares. Moreover, the enforcement of security may result in the pledged Group Companies becoming subject to a change of control due to enforcement of share pledges.

The Issuer has entered into a guarantee agreement with its subsidiary Recap Green Bond I AB (publ) regarding an obligation to provide liquidity support to Recap Green Bond I AB's (publ) non-Swedish subsidiary, Recap Ibérica Finance S.L.U, if such support is necessary to enhance the company's liquidity. The Issuer's guarantee commitment is limited to an amount of EUR 350,000. In December 2024, Recap Green Bond I AB (publ) issued a written procedure regarding its inability to fulfill their obligations under its issued bonds, which was approved. If the Issuer's indirect subsidiary Recap Ibérica Finance S.L.U. is unable to meet its future interest and amortization payment obligations under its current external financing arrangements, the Issuer could be liable to provide liquidity to the company, up to the stated maximum amount. The Issuer has, as a pledgor, also pledged all its current and future loans to certain Group Companies as security under a loan facility agreement entered into by a Group Company (i.e. not by the Issuer), as borrower, and the Scandinavian Credit Fund AB (publ), as lender. It should be noted that the Issuer's pledge of current and future loans as security under the aforementioned loan facility agreement was overlooked when the terms and conditions (the "Terms and Conditions") governing the Current Bonds (as defined below) were executed. The security is therefore not listed as a "Permitted Security" under the Terms and Conditions, and its existence therefore constitutes a breach of the Terms and Conditions. On 16 December 2016, the Issuer initiated a written procedure by way of notice to the holders of the Current Bonds (the "Bondholders") regarding, among other things, amendment of the current Terms and Conditions. If the proposal made by the Issuer to the Bondholders under the notice of written procedure is approved by the Bondholders, the Terms and Conditions shall be updated, by way of an amendment and restatement agreement, to include the aforementioned security as a "Permitted Security". There is a risk that the proposal made by the Issuer under the notice of written procedure is not approved by the Bondholders, or if the proposal is approved that the Issuer is unable to meet the requirements necessary to meet in order to effectuate the proposal in accordance with the terms set forth in the notice of written procedure. A rejection by the Bondholders of the proposal, or the

Issuer's failure to effectuate the sought amendments and waivers described therein, may have a substantial adverse effect of the Issuer's financial stability.

To summarize the above, a significant portion of the Issuer's assets is pledged under various financial arrangements. This could result in a risk that the Issuer may face difficulties in securing additional financing in the future due to the lack of available collateral. If the Issuer or any Group Company fails to meet its respective obligations under the various financial arrangements, the pledged assets may be realized, resulting in the Issuer losing a substantial part of its assets. This could severely impact the Issuer's financial stability and its ability to continue operations, potentially leading to insolvency or other financial distress.

## *Risks related to geography and regulatory compliance*

The Group operates in multiple jurisdictions, including Sweden, Spain, Colombia, Brazil, India and Portugal. Each of these countries has its own regulatory framework governing the Group Companies and their operations. Changes in regulations, such as new environmental laws, tariffs, or subsidies, could impact the Group's and the Issuer's operations and profitability. Non-compliance with local regulations could result in fines, legal disputes, or project suspensions. In addition, operating in multiple countries could expose the Issuer and the Group to cross-border legal challenges, including differences in legal systems, enforcement of contracts, and dispute resolution mechanisms which may require resources.

As the Group employs staff across different countries, each with its own labor laws and regulations, compliance with employment laws, including worker safety, benefits, and rights, is essential. Any violations could result in legal actions, fines, and damage to the Issuer's and the Group's reputation.

Furthermore, the Group is exposed to local business risks and/or political decisions in several foreign countries. Certain countries in which the Group currently has operations score significantly lower than Sweden in the Corruption Perception Index (Transparency International, 2023) which necessitates solid procedures and routines to minimize the risk. Notwithstanding, there is a risk that the Group fails to adopt the necessary routines and mitigating measures in time or at all, which in turn could have a negative impact on the Group's revenue and on the Group's ability to generate income. Furthermore, there is a risk that certain political decisions in a local market may hinder or delay the Group's opportunities to operate in the market, for example due to new and difficult-to-interpret requirements.

## RISKS RELATED TO THE SHARES

### *Risks related to clearing and settlement in Euroclear's System*

The Shares will be connected to Euroclear Sweden AB's ("Euroclear") account-based system, meaning that no physical securities have been or will be issued. Clearing and settlement of trades in the Shares, as well as dividend payments and capital redemptions, will take place in Euroclear's account-based system. Investors are therefore dependent on the functionality of Euroclear's account-based system.

### *Liquidity risks*

The Shares are not registered or admitted to trading on any exchange or marketplace, which may make it difficult or impossible to sell the Shares on reasonable terms or at all. This could negatively impact the market value of the Shares. Furthermore, the nominal value of the Shares may not be indicative of their market value.

### *Risks related to dilution*

The Issuer may in the future need additional capital to finance its operations or carry out planned investments. The Issuer may use methods such as directed issues or rights issues to finance its operations. Issuances of additional securities or debt instruments risk lowering the market value of the Issuer's shares and diluting the economic and voting rights of existing shareholders if they are not given pre-emptive rights in the issuance or if existing shareholders, for any reason, cannot, are not permitted to, or choose not to exercise their pre-emptive rights.

### *Changes in legislation*

The terms for the Shares, which are governed by the Issuer's articles of association, are established in accordance with Swedish law. The Shares are registered in accordance with Swedish securities legislation. No guarantees can be provided regarding the effects of any future changes in Swedish law or changes in regulatory practice after the date of the issuance of the Shares.

## GENERAL RISK FACTORS

### *Risks related to data protection (GDPR)*

The Issuer's processing of personal data within its operations is limited in scope. The Issuer has implemented certain routines, policies and practices as required pursuant to the mandatory provisions of the General Data Protection Regulation ("GDPR") but have not yet fully implemented such routines, policies and practices and are thus not in full compliance with the provisions of the GDPR. The implementation of GDPR practices to be fully compliant may result

in investment costs for the Issuer. The extent of such costs is however expected to be low considering that the Issuer's processing of personal data within the Issuer's operations is limited in scope. It can be noted that failure to comply with the GDPR may result in the Issuer being forced to pay fees, fines or becoming subject to enforcement measures which would mean increased costs for the Issuer and therefore have an impact on the Issuer's results and financial position.

### *Risks related to dependence on the Group's management and other key personnel*

The Issuer's and the Group's future performance is influenced by the knowledge, expertise, experience, and dedication of its management and other key personnel. There is a risk associated with the difficulty and dependency on retaining these key personnel or that the Group may fail to recruit new qualified staff, as the Group heavily relies on their specialized skills and knowledge. Additionally, there is a risk due to lack of comprehensive non-compete and non-solicitation agreements.

If the Group is unable to retain its key personnel, it may face challenges in maintaining its competitive edge and operational efficiency. The departure of key personnel could lead to a loss of critical business opportunities and a potential decline in the Group's net results. Furthermore, there is a risk that these key personnel might join competitors or establish competing businesses, thereby increasing competitive pressures on the Group.

### *General insurance risks*

The legal review of the Issuer has not included an assessment of whether the Issuer has adequate insurance coverage. Even if the Issuer has sufficient insurance coverage for its operations, there is no guarantee that the Issuer will be able to maintain such coverage on acceptable terms in the future. If the Issuer fails to maintain adequate insurance coverage on acceptable terms, or if future operational requirements exceed or fall outside the Issuer's insurance coverage, or if the Issuer's provisions for uninsured costs are insufficient to cover the final costs, it could have a significant adverse effect on the Issuer's operations, results, and financial position.

### *Macroeconomic risks*

The renewable energy sector is significantly affected by macroeconomic factors such as economic downturns that can lead to reduced investment in renewable energy projects. Further, fluctuations in the prices of traditional energy sources, such as oil and natural gas, can impact the competitiveness of renewable energy. Lower prices for fossil fuels can reduce the attractiveness of renewable energy investments. The renewable energy sector further relies

on a global supply chain for components such as solar panels, wind turbines, and batteries. Disruptions in the supply chain, due to geopolitical tensions or natural disasters, can delay projects and increase costs. While climate change drives the demand for renewable energy, it also poses risks. Extreme weather events can damage infrastructure, disrupt operations and affect the availability and reliability of renewable energy sources, such as solar and wind power.

### *Tax-related risks*

The Issuer conducts its operations in accordance with its own interpretation of applicable tax rules and relevant requirements and decisions. There is a risk that the Issuer's or its advisors' interpretation and application of laws, regulations, and practices may not have been, or may not in the future be, correct, or that rules and practices may change, possibly with retroactive effect. In such an event, the Issuer's tax obligations could increase, which could potentially impact negatively the Issuer's results and financial position. Tax audits could, for example, involve denied interest deductions, tax surcharges on direct or indirect sales of assets, and/or forfeited loss deductions, which could potentially negatively impact the Issuer's future results and financial position.

### *Disputes*

The Issuer is not subject to or involved in any ongoing legal disputes in Sweden according to information from the Issuer's management. However, it cannot be ruled out that disputes or legal claims may be directed against the Issuer in the future, which could have a significant adverse effect on the Issuer's financial position, operations, revenues, results, and market position.

# APPENDIX

## TARGETS FOR RECAP ENERGY STORAGE

### 1 Sale of shares in Recap Energy Storage (Perimeter A)

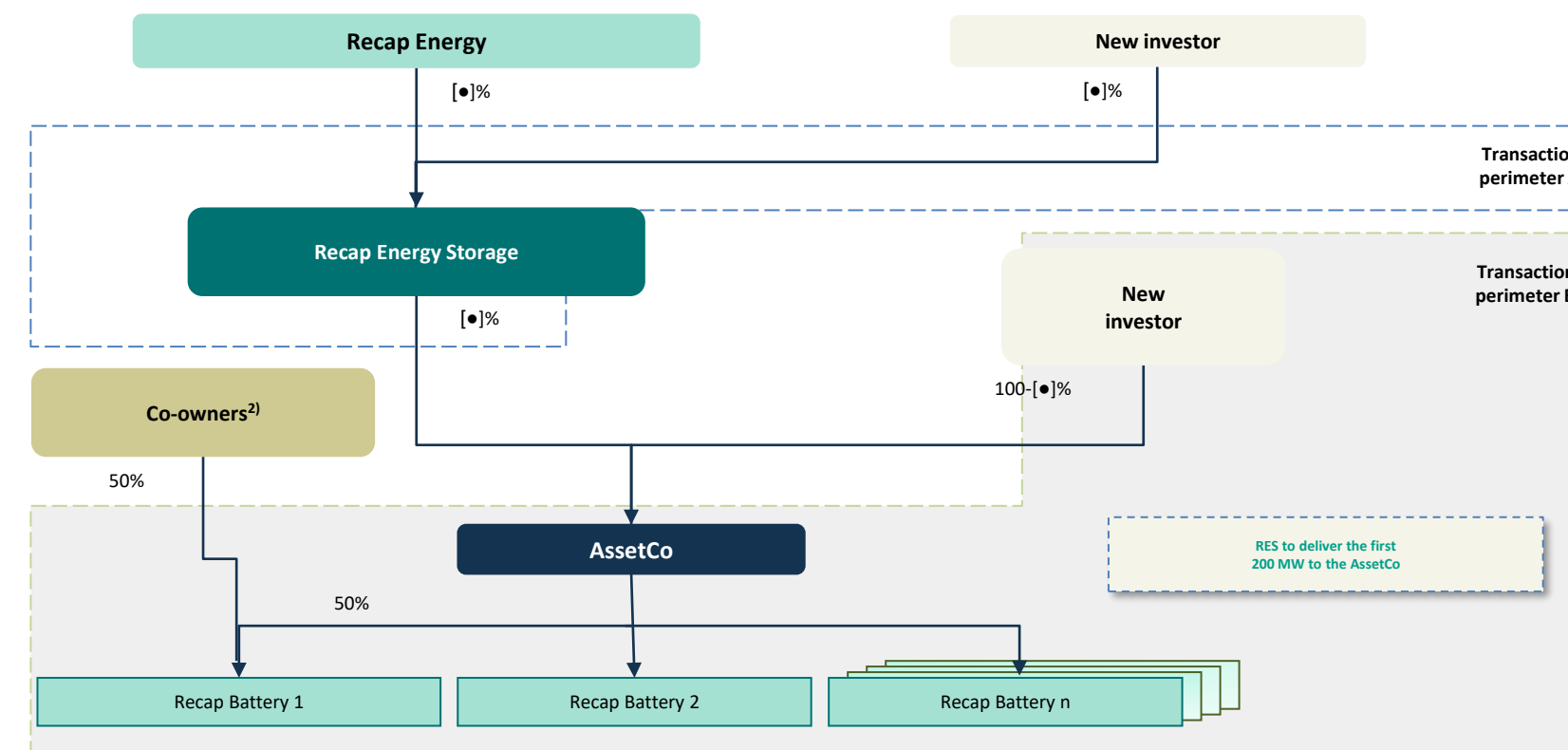
Recap Energy is looking sell shares in Recap Energy Storage for 150 MSEK during H2 2024 and to capitalize Recap Energy Storage with another 100 MSEK. This aims to refinance the existing bond in Recap Energy and accelerate the growth of both our project pipeline and the development of current projects.

### 2 Majority sale in AssetCo (Perimeter B)

Recap Energy Storage is looking for an investor to commit to invest the capital to build 200 MW over a 2 years period. The transaction would involve a majority sale in AssetCo to fund the acquired RtB assets from RES and to continue with their construction and operational phases.

### 3 Potential Carve-out from Perimeter B

Recap Energy Storage (RES) is exploring the option of divesting 12-20 MW of the 200 MW project pipeline. This carve-out is intended to speed up the transaction process, enhance short-term liquidity, and fund the development of other projects.



## STATUS

### INTERESTED INVESTORS

- Recap is expecting to receive NBOs from three different infrastructure funds interested in transaction parameter A and B during October.
- Separately, Recap is currently negotiating offers acquiring the first 12 MW of RTB projects from perimeter B.

### NEXT STEPS: 3-6 MONTHS

- Transaction perimeter A worth 250 MSEK and/or;
- Transact full or carve-out of perimeter B;
- Option; transact 12 MW of BESS projects at RTB before above transactions, at a value of 80 - 200 000 EUR/MW

## TARGETS FOR RECAP IBÉRICA I + II AND ENERGY STORAGE

### 1 Divest Recap Ibérica I

The first C&I rooftop solar portfolio of **9.2 MWp** is fully developed and ready to be divested. It's currently financed with green bonds of approx. **9.1 MEUR** (5.2 MEUR + 45 MSEK) which will be repaid with the proceeds from the transaction.

### 2 Capitalize Recap Ibérica II

As co-investor EVLI has invested 10 MEUR and are reaching its equity limit for this project. Recap seeks a commitment from a new investor to provide the additional equity needed to complete the development of the 100 MWp C&I rooftop solar portfolio.

### 3 Continued development of energy storage

Leveraging on existing client base in Spain Recap is developing colocations of Energy Storage at the C&I clients.



## STATUS

### ENGAGEMENT LETTER WITH DNB

Engagement letter with **DNB Capital Markets** to be financial advisors in the transaction(s) with the intention to create a competitive process for Recap Ibérica I and II

### INTERESTED INVESTORS

Recap is in discussion with a few infrastructure funds interested in all three development targets. Recap has met with two of the funds and are preparing material for them to provide a Non-Binding Offer (NBO).

### NEXT STEPS: 3-6 MONTHS

- Provide the outstanding material to the potential investors
- Create a competitive environment for the sales of Ibérica I and II
- Negotiate a NBO with a potential buyer before Q1 2025



## TARGETS: C&I PLATFORM AND GROUND MOUNTED

### 1 Investor for C&I rooftop solar

Since 2018, Recap has financed its solar rooftop projects with own equity and crowd funded debt. Recap is looking for an investor that would refinance the existing projects and commit to provide capital for the completion of the entire 100 MWp portfolio.

### 2 Divest ground mounted solar portfolio

Recap has developed a portfolio of 43 MWp which has reached ready-to-build status and is ready to be divested.



## STATUS

### TARGET 1:

After a long negotiation, due diligence and contract preparation, the Colombian arm of the Ashmore Group withdrew from the transaction in the last minute. Their decision was made based on their fund reaching fully investment and the concern of the timeline to deploy the 20 MUSD is short term.

Recap is therefore divesting its existing 3 MW C&I portfolio in operation to an industry investor to generate short term cash-flow, given net proceeds of 0.8 mUSD

If Recap successfully divests its 3 MW portfolio we will continue to seek for an industry investor to develop a 100 MWp portfolio the coming 2 years

### TARGET 2:

Finalize the transaction with the potential buyers of the solar park portfolio before the end of the year with net proceeds of 1.65 MUSD

### NEXT STEPS: 3-6 MONTHS

- Sell 3 MW C&I solar portfolio
- Transaction closure of 43 MW ground mounted solar

# Recap

Creating the Future of Energy