



**Norske Skog**

**Securities Note**

**for**

**ISIN NO0013262451**

**Norske Skog ASA FRN senior unsecured NOK 1,600,000,000  
bonds 2024/2029**

Oslo, 20.09.2024

### **Important information\***

The Securities Note has been prepared in connection with listing of the securities at Oslo Børs. The Securities Note has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Securities Note.

New information that is significant for the Issuer or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the Bonds. Such information will be published as a supplement to the Securities Note pursuant to Regulation (EU) 2017/1129. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Issuer or its subsidiaries may not have been changed.

### **MIFID II product governance / Professional investors and eligible counterparties (ECPs) only target market –**

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

### **UK MiFIR product governance / Professional investors and eligible counterparties only (ECPs) target market –**

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (UK MiFIR); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a distributor) should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the UK MiFIR Product Governance Rules) is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Only the Issuer is entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Approval of the Securities Note by the Norwegian FSA implies that the Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Issuer to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The Securities Note together with the Registration Document and summary included herein, and any applicable supplements, constitutes the Prospectus.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

### **Modification and Waiver**

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

Please see the Bond Terms for the Bond Trustee's power to represent the Bondholders and the duties and authority of the Bond Trustee.

\*The capitalised words in the section "Important Information" are defined in Chapter 3: "Detailed information about the securities".

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# 1 Summary

This summary is prepared and disclosed pursuant to the disclosure requirements in Article 7 of the Prospectus Regulation.

## 1.1 Introduction and warning

| Disclosure requirement  | Disclosure   |
|---|--|
| Warning.  | This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities. |
| Name and international securities identification number ('ISIN') of the securities.                                 | Bonds under Norske Skog ASA FRN senior unsecured NOK 1,600,000,000 bonds 2024/2029 with ISIN NO0013262451.   |
| Identity and contact details of the issuer, including its legal entity identifier ('LEI').                          | Norske Skog ASA (the " <b>Issuer</b> "), being the legal and commercial name of the Issuer, a public limited liability company organised and existing under the laws of Norway registered with the Brønnøysund Register Centre with business registration number 914 483 549 and LEI Code 529900MY60WXHHY3039, and with registered address at Sjølyst plass 2, 0278 Oslo, Norway.  |
| Identity and contact details of the offeror or of the person asking for admission to trading on a regulated market. | The Prospectus has been produced in connection with listing of the Bonds on the Oslo Stock Exchange. The Issuer is going to ask for admission to trading of the Bonds on a regulated market.   |
| Identity and contact details of the competent authority that approved the Prospectus                                | Financial Supervisory Authority of Norway (Finanstilsynet), Revierstredet 3, 0151 Oslo. Telephone number is +47 22 93 98 00. E-mail: <a href="mailto:prospekter@finanstilsynet.no">prospekter@finanstilsynet.no</a>  |
| Date of approval of the Prospectus.   | The Prospectus was approved on 20.09.2024  |

## 1.2 Key information about the Issuer

| Disclosure requirement                     | Disclosure  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
|--|---|------|----------|------------------|-------|-------------------|--------------|----------------------------|--------------|-----------------|--------------|------------|--------------|--------------------------|----------|-----------------------|----------|----------------------|-------------------------|----------------|----------------------------------|--------------|---------------------------------------|-----------|----------------------------------|-----------------------|-------------------------|
| <i>Who is the issuer of the securities</i> |   |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Domicile and legal form                    | The Issuer is a public limited liability company primarily organized under the laws of Norway pursuant to the Norwegian Public Limited Liability Act.   |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Principal activities                       | Norske Skog is a significant producer of publication paper with strong market positions and customer relations in Europe and Australasia. The Norske Skog Group operates four industrial sites in Europe, one of which also produces recycled containerboard (Norske Skog Bruck) and one which will commence production of recycled containerboard following its ongoing conversion project (Norske Skog Golbey). In addition, the Group operates one industrial site in Australasia. Norske Skog aims to further diversify its operations and continue its transformation into higher-margin business within the fibre processing industry. The group has approximately 2,100 employees.   |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Major shareholders                         | Norske Skog ASA is listed on Oslo Stock Exchange with the ticker NSKOG, whereas Byggma ASA was the largest shareholder with a holding of approx. 20.55% of the shares as of the Issuer on 11 July 2024. The second and third largest shareholders were at the same date UBS Europe SE and Drangslund Kapital AS with 6.88% and 6.27% of the shares in the Issuer  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Management                                 | <table border="1"> <thead> <tr> <th>Name</th> <th>Position</th> </tr> </thead> <tbody> <tr> <td>Arvid Grundekjøn</td> <td>Chair</td> </tr> <tr> <td>Trine-Marie Hagen</td> <td>Board member</td> </tr> <tr> <td>Christoffer Michelsen Bull</td> <td>Board member</td> </tr> <tr> <td>Terje Sagbakken</td> <td>Board member</td> </tr> <tr> <td>Tone Wille</td> <td>Board member</td> </tr> <tr> <td>Tore Christian Østensvig</td> <td>Observer</td> </tr> <tr> <td>Asbjørn André Dypdahl</td> <td>Observer</td> </tr> <tr> <td>Geir Olav Drangslund</td> <td>Chief Executive Officer</td> </tr> <tr> <td>Robert A. Wood</td> <td>Senior Vice President Commercial</td> </tr> <tr> <td>Einar Blaauw</td> <td>Senior Vice President General Counsel</td> </tr> <tr> <td>Even Lund</td> <td>Vice President Corporate Finance</td> </tr> <tr> <td>Tord Steinset Torvund</td> <td>Chief Financial Officer</td> </tr> </tbody> </table> | Name | Position | Arvid Grundekjøn | Chair | Trine-Marie Hagen | Board member | Christoffer Michelsen Bull | Board member | Terje Sagbakken | Board member | Tone Wille | Board member | Tore Christian Østensvig | Observer | Asbjørn André Dypdahl | Observer | Geir Olav Drangslund | Chief Executive Officer | Robert A. Wood | Senior Vice President Commercial | Einar Blaauw | Senior Vice President General Counsel | Even Lund | Vice President Corporate Finance | Tord Steinset Torvund | Chief Financial Officer |
| Name                                       | Position  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Arvid Grundekjøn                           | Chair   |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Trine-Marie Hagen                          | Board member  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Christoffer Michelsen Bull                 | Board member  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Terje Sagbakken                            | Board member  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Tone Wille                                 | Board member  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Tore Christian Østensvig                   | Observer  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Asbjørn André Dypdahl                      | Observer  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Geir Olav Drangslund                       | Chief Executive Officer   |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Robert A. Wood                             | Senior Vice President Commercial  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Einar Blaauw                               | Senior Vice President General Counsel   |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Even Lund                                  | Vice President Corporate Finance  |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |
| Tord Steinset Torvund                      | Chief Financial Officer   |      |          |                  |       |                   |              |                            |              |                 |              |            |              |                          |          |                       |          |                      |                         |                |                                  |              |                                       |           |                                  |                       |                         |

| Statutory auditors  |   | PricewaterhouseCoopers AS (" <b>PwC</b> "), with registration number 987 009 713 and registered address Dronning Eufemias gate 71, 0194 Oslo, Oslo   |  |   |
|---|---|--|--|---|
| What is the key financial information regarding the issuer          |   |  |  |   |
| Key financial information   |   |  |  |   |
| Norske Skog ASA . Amounts in million NOK.                           | Annual Report 2022 Audited for the period ended on 31 December 2022 | Annual Report 2023 Audited for the period ended on 31 December 2023  | Interim Q2 2023 Report for the period ended on 31 March 2024 Unaudited | Interim Q2 2024 Report for the period ended on 30 June 2024 Unaudited |
| Operating profit  | 2845  | 896  | 146  | 364   |
| Net financial debt (long term debt plus short term debt minus cash) | 1092  | 2590   | 1746   | 2970  |
| Net Cash flows from operating activities                            | 2040  | 1928   | 353  | 299   |
| Net Cash flows from financing activities                            | 1033  | 549  | 104  | 683   |
| Net Cash flow from investing activities                             | -1956   | -2689  | -695   | -104  |
| What is the key risk factors that are specific to the issuer        |   |  |  |   |
| Most material key risk factors                                      |   | <ul style="list-style-type: none"> <li>- Changes in the publication paper industry has resulted in periods of substantial overcapacity and intense competition among publication paper manufacturers.</li> <li>- The demand for the Group's products is affected by cyclical factors.</li> <li>- Prices for the Group's products may fluctuate significantly.</li> <li>- The markets in which the Group operates are highly competitive.</li> <li>- The Group is dependent on third parties for certain transportation services.</li> <li>- The Group's operations are dependent upon energy supply and exposed to changes in energy prices.</li> <li>- The Group is dependent on raw materials, and prices for such materials are volatile.</li> <li>- The Group is dependent upon a limited number of customers and has many short-term contracts with both customers and suppliers.</li> <li>- The Group's manufacturing operations are subject to operational risks.</li> <li>- Changes in the political or economic conditions in the countries in which the Group operates may significantly impact demand, costs and prices for the Group's products.</li> <li>- Fluctuations in exchange rates could affect the Group's cash flow and financial condition.</li> <li>- The Group is regularly engaged in projects which are subject to project execution risk.</li> <li>- The Group is subject to a wide variety of environmental laws and regulations.</li> <li>- Restrictive current and future covenants may lead to inability to finance operations, capital needs and to pursue business opportunities.</li> </ul> |  |   |

### 1.3 Key information about the Bonds

| Disclosure requirements                             | Disclosure   |
|---|--|
| What are the main features of the securities        |  |
| Description of the securities, including ISIN code. | <p>FRN senior unsecured NOK 1,600,000,000 bonds 2024/2029 with ISIN NO0013262451 (together the "<b>Bonds</b>") issued by Norske Skog ASA (the "<b>Issuer</b>", and together with its subsidiaries, the "<b>Group</b>") on 25 June 2024, pursuant to a bond agreement dated 24 June 2024 (the "<b>Bond Terms</b>") entered into between the Issuer and Nordic Trustee AS (the "<b>Trustee</b>") (the "<b>Bond Issue</b>").</p> <p>Maturity Date: 25 June 2029.</p> <p>The Bonds shall be repaid in full at the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount.</p> <p>Floating interest rate, payable in arrears (a) quarterly on the interest payment dates each year, (b) on the date of any early redemption of Bonds (in respect of interest accrued on the Bonds being redeemed) and (c) on the Maturity Date. Day-count fraction for the coupon is actual/360 and business day convention is "modified following". Interest Rate is 3 months NIBOR plus 2.75 per cent. per annum. If 3 months NIBOR is less than zero, 3 months NIBOR shall be deemed to be zero.</p> <p>Denomination: NOK 100,000 - each and ranking pari passu among themselves.</p> |

|  |  |
|--|--|
| Description of the rights attached to the securities, limitations to those rights and ranking of the securities.   | Upon the occurrence of a Put Option Event, i.e. a Change of Control Event or Shareholder Equity De-Listing Event, each Bondholder will have the right (the " <b>Put Option</b> ") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount. The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Trustee and the Bondholders that a Put Option Event has occurred as further specified in the Bond Terms .   |
| Status of the Bonds  | The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).  |
| Any restrictions on the free transferability of the securities.  | <p>Subject to the restrictions set forth in Clause 11 (Purchase and transfer of Bonds) of the Bond Terms, the Bonds are freely transferable and may be pledged.</p> <p>Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Trustee shall be responsible for ensuring 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. 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 the Bond Terms (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.</p>   |
| <p><i>Where will the securities be traded</i></p> <p>Indication as to whether the securities offered are or will be the object of an application for admission to trading.</p> | <p>An application for admission to trading on the Oslo Stock Exchange will be made once the Prospectus has been approved.</p> <p>The Issuer shall procure that the Bonds are listed on the Exchange within 6 months of the issue date, and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.</p> <p>If the Bonds are listed on Oslo Stock Exchange, the Issuer shall ensure that any Temporary Additional Bonds are listed on Oslo Stock Exchange within 3 months of the date of issue thereof.</p>  |
| <p><i>Is there a guarantee attached to the securities?</i></p>   | No.  |
| <p><i>What are the key risks that are specific to the securities</i></p>   |  |
| <p>Most material key risks</p>   | <ul style="list-style-type: none"> <li>- The Issuer is a holding company supplying headquarter services to its Group companies, without any other operations and conducts its external business through subsidiaries. Thus, the Issuer does not generate any cash and is dependent on cash generation and distribution from subsidiaries in order to meet its payment obligations under the Bonds.</li> <li>- Interest rate risk is the risk that results from the variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate.</li> <li>- Interest rates and indices which are deemed to be "benchmarks", (including NIBOR) are subject to recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.</li> </ul> |

## 1.4 Key information on the admission to trading on a regulated marked

| Disclosure requirements   | Disclosure   |
|---|--|
| Under which conditions and timetable can I invest in this security? | <p>The Bonds are freely negotiable, however certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. There is no market-making agreement entered into in connection with the Bond Issues.</p> <hr/> <p>The estimate of total expenses related to the Bonds are as follow:</p> <p>Prospectus fee (NFSA): NOK 98,000.<br/>                     Listing fee (Oslo Børs): NOK 49,550.<br/>                     Registration fee (Oslo Børs): NOK 20,000<br/>                     Legal fees in connection with the listing: approx. NOK 180,000</p> <hr/> <p>Admission to trading on a regulated market will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA.</p> |
| Why is the Prospectus being produced                                | In connection with listing of the Bonds on the Oslo Stock Exchange.  |

|   |  |
|---|--|
| Reasons for the admission to trading on a regulated market and use of proceeds.             | The Issuer will use the net Proceeds from the Bond Issue to repay existing debt and general corporate purposes of the Group. |
| Description of material conflicts of interest to the issue including conflicting interests. | The involved persons in the Issue have no interest, nor conflicting interests that are material to the Bond Issue.           |

## 2 Risk Factors

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. An investment in interest bearing securities is only suitable for investors who understand the risk factors associated with this type of investments and who can afford a loss of all or part of the investment. Prospective investors should also read the detailed information set out in the Registration Document dated 20.09.2024 and reach their own views prior to making any investment decision. The risk factors set out in the Registration Document and the Securities Note cover the Issuer and the bonds issued by the Issuer, respectively.

### 2.1 Risk factors material to the Bonds

#### The Issuer is a holding company

The Issuer is a holding company supplying headquarter services to its Group companies, without any other operations and conducts its external business through subsidiaries. Thus, the Issuer does not generate any cash and is dependent on cash generation and distribution from subsidiaries in order to meet its payment obligations under the Bonds. Contractual provisions, laws and the financial condition or operating requirements of the Issuer's subsidiaries may limit the Issuer's ability to obtain cash from its subsidiaries. Any inability to transfer cash from the Issuer's subsidiaries may mean that the Issuer is unable to meet its payment obligations under the Bonds, even though the Group may have sufficient cash resources on a consolidated basis to meet its obligations. This may negatively impact the Issuer's ability to perform its obligations under the Bonds.

#### Interest-rate risk

Interest rate risk is the risk that results from the variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

#### The regulation and reform of "benchmarks" may adversely affect the value of securities linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks", (including NIBOR) are subject to recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any securities linked to or referencing such a "benchmark". The Benchmarks Regulation could have a material impact on any Bonds linked to or referencing a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".



### 3 Persons Responsible

#### 3.1 Persons responsible for the information

Persons responsible for the information given in the Securities Note are:  
Norske Skog ASA, Sjølyst plass 2, 0278 Oslo, Norway.

#### 3.2 Declaration by persons responsible

**Responsibility statement:**

Norske Skog ASA confirms that the information contained in the Prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo (Norway), 20.09.2024

Norske Skog ASA



Geir Olav Drangland  
CEO

#### 3.3 Competent Authority Approval

Norske Skog ASA confirms that:

- (a) this Securities Note has been approved by Finanstilsynet, as competent authority under Regulation (EU) 2017/1129;
- (b) Finanstilsynet only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;
- (c) such approval shall not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note;
- (d) investors should make their own assessment as to the suitability of investing in the securities.

## 4 Detailed information about the securities

|  |   |               |  |
|--|---|---------------|--|
| ISIN code:   | NO0013262451  |               |  |
| LEI-code:  | 529900MY60WXHHY3039.  |               |  |
| The Reference Name/The Bonds:                              | "Norske Skog ASA FRN senior unsecured NOK 1,600,000,000 bonds 2024/2029", documented by a bond agreement dated 24 June 2024 (the " <b>Bond Terms</b> ") entered into between the Issuer and Nordic Trustee AS (the " <b>Trustee</b> ") (the " <b>Bond Issue</b> ").   |               |  |
| Issuer/Company:  | Norske Skog ASA, a company existing under the laws of Norway with registration number 914 483 549.  |               |  |
| Group:   | The Issuer with all its Subsidiaries from time to time (each a "Group Company").  |               |  |
| Group Company:   | Means any person which is a member of the Group.  |               |  |
| Security Type:   | Senior unsecured Bond Issue with floating rate.   |               |  |
| Borrowing Amount:  | NOK   | 1,600,000,000 |  |
| Denomination – Each Bond:                                  | NOK   | 100,000       | - each and ranking pari passu among themselves |
| Securities Form:   | The Bonds are electronically registered in book-entry form with the Securities Depository.  |               |  |
| Disbursement/Settlement/ Issue Date:                       | 25 June 2024.   |               |  |
| Interest Bearing From and Including:                       | Disbursement/Settlement/Issue Date.   |               |  |
| Interest Bearing To:                                       | Maturity Date.  |               |  |
| Maturity Date:   | 25 June 2029.   |               |  |
| Reference Rate:  | 3 months NIBOR  |               |  |
| Margin:  | 4.50 per cent. per annum.   |               |  |
| Interest Rate:   | Reference Rate + Margin.  |               |  |
|  | In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.   |               |  |
| Day Count Fraction - Coupon:                               | Act/360 – in arrears.   |               |  |
| Business Day Convention:                                   | If the relevant Payment Date originally falls on a day that is not a Business Day, an adjustment of the Payment Date will be made so that the relevant Payment Date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day (Modified Following Business Day Convention). |               |  |
| Interest Rate Determination Date (Interest Quotation Day): | Two Business Days prior to each Interest Payment Date.  |               |  |
| Interest Rate Adjustment Date:                             | Interest Rate determined on an Interest Rate Determination Date will be effective from and including the accompanying Interest Payment Date.  |               |  |
| Interest Payment Date:                                     | Each 25 March 25 June, 25 September and 25 December in each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.   |               |  |

Issue Price: 100 % (par value).

Yield: Dependent on the market price. Yield for the Interest Period (21 June 2024 – 25 September 2024) is 9.23% p.a. assuming a price of 100.00 %.

The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» prepared by Norske Finansanalytikeres Forening in January 2020: <https://finansanalytiker.no/innlegg/januar-2020-oppdateret-konvensjon-for-det-norske-sertifikat-og-obligasjonsmarkedet/>

Business Day: Means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

- Mandatory repurchase due to a Put Option Event:
- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “Put Option”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101.00 per cent. of the Nominal Amount.
  - (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (Put Option Event) in the Bond Terms. Once notified, the Bondholders’ right to exercise the Put Option is irrevocable.
  - (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholder’s holding of Bonds at the Put Option Repayment Date.
  - (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to Clause 10.3 in the Bond Terms, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

**Put Option Event** means a Change of Control Event or an Equity De-Listing Event.

**Change of Control Event** means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.

**Equity De-Listing Event** means an event where the shares in the Issuer ceases to be listed on an Exchange.

**Definitions:** Please see *Bond Terms paragraph 1.1 Definitions*.

- Voluntary early redemption – Call Option:
- (a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the “Call Option”) on any Business Day from and including:
    - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
    - (ii) the First Call Date to, but not including, the Interest Payment Date December 2027 at a price equal to 104.278 per cent. of the Nominal Amount;
    - (iii) the Interest Payment Date in December 2027 to, but not including, the Interest Payment Date in June 2028 at a price equal to 102.567 per cent. of the Nominal Amount;
    - (iv) the Interest Payment Date in June 2028 to, but not including, the Interest Payment Date in December 2028 at a price equal to 100.856 per cent. of the Nominal Amount; and

- (v) the Interest Payment Date in December 2028 to, but not including, the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date. Any notice given in respect of a Call Option may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, in which case the exercise of the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived at least 3 Business Days prior to such Call Option Repayment Date. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice.
- (d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

**Definitions:** Please see *Bond Terms paragraph 1.1 Definitions*.

Make Whole Amount: means an amount equal to the sum of:

the present value on the Call Option Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the price as set out in paragraph (a) (ii) of Clause 10.2 (*Voluntary early redemption – Call Option*) as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds, (less any accrued and unpaid interest on the redeemed Bonds as at the Call Option Repayment Date) to the First Call Date,

where the present value shall be calculated by using a discount rate of 4.293 per cent. per annum, and where the Interest Rate applied for the remaining interest payments until the First Call Date shall be the applicable Interest Rate on the Call Option Repayment Date.

Early redemption option 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 8.4 (Taxation) in the Bond Terms as a result of a change in applicable law implemented after the date of these Bond Terms, 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. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business 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.

**Definitions:** Please see *Bond Terms paragraph 1.1 Definitions*.

First Call Date: Means the Interest Payment Date falling in June 2024.

Amortisation: The Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100% of the nominal value.

Redemption and limitation of claims: Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant to the Norwegian Act relating to the Limitation Period for Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.

Status of the Bonds: The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and will rank at least *pari passu* with all other obligations of

the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

General and Financial  
Undertakings:

**General Undertakings:**

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

**Authorisations**

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time.

**Pari passu ranking**

The Issuer shall ensure that its obligations under the Bond Terms and any other Finance Document to which it is party shall at all times rank at least *pari passu* as set out in Clause 2.4 (Status of the Bonds) in the Bond Terms.

**Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

**Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business of the Group from that carried on by the Group at the Issue Date.

**Corporate status**

The Issuer shall not change its type of organization or jurisdiction of incorporation.

**Mergers and de-mergers**

Except for Permitted Disposals, the Issuer shall not, and shall procure that no other Group Company will, carry out:

- a) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than with a Group Company; or
- b) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger,

if such transaction would have a Material Adverse Effect.

**Disposals**

Except for Permitted Disposals, the Issuer shall not, and shall ensure that no other Group Company will, sell, transfer or otherwise dispose of all or a material part of its assets or operations to any person not being a Group Company, unless such sale, transfer or disposal is carried out in the ordinary course of business and would not have a Material Adverse Effect.

**Arm's length transactions**

The Issuer shall, and shall procure that all other Group Companies will, conduct all transactions with any Affiliate on an arm's length basis.

**Insurances**

The Issuer shall, and shall procure that each other Group Company will maintain with reputable insurance companies, funds or underwriters, insurances or captive arrangements with respect to its mills, factories, equipment and business against such liabilities, casualties and contingencies as are consistent with prudent business practice.

**Reporting**

The Issuer shall of its own accord make Financial Reports available to the Bond Trustee not later than four months after the end of the financial year and not later than two months after each Quarter Date. Such reports shall be prepared in accordance with the Accounting Standard.

**Dividends**

Other than any Permitted Distribution, the Issuer may not declare or make any dividend payment, repurchase of shares or make loans or other distributions ("**Distributions**") to its shareholders.

#### **Negative pledge**

Other than any Permitted Security, the Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its respective assets.

#### **Financial Support**

Other than any Permitted Financial Support, the Issuer shall not, and shall procure that no other Group Company will, make or grant any loans, grant any credit or give any guarantee or indemnity (together "**Financial Support**") to or for the benefit of any person.

#### **Financial Indebtedness**

Other than any Permitted Financial Indebtedness, the Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any Financial Indebtedness.

#### **Subsidiaries' distributions**

The Issuer shall not permit any other Group Company to create or permit to exist any contractual obligation or Security restricting the right of any Group Company to:

- a) pay dividends or make other distributions to its shareholders;
- b) service any Financial Indebtedness to the Issuer;
- c) make any loans to the Issuer; or
- d) transfer any of its assets and properties to the Issuer,

if the creation of such contractual obligation is reasonably likely to prevent the Issuer from complying with any of its obligations under these Bond Terms.

#### **Financial covenants**

The Issuer shall comply with the following financial covenants:

- a) **Minimum Liquidity:** The Liquidity shall exceed NOK 100,000,000.
- b) **Interest Coverage Ratio:** The Issuer shall ensure that the Group maintains an Interest Coverage Ratio of minimum 2.0:1.
- c) **Equity Ratio:** The Issuer undertakes to ensure that the Group maintains an Equity Ratio in excess of 25.00 per cent.

The Issuer undertakes to comply with the minimum Liquidity at all times while compliance with the Interest Coverage Ratio and Equity Ratio shall be measured on each Quarter Date. Compliance with the financial covenants shall be certified by the Issuer by the delivery of a Compliance Certificate, with the delivery of each Annual Financial Statements or Interim Accounts. All financial covenants shall be calculated on a consolidated basis for the Group.

When calculating the Interest Coverage Ratio, EBITDA shall be calculated and adjusted in accordance with Clause 13.16 (Incurrence Test) in the Bond Terms.

#### **Incurrence Test**

The "Incurrence Test" is met if:

- a) the Leverage Ratio does not exceed:
  - (i) with respect to the making of any Distribution, 1.50; and
  - (ii) with respect to incurring Financial Indebtedness for which compliance with the Incurrence Test is required, 3.00, and
- b) no Event of Default is outstanding or will occur as a result of the transaction for which the Incurrence Test is applied.

#### Events of Default:

##### *Cross default*

The Bond Terms shall include standard event of default provisions with standard remedy periods applicable to the Group Companies including cross default provision threshold of EUR 10,000,000 (or equivalent thereof in any other currency) and an equal insolvency or insolvency proceedings threshold amount, and cross default events shall include items (i)-(iv) in the standard Nordic Trustee Bond Terms, except that only cross acceleration (items (ii) and (iii) in the standard Nordic Trustee Bond Terms) shall apply to any breach of any financial maintenance covenants in any agreement for Financial Indebtedness.

*For further information, please see Clause 14.1 in the Bond Terms.*

|   |  |
|---|--|
| Listing                                       | <p>An application for listing on the regulated market of Oslo Børs will be made.</p> <p>Listing will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA.</p> <p>The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within 6 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.</p> <p>Listing Failure Event means:</p> <ul style="list-style-type: none"><li>(a) the Bonds have not been admitted to listing on an Exchange within 6 months following the Issue Date;</li><li>(b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange.</li></ul> <p>Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum.</p>  |
| Expenses related to the Admission to trading: | <p>The estimate of total expenses related to the Bonds are as follow:</p> <p>Prospectus fee (NFSA): NOK 98,000.<br/>Listing fee (Oslo Børs): NOK 49,550.<br/>Registration fee (Oslo Børs): NOK 20,000<br/>Legal fees in connection with the listing: approx. NOK 180,000</p>   |
| Purpose/Use of proceeds:                      | <p>The Issuer will use the Net Proceeds from the Initial Bond Issue:</p> <ul style="list-style-type: none"><li>(a) to repay the Existing Bonds in full; and</li><li>(b) any remaining amount for general corporate purposes of the Group.</li></ul>  |
| NIBOR:  | <p>NIBOR (Norwegian Interbank Offered Rate) being:</p> <ul style="list-style-type: none"><li>(a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or</li><li>(b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:<ul style="list-style-type: none"><li>(i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or</li><li>(ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or</li></ul></li><li>(c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:<ul style="list-style-type: none"><li>(i) any relevant replacement reference rate generally accepted in the market; or</li><li>(ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.</li></ul></li></ul> <p>In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.</p> <p>Please find information about NIBOR's past and the future performance and its volatility free of charges (with 24 hours delay) on: <a href="https://most.referanserenter.no/nibor-rates.html">https://most.referanserenter.no/nibor-rates.html</a></p> |
| Approvals:                                    | <p>The Bonds were issued in accordance with the Issuer's Board approval dated 11 June 2024.</p> <p>The Prospectus is approved by the Norwegian FSA as competent authority under Regulation (EU) 2017/1129.</p>   |

The Prospectus has also been sent to Oslo Børs ASA for review in relation to a listing application of the bonds.

**Bond Terms:**

The Bond Terms has been entered into by the Issuer and the Bond Trustee. The Bond Terms regulates the Bondholder's rights and obligations with respect to the bonds. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.

By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by the Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party. has accepted the Bond Terms and is bound by the terms of the Bond Terms.

The Bond Terms is attached as Appendix 1 to this Securities Note. The Bond Terms is available through the Bond Trustee or from the Issuer.

**Bondholders' decisions:**

At the Bondholders' meeting each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each voting bond owned at close of business on the day prior to the date of the Bondholders' meeting in the records registered in the Securities Depository.

In order to form a quorum, at least half (1/2) of the voting bonds must be represented at the Bondholders' meeting.

Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph 15.1 (g) in the Bond Terms.

Save for any amendments or waivers which can be made without resolution pursuant to Clause 17.1 (Procedure for amendments and waivers), paragraph (a) and (b) in the Bond Terms, a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

(For more details, see also Bond Terms clause 15 Bondholders' Decisions and 17. Amendment and waivers

**Availability of the Documentation:**

<https://www.norskeskog.com>

**Bond Trustee:**

Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway. Website:

<https://nordictrustee.com>.

The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.

The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Capital Requirement Breach has occurred.

(For more details, see also Bond Terms clause 16)

**Paying Agent:**

DNB Bank ASA, Verdipapirservice, Dronning Eufemias gate 30, NO-0191 Oslo, Norway.

The Paying Agent is in charge of keeping the records in the Securities Depository.

**Calculation Agent:**

The Bond Trustee.

**Central Securities Depository (CSD):**

The Securities depository in which the bonds are registered, in accordance with the Norwegian Act of 2019 no. 6 regarding Securities depository.

On Disbursement Date the Securities Depository is the Norwegian Central Securities Depository (Verdipapirsentralen or "Euronext VPS"), P.O. Box 4, 0051 Oslo.



|   |  |
|---|--|
| Restrictions on the free transferability:                 | <p>Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring 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.</p> <p>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 Bond Terms (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.</p> |
| Market-Making:  | No market-making agreement has been entered into in connection with the Bond Issue.  |
| Legislation under which the Securities have been created: | Norwegian law.   |
| Fees and Expenses:  | <p>The tax legislation of the investor's Member State and of the issuer's country of incorporation may have an impact on the income received from the securities</p> <p>The Issuer shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Issuer is responsible for withholding any withholding tax imposed by Norwegian law.</p>   |
| Prospectus:   | The Registration Document dated 20.09.2024 together with this Securities Note, including the summary, dated 20.09.2024 constitutes the Prospectus.   |

## **5 Additional Information**

The Bonds will be listed on the Oslo Stock Exchange as soon as possible after approval of the Prospectus.

The involved persons in the Issue have no interest, nor conflicting interests that are material to the Bond Issue.

The Issuer mandated DNB Markets, a part of DNB Bank ASA and Pareto Securities AS in connection with the issuance of the Bonds.

Advokatfirmaet Thommessen AS assisted the Issuer with the listing of the Bonds.

## **Appendix 1: Bond Terms**

**BOND TERMS**

**FOR**

**Norske Skog ASA FRN senior unsecured NOK 1,600,000,000 bonds  
2024/2029**

**ISIN NO0013262451**

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

| <b>BOND TERMS between</b>  |   |
|--|---|
| ISSUER:  | Norske Skog ASA, a company existing under the laws of Norway with registration number 914 483 549 and LEI-code 529900MY60WXHHY3039; and |
| BOND TRUSTEE:  | Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.  |
| DATED:   | 24 June 2024  |
| These Bond Terms shall remain in effect for so long as any Bonds remain outstanding. |   |

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

“**Accounting Standard**” means the generally accepted accounting practice and principles in the country in which the relevant company is incorporated including, if applicable, IFRS.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“**Annual Financial Statements**” means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Terms**” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

“**Bondholders' Meeting**” means a meeting of Bondholders as set out in Clause 15 (*Bondholders' Decisions*).

“**Bonds**” means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“**Book Equity**” means the aggregate book value (on a consolidated basis) of the Group's total equity treated as equity in accordance with the Accounting Standard.

“**Bruck Boiler Facility**” means any Financial Indebtedness incurred by Norske Skog Bruck GmbH and/or its Subsidiary owning the Bruck K9 boiler, provided by a recognized bank or financial institution, up to an amount of EUR 54,000,000, for the purpose of funding the construction and development of a new waste incinerator at the Bruck facility, generating steam and electricity through on-site turbines, to be utilized in the paper production.

“**Bruck Conversion Facility**” means any Financial Indebtedness incurred by Norske Skog Bruck GmbH and/or its Subsidiary owning the Bruck PM3 machine, provided by recognized banks, financial institutions and/or export credit agencies, up to an amount of EUR 71,750,000, for the purpose of funding the conversion of the PM3 machine from paper and newsprint production to containerboard production at the Bruck facility.

“**Business Day**” means a day on which both the relevant CSD settlement system is open and the relevant settlement system for the Bond Currency is open.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

“**Call Option**” has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option Repayment Date**” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“**Cebina Business**” means the businesses relating to the Group’s nanocellulose derivatives and bio composites, including the products marketed under the name CEBINA and CEBICO.

“**Change of Control Event**” means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 hereto.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

“**Default Notice**” has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Distributions**” has the meaning ascribed to such term in Clause 13.10 (*Dividends*).

“**EBITDA**” means earnings before interest expenses, taxes, depreciation and amortization for the Relevant Period after excluding any restructuring costs of a one-off non-recurring, extraordinary or exceptional nature in aggregate not exceeding 10.00 per cent. of EBITDA for any Relevant Period (calculated without any cap on such restructuring costs).

“**Equity De-Listing Event**” means an event where the shares in the Issuer ceases to be listed on an Exchange.

“**Equity Ratio**” means the ratio of Book Equity to Total Assets.

“**Event of Default**” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Exchange**” means:

- (a) Oslo Børs (the Oslo Stock Exchange); or



- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

**“Existing Bonds”** means the EUR 150,000,000 Senior Secured Callable Bonds with ISIN NO0010936065 maturing 2 March 2026.

**“Existing RCF”** means the EUR 31,000,000 revolving credit facility made available by DNB Bank ASA to the Issuer dated 12 March 2021.

**“Factoring Facility”** means the EUR 40,000,000 factoring facility provided by Credit Agricole Leasing & Factoring to Norske Skog Golbey SAS, or any replacement factoring facility provided the total outstanding amount of such replacement facility does not exceed EUR 40,000,000.

**“Finance Documents”** means these Bond Terms, the Bond Trustee Fee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

**“Finance Lease”** means any lease or hire purchase contract entered into by a Group Company which would have been treated as a finance or capital lease for accounting purposes in accordance with the Accounting Standard (as applicable on the Issue Date).

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

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) 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 marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;

- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) 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 a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“**Financial Reports**” means the Annual Financial Statements and the Interim Accounts.

“**Financial Support**” has the meaning ascribed to such term in Clause 13.12 (*Financial Support*).

“**First Call Date**” means the Interest Payment Date falling in June 2027.

“**Golbey Bank Guarantee Security**” means a first ranking immovable hypothec on Norske Skog Golbey SAS’ real property in the amount of EUR 13,000,000, granted in favour of Caisse d’Epargne as Security for a bank guarantee in favour of energy supplier Exeltium.

“**Golbey Conversion Facility**” means any Financial Indebtedness incurred by Norske Skog Golbey SAS and/or its Subsidiary owning the Golbey PM1 machine, provided by recognized banks, financial institutions and/or export credit agencies, up to an amount of EUR 193,200,000, for the purpose of funding the conversion of the PM1 machine from paper and newsprint production to containerboard production at the Golbey facility.

“**Golbey Loans**” means existing unsecured local loans to Norske Skog Golbey SAS in an amount of maximum EUR 13,600,000 or any refinancing thereof.

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

“**Group Company**” means any person which is a member of the Group.

“**Guarantee Facility**” means any guarantee facility provided to a Group Company by a financial institution (the “**Issuing Bank**”) under which the Issuing Bank will provide a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument in respect of an underlying liability in the ordinary course of business of a Group Company.

“**IFRS**” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

“**Incurrence Test**” has the meaning ascribed to such term in Clause 13.16 (*Incurrence Test*).

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Interest Coverage Ratio**” means the ratio of EBITDA to Net Interest Costs.

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 25 September 2024 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the periods between 25 March, 25 June, 25 September and 25 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Quotation Day**” means, in relation to any period for which Interest Rate is to be determined, 2 Quotation Business Days before the first day of the relevant Interest Period.

“**Interest Rate**” means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for any quarter ending on a Quarter Date, drawn up according to the Accounting Standard, such accounts to include a profit and loss account, balance sheet, cash flow statement management commentary and segment reporting commenting specifically on production volumes, revenues and gross operating margins from the relevant business segments.

“**ISIN**” means International Securities Identification Number.

“**Issue Date**” means 25 June 2024.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer’s Bonds**” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“**Leverage Ratio**” means the ratio of NIBD to EBITDA.

“**Liquidity**” means the aggregate book value of the Group’s freely available and unrestricted cash and cash equivalents according to the Accounting Standard.

“**Listing Failure Event**” means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within 6 months following the Issue Date;
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or
- (c) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within 3 months following the issue date for such Temporary Bonds.

“**Make Whole Amount**” means an amount equal to the sum of the present value on the Call Option Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the price as set out in paragraph (a) (ii) of Clause 10.2 (*Voluntary early redemption – Call Option*) as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Call Option Repayment Date) to the First Call Date,

where the present value shall be calculated by using a discount rate of 4.293 per cent. per annum, and where the Interest Rate applied for the remaining interest payments until the First Call Date shall be the applicable Interest Rate on the Call Option Repayment Date.

“**Managers**” means DNB Markets, a part of DNB Bank ASA, and Pareto Securities AS.

“**Margin**” means 4.50 per cent.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

“**Maturity Date**” means 25 June 2029, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Net Interest Cost**” means the aggregate gross cash interest costs of the Group related to its interest-bearing debt less the aggregate gross cash interest income of the Group for the Relevant Period.

“**Net Proceeds**” means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

“**Net Profit**” means the Group’s consolidated net profit (or loss) after tax in accordance with the Accounting Standard according to the latest annual Financial Statement.

“**NIBD**” means, on a consolidated basis for the Group, the aggregate consolidated interest bearing debt (excluding Bonds owned by any Group Company) less Liquidity.

“**Nominal Amount**” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

“**Outstanding Bonds**” means any Bonds not redeemed or otherwise discharged.

“**Overdue Amount**” means any amount required to be paid by the Issuer under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

“**Payment Date**” means any Interest Payment Date or any Repayment Date.

“**Permitted Disposal**” means a sale, transfer or disposal of:

- (a) any shares or assets of Norske Skog Industries Australia Ltd. and its Subsidiaries;
- (b) any shares in Porsnes Utvikling AS and its Subsidiaries;
- (c) any shares in Circa Group AS;
- (d) the Cebina Business; and
- (e) obsolete or redundant properties, vehicles and equipment for cash,

in each case provided that such sale, transfer or disposal is carried out on arm’s length terms.

“**Permitted Distribution**” means any Distribution:

- (a) up to 50.00 per cent. of Net Profit for the previous financial year subject to the Incurrence Test being met, or
- (b) made by way of a repurchase of own shares to cover its potential obligations under any bonus share programme for its employees and board members (and provided no Event of Default has occurred or would result from such Distribution).

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

- (a) arising under the Finance Documents, including in respect of any Tap Issue;
- (b) arising in relation to any Permitted Hedging and any Guarantee Facility;
- (c) arising in the ordinary course of business under any lease agreement that would have been classified as an operational lease prior to the implementation of IFRS 16;
- (d) arising in relation to the Saugbrugs Biogas Facility;
- (e) arising under the Golbey Loans;
- (f) arising in relation to the Golbey Conversion Facility;
- (g) arising in relation to the Bruck Boiler Facility;
- (h) arising in relation to the Bruck Conversion Facility;
- (i) arising in relation to the Saugbrugs BCTMP Facility;
- (j) arising in relation to the Skogn Facility;
- (k) arising under the Factoring Facility;
- (l) arising under any credit facility provided by any governmental or government owned organization or institution (not being a commercial financial institution) with an amount outstanding not exceeding EUR 10,000,000 in aggregate for the Group at any time;
- (m) arising under any credit facility provided by any financial institution or by any governmental or government owned organization or institution for the purpose of financing investment projects in Norske Skog Saugbrugs AS and Norske Skog Skogn AS or any subsidiary thereto with an aggregate outstanding amount of up to EUR 30,000,000;
- (n) arising under any revolving credit or overdraft facility made available to the Issuer, provided that the aggregate amount outstanding may not at any time exceed NOK 100,000,000;
- (o) arising under any Finance Lease limited to an aggregate amount not exceeding EUR 12,000,000 (or the equivalent in other currencies) for the Group at any time;
- (p) other unsecured Financial Indebtedness (which matures after the Bonds), however always subject to compliance with the Incurrence Test;
- (q) arising under any loan made by any Group Company to another Group Company (including under any cash pooling arrangement);
- (r) incurred under any pension or tax liabilities in the ordinary course of business;

- (s) of any person acquired by a Group Company after the Issue Date, where the Financial Indebtedness is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or having its maturity date extended in contemplation of, or since, that acquisition, provided that:
  - (i) such Financial Indebtedness is outstanding only for a period of 3 months following the date of that acquisition; or
  - (ii) the Incurrence Test is met following the acquisition.
- (t) arising out of 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 in respect of an underlying liability in the ordinary course of business of a Group Company;
- (u) up until the Issue Date, the Existing Bonds;
- (v) up until the issue date for the Skogn Facility, the Existing RCF;
- (w) incurred under any derivative transactions in connection with protection against or benefit from fluctuation in any rate or price on a non-speculative basis or in the ordinary course of business; and
- (x) any other Financial Indebtedness not permitted by the preceding paragraphs and the aggregate outstanding principal amount of which does not exceed an aggregate amount of EUR 10,000,000 (or the equivalent in other currencies) at any time.

**“Permitted Financial Support”** means any Financial Support:

- (a) in relation to any Permitted Hedging and any Guarantee Facility;
- (b) provided for financial indebtedness incurred pursuant to item (o) or (p) of Permitted Financial Indebtedness or Security created or permitted to exist pursuant to item (k) of Permitted Security;
- (c) made, granted or given by a Group Company to or for the obligations of another Group Company (including under any cash pooling arrangement);
- (d) made, granted or given by a Group Company to any third party in the ordinary course of business; and
- (e) not falling within any of the preceding sub-paragraphs, the aggregate outstanding principal amount of which does not at any time exceed, in the aggregate, EUR 10,000,000 (or the equivalent in other currencies).

**“Permitted Hedging”** means any obligation of any Group Company under a derivative transaction entered into with one or more hedge counterparties in connection with protection against or benefit from fluctuation in any rate or price on a non-speculative basis or in the ordinary course of business.

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

- (a) granted in relation to Permitted Financial Indebtedness paragraphs (b), (d) through (k), (m) or (n);
- (b) in relation to the Statkraft Security;
- (c) by way of Security in accounts receivable and account pledges in relation to the factoring facilities provided to any Group Company;
- (d) arising under any cash pooling, netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of Group Companies;
- (e) arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of business and not arising as a result of a default or omission by any Group Company that is continuing for a period of more than 30 calendar days;
- (f) arising under any right of set-off under contracts entered into by Group Companies in the ordinary course of their day-to-day business;
- (g) over or affecting any asset of any company which becomes a Group Company after the Issue Date, where the Security is created prior to the date on which that company becomes a Group Company, if:
  - (i) the Security was not created in contemplation of the acquisition of that company;
  - (ii) the principal amount secured has not increased in contemplation of or since the acquisition of that company; and
  - (iii) (1) the Security is removed or discharged within 3 months of that company becoming a Group Company, or (2) such Security is securing Financial Indebtedness which is permitted in accordance with paragraph (s)(ii) in the definition of Permitted Financial Indebtedness;
- (h) in relation to the Golbey Bank Guarantee Security;
- (i) up until the Issue Date, granted in relation to the Existing Bonds;
- (j) up until the issue date for the Skogn Facility, granted in relation to the Existing RCF;
- (k) created or permitted to exist over the whole or any part of its right, title or interest in, or the assets of, any joint venture, partnership or similar venture (whether or not incorporated) to secure only such indebtedness as is created, incurred or assumed in connection with that joint venture, partnership or similar venture in favour of a participant or participants therein (including any financier or supplier to that joint venture, partnership or similar venture); and



- (l) any other Security not permitted by the preceding paragraphs securing indebtedness the principal amount of which does not at any time exceed, in the aggregate, EUR 10,000,000 (or the equivalent in other currencies).

“**Put Option**” has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“**Put Option Event**” means a Change of Control Event or an Equity De-Listing Event.

“**Put Option Repayment Date**” means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“**Quarter Date**” means each 31 March, 30 June, 30 September and 31 December.

“**Quotation Business Day**” means a day on which Norges Bank’s settlement system is open.

“**Reference Rate**” means NIBOR (Norwegian Interbank Offered Rate) being:

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:
  - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
  - (ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
  - (i) any relevant replacement reference rate generally accepted in the market; or
  - (ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Period**” means a period of twelve (12) consecutive calendar months ending on the relevant Quarter Date or, with respect to the making of an Incurrence Test, the most recent Quarter Date from the date that Incurrence Test is made.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

**"Repayment Date"** means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

**"Saugbrugs BCTMP Facility"** means any Financial Indebtedness incurred by Norske Skog Saugbrugs AS and/or its Subsidiary owning the BCTMP line, provided by recognized banks, financial institutions and/or export credit agencies, up to an amount of EUR 150,000,000, for the purpose of funding the construction of a production line for BCTMP at the Saugbrugs facility.

**"Saugbrugs Biogas Facility"** means the facility by SpareBank 1 Østfold Akershus originally provided to Saugbrugs Bioenergi AS in a total aggregate principal amount of NOK 70,000,000 (or any subsequent financing of the biogas facility at Norske Skog Saugbrugs AS).

**"Securities Trading Act"** means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

**"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.

**"Skogn Facility"** means any Financial Indebtedness incurred by Norske Skog Skogn AS, provided by recognized banks, financial institutions and/or export credit agencies, provided that (a) such facility shall be without recourse to the Issuer, and (b) the aggregate amount outstanding may not at any time exceed NOK 500,000,000.

**"Statkraft Security"** means the pledge over machinery and plant and mortgages over the properties owned by each of Norske Skog Skogn AS and Norske Skog Saugbrugs AS.

**"Subsidiary"** means a person over which another person has Decisive Influence.

**"Summons"** means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

**"Tap Issue"** has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Tap Issue Addendum"** has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Tax Event Repayment Date"** means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

“**Temporary Bonds**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Total Assets**” means the aggregate book value (on a consolidated basis) of the Group’s total assets which are treated as assets calculated in accordance with the Accounting Standard.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

## 2. THE BONDS

### 2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to NOK 1,600,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of NOK 1,400,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the “**Temporary Bonds**”). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

- (b) The Bonds are denominated in Norwegian Kroner (NOK), being the legal currency of Norway.
- (c) The Initial Nominal Amount of each Bond is NOK 100,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders’ Meeting*).

### 2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

### 2.3 Use of proceeds

The Issuer will use the Net Proceeds from the Initial Bond Issue:

- (a) to repay the Existing Bonds in full; and
- (b) any remaining amount for general corporate purposes of the Group.

## **2.4 Status of the Bonds**

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

## **2.5 Unsecured**

The Bonds are unsecured.

# **3. THE BONDHOLDERS**

## **3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

## **3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

## **3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

**4. ADMISSION TO LISTING**

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within 6 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. The Issuer shall use its reasonable endeavours to ensure that any Temporary Bonds are listed on an Exchange within 3 months of the issue date for such Temporary Bonds.

**5. REGISTRATION OF THE BONDS**

**5.1 Registration in the CSD**

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

**5.2 Obligation to ensure correct registration**

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

**5.3 Country of issuance**

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

**6. CONDITIONS FOR DISBURSEMENT**

**6.1 Conditions precedent for disbursement to the Issuer**

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) these Bond Terms duly executed by all parties hereto;
  - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
  - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;
  - (iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
  - (v) copies of the Issuer's latest Financial Reports (if any);

- (vi) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
  - (vii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
  - (viii) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
  - (ix) the Bond Trustee Fee Agreement duly executed by all parties thereto;
  - (x) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the other Finance Documents); and
  - (xi) any other Finance Documents duly signed by all parties thereto.
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

## **6.2 Disbursement of the proceeds**

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (b) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

## **6.3 Tap Issues**

The Issuer may issue Additional Bonds if:

- (a) a Tap Issue Addendum has been duly executed by all parties thereto;
- (b) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds; and
- (c) the Issuer meets the Incurrence Test tested pro forma including the new Financial Indebtedness incurred as a result of issuing such Additional Bonds.

## **7. REPRESENTATIONS AND WARRANTIES**

The Issuer makes the representations and warranties set out in this Clause 7, in respect of itself and in respect of each Group Company to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;

- (b) on the Issue Date; and
- (c) on the date of issuance of any Additional Bonds:

**7.1 Status**

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

**7.2 Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

**7.3 Valid, binding and enforceable obligations**

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

**7.4 Non-conflict with other obligations**

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

**7.5 No Event of Default**

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

**7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and



- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

**7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

**7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

**7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

**7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

**7.11 No withholdings**

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

**7.12 Pari passu ranking**

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

**7.13 Security**

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

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

**8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.

- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms 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.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant 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 has been set out for such payment in the relevant Finance Document.

## **8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

## **8.3 Partial Payments**

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
  - (ii) secondly, towards accrued interest due but unpaid; and
  - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities

and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;

- (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
- (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

#### **8.4 Taxation**

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) 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.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

#### **8.5 Currency**

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

**8.6 Set-off and counterclaims**

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

**9. INTEREST**

**9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

**9.2 Payment of interest**

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

**10. REDEMPTION AND REPURCHASE OF BONDS**

**10.1 Redemption of Bonds**

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

**10.2 Voluntary early redemption - Call Option**

- (a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the “**Call Option**”) on any Business Day from and including:
  - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
  - (ii) the First Call Date to, but not including, the Interest Payment Date in December 2027 at a price equal to 104.278 per cent. of the Nominal Amount;
  - (iii) the Interest Payment Date in December 2027 to, but not including, the Interest Payment Date in June 2028 at a price equal to 102.567 per cent. of the Nominal Amount;

- (iv) the Interest Payment Date in June 2028 to, but not including, the Interest Payment Date in December 2028 at a price equal to 100.856 per cent. of the Nominal Amount; and
  - (v) the Interest Payment Date in December 2028 to, but not including, the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
  - (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date. Any notice given in respect of a Call Option may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, in which case the exercise of the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived at least 3 Business Days prior to such Call Option Repayment Date. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice.
  - (d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

### **10.3 Mandatory repurchase due to a Put Option Event**

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101.00 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5<sup>th</sup> Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

#### **10.4 Early redemption option 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 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, 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. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business 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.

### **11. PURCHASE AND TRANSFER OF BONDS**

#### **11.1 Issuer's purchase of Bonds**

The Issuer may purchase and hold Bonds and such Bonds may be retained or sold (but may not be cancelled) in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

#### **11.2 Restrictions**

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring 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.
- (b) 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 Bond Terms (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.

### **12. INFORMATION UNDERTAKINGS**

#### **12.1 Financial Reports**

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 4 months after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 2 months after the end of each Quarter Date.

#### **12.2 Requirements as to Financial Reports**

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as

at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.15 (*Financial covenants*) as at such date.

- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

### **12.3 Put Option Event**

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

### **12.4 Listing Failure Event**

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

### **12.5 Information: Miscellaneous**

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

## **13. GENERAL AND FINANCIAL UNDERTAKINGS**

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.

**13.1 Authorisations**

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time.

**13.2 Pari passu ranking**

The Issuer shall ensure that its obligations under the Bond Terms and any other Finance Document to which it is party shall at all times rank at least pari passu as set out in Clause 2.4 (*Status of the Bonds*).

**13.3 Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

**13.4 Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business of the Group from that carried on by the Group at the Issue Date.

**13.5 Corporate status**

The Issuer shall not change its type of organization or jurisdiction of incorporation.

**13.6 Mergers and de-mergers**

Except for Permitted Disposals, the Issuer shall not, and shall procure that no other Group Company will, carry out:

- (a) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than with a Group Company; or
- (b) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger,

if such transaction would have a Material Adverse Effect.

**13.7 Disposals**

Except for Permitted Disposals, the Issuer shall not, and shall ensure that no other Group Company will, sell, transfer or otherwise dispose of all or a material part of its assets or operations to any person not being a Group Company, unless such sale, transfer or disposal is carried out in the ordinary course of business and would not have a Material Adverse Effect.

**13.8 Arm's length transactions**

The Issuer shall, and shall procure that all other Group Companies will, conduct all transactions with any Affiliate on an arm's length basis.

**13.9 Insurances**

The Issuer shall, and shall procure that each other Group Company will, maintain with reputable insurance companies, funds or underwriters, insurances or captive arrangements with



respect to its mills, factories, equipment and business against such liabilities, casualties and contingencies as are consistent with prudent business practice.

**13.10 Dividends**

Other than any Permitted Distribution, the Issuer may not declare or make any dividend payment, repurchase of shares or make loans or other distributions ("**Distributions**") to its shareholders.

**13.11 Negative pledge**

Other than any Permitted Security, the Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its respective assets.

**13.12 Financial Support**

Other than any Permitted Financial Support, the Issuer shall not, and shall procure that no other Group Company will, make or grant any loans, grant any credit or give any guarantee or indemnity (together "**Financial Support**") to or for the benefit of any person.

**13.13 Financial Indebtedness**

Other than any Permitted Financial Indebtedness, the Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any Financial Indebtedness.

**13.14 Subsidiaries' distributions**

The Issuer shall not permit any other Group Company to create or permit to exist any contractual obligation or Security restricting the right of any Group Company to:

- (a) pay dividends or make other distributions to its shareholders;
- (b) service any Financial Indebtedness to the Issuer;
- (c) make any loans to the Issuer; or
- (d) transfer any of its assets and properties to the Issuer,

if the creation of such contractual obligation is reasonably likely to prevent the Issuer from complying with any of its obligations under these Bond Terms.

**13.15 Financial covenants**

- (a) The Issuer shall comply with the following financial covenants:
  - (i) **Minimum Liquidity:** The Liquidity shall exceed NOK 100,000,000.
  - (ii) **Interest Coverage Ratio:** The Issuer shall ensure that the Group maintains an Interest Coverage Ratio of minimum 2.0:1.
  - (iii) **Equity Ratio:** The Issuer undertakes to ensure that the Group maintains an Equity Ratio in excess of 25.00 per cent.

- (b) The Issuer undertakes to comply with the minimum Liquidity at all times while compliance with the Interest Coverage Ratio and Equity Ratio shall be measured on each Quarter Date. Compliance with the financial covenants shall be certified by the Issuer by the delivery of a Compliance Certificate, with the delivery of each Annual Financial Statements or Interim Accounts. All financial covenants shall be calculated on a consolidated basis for the Group.
- (c) When calculating the Interest Coverage Ratio, EBITDA shall be calculated and adjusted in accordance with Clause 13.16 (*Incurrence Test*).

### **13.16 Incurrence Test**

The “**Incurrence Test**” is met if:

- (a) the Leverage Ratio does not exceed:
  - (i) with respect to the making of any Distribution, 1.50; and
  - (ii) with respect to incurring Financial Indebtedness for which compliance with the Incurrence Test is required, 3.00; and
- (b) no Event of Default is outstanding or will occur as a result of the transaction for which the Incurrence Test is applied.

### **13.17 Calculations and Calculation Adjustments**

- (a) The calculation of the Leverage Ratio shall be made as per a testing date determined by the Issuer, falling no earlier than the last day of the period covered by the most recent Financial Report delivered to the Bond Trustee prior to the event relevant for the application of the Incurrence Test.
- (b) When calculating Leverage Ratio for the relevant Incurrence Test, the following pro forma adjustments shall apply:
  - (i) the figures for EBITDA for the Relevant Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:
    - (A) entities, assets or operations acquired by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be included, pro forma, for the entire Relevant Period; and
    - (B) entities, assets or operations disposed of or discontinued by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be excluded, pro forma, for the entire Relevant Period;
  - (ii) with respect to incurring unsecured Financial Indebtedness, the NIBD shall be adjusted to include the full commitment of new Financial Indebtedness (other than any Financial Indebtedness which shall be refinanced at the time of incurrence of

such new Financial Indebtedness), but any cash balance resulting from the incurrence of such new Financial Indebtedness shall not reduce the NIBD; and

- (iii) with respect to Permitted Distributions, the Liquidity and NIBD shall be adjusted to exclude any amounts distributed through such Permitted Distribution.
- (c) The Issuer shall provide to the Bond Trustee a Compliance Certificate in connection with any Incurrence Test showing the relevant Leverage Ratio.

## **14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS**

### **14.1 Events of Default**

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

*(a) Non-payment*

The Issuer fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

*(b) Breach of other obligations*

The Issuer does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

*(c) Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by any Group Company under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

*(d) Cross default and cross acceleration*

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or

- (ii) any Financial Indebtedness 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); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described), except as a result of an event of default arising solely due to the breach of any financial maintenance covenant,

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of EUR 10,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

Any Group Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
  - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
  - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair the Issuer's ability to perform its payment obligations under these Bond Terms; or
  - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
  - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default and cross acceleration*) above; or
  - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company,

however, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default and cross acceleration*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for the Issuer to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee to exercise any material right or power vested to it under the Finance Documents.

**14.2 Acceleration of the Bonds**

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

**14.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

**14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

## **15. BONDHOLDERS' DECISIONS**

### **15.1 Authority of the Bondholders' Meeting**

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

### **15.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
  - (i) the Issuer;
  - (ii) Bondholders representing at least 1/10 of the Voting Bonds;

- (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
- (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether

a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.

- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### **15.3 Voting rules**

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

### **15.4 Repeated Bondholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and



voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.

- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

#### **15.5 Written Resolutions**

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,

shall not apply to a Written Resolution.

- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
  - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the “**Voting Period**”).
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders’ rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of Bondholders’ Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders’ Meeting*).

## **16. THE BOND TRUSTEE**

### **16.1 Power to represent the Bondholders**

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders’ rights and/or carrying out its duties under the Finance Documents.

### **16.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.

- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.

- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

**16.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

**16.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts;  
or
  - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents,

and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

## **16.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.

- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

## **17. AMENDMENTS AND WAIVERS**

### **17.1 Procedure for amendments and waivers**

The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:

- (a) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
- (c) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

### **17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

### **17.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

## **18. MISCELLANEOUS**

### **18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

### **18.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

### **18.3 Notices, contact information**

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received; and
  - (iii) if by publication on a relevant information platform, when published.

- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
  - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
  - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
  - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

#### 18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
  - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the “**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);
  - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
  - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge, then the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*);
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.



**19. GOVERNING LAW AND JURISDICTION**

**19.1 Governing law**

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

**19.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

**19.3 Alternative jurisdiction**

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

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These Bond Terms have been executed by way of electronic signatures.

**SIGNATURES:**

|  |  |
|--|--|
| <p><b>The Issuer:</b></p> <p><b>Norske Skog ASA</b></p> <p>DocuSigned by:<br/><i>Tord Steinset Torvund</i><br/>.....49BCA6AA2DA6420.....</p> <p>By: Tord Steinset Torvund</p> <p>Position: CFO</p> | <p><b>As Bond Trustee:</b></p> <p><b>Nordic Trustee AS</b></p> <p>DocuSigned by:<br/><i>Vivian Trøsch</i><br/>.....2GDF1A62D9D9466.....</p> <p>By: Vivian Trøsch</p> <p>Position: Authorized signatory</p> |
|--|--|

**ATTACHMENT 1  
COMPLIANCE CERTIFICATE**

[date]

**Norske Skog ASA FRN bonds 2024/2029 ISIN NO0013262451**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The financial covenants set out in Clause 13.15 (*Financial covenants*) are met, please see the calculations and figures in respect of the covenants attached hereto.]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

Norske Skog ASA

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Name of authorised person

*Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]*