

*This Base Prospectus was approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) on 16 February 2024. The Base Prospectus is valid for 12 months after the date of the approval, provided that Investment AB Latour (publ) fulfils the obligation under Regulation (EU) 2017/1129, the Prospectus Regulation, if applicable, to supplement the Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies. The Company is under no obligation to prepare supplements to the Base Prospectus after the validity period has expired.*



## **INVESTMENT AB LATOUR (PUBL)**

**BASE PROSPECTUS FOR MEDIUM TERM NOTES PROGRAMME OF A MAXIMUM OF FIFTEEN (15) BILLION SWEDISH KRONOR OR THE EQUIVALENT AMOUNT IN EURO**

**Arranger:**

**Handelsbanken Capital Markets**

**Dealers:**

**Handelsbanken Capital Markets**

**SEB**

**Nordea**

# IMPORTANT INFORMATION

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This base prospectus (the “**Base Prospectus**”) refers to Investment AB Latour’s (publ) (“**Latour**” or the “**Company**”), Swedish corporate registration number 556026-3237, programme for the issuance of Medium Term Notes (“**MTN**”) in Swedish kronor (“**SEK**”) or in Euro (“**EUR**”) with varying tenors, although with a minimum of one (1) year, within the framework of a maximum total nominal amount, outstanding at the time, of SEK FIFTEEN BILLION (15,000,000,000) or the equivalent amount in EUR (the “**MTN-Programme**”). The nominal amount per MTN may not be less than EUR 100,000 (or the equivalent amount in SEK). The Base Prospectus has been prepared for the purposes of the admission to trading of MTNs on a regulated market in Sweden, within the framework of the general terms and conditions of the MTN-Programme, of which an unofficial English translation is included in the Base Prospectus (the “**General Terms and Conditions**”), as the case may be, and the form of final terms, of which an unofficial English translation is included in the Base Prospectus (the “**Final Terms**”).

References in the Base Prospectus made to the “**Group**” refer to the Company together with its subsidiaries, unless otherwise evident from the context. Definitions in the Base Prospectus, if not specifically defined in the Base Prospectus, can be found in the General Terms and Conditions of the MTN-Programme and, where applicable, in the Final Terms. The General Terms and Conditions and the Final Terms within the framework of the MTN-Programme has been prepared based on Swedish law. Disputes regarding the General Terms and Conditions, applicable Final Terms or the Base Prospectus will be decided by a Swedish court. Stockholm District Court will be the court of first instance.

The Base Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) in accordance with Article 20 of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”), which is the national competent authority under the Prospectus Regulation. The Base Prospectus is valid for a period of 12 months from the date of the approval of the Base Prospectus, provided that the Base Prospectus is supplemented in accordance with Article 23(1) of the Prospectus Regulation, during its period of validity. The obligation to prepare a supplement occurs in the event of any significant new factors, material mistakes or material inaccuracies that may affect the assessment of the MTN, and which occur during the period of validity of the Base Prospectus. The SFSA only approves the Base Prospectus as meeting the standards of completeness, comprehensibility and consistency set out in the Prospectus Regulation. After the date of the Base Prospectus, the Company does not undertake to amend or update the Base Prospectus except as stated above regarding the requirements to prepare a supplement.

The Base Prospectus must be read together with all documents incorporated by reference, the General Terms and Conditions and the Final Terms under the MTN-Programme, as well as any supplementary prospectuses to the Base Prospectus. The Dealers have not verified the content of the Base Prospectus and are not responsible for its content. For further information about, and to obtain, the Base Prospectus electronically, please refer to the Company. The Base Prospectus is available on the Company’s website, <https://www.latour.se/en>, the SFSA’s website, <https://fi.se/en/our-registers/prospektregistret/>, and the European Securities and Markets Authority’s (ESMA) website, [www.esma.europa.eu](http://www.esma.europa.eu).

Readers of the Base Prospectus must note that the information on the Company’s website, <https://www.latour.se/en> or equivalent links referring to all or part of the Company’s website, is not incorporated in the Base Prospectus unless this information is incorporated into the Base Prospectus by reference, see the *section “Documents incorporated by reference”*. Information on the Company’s or a third party’s website has not been reviewed or approved by the SFSA.

The Base Prospectus may not be distributed, forwarded, reproduced or made available in or to any country where such publication or distribution would require further documentation to be prepared or registration to take place or other action to be taken, beyond that which is required by Swedish law, or where this would be contrary to applicable laws or regulations in said country. Individuals who have access to the Base Prospectus are obliged to inform themselves about, and to observe, such restrictions. MTN issued under the Base Prospectus have not been registered, and will not be registered, under the United States Securities Act 1933. MTN may not be transferred or offered for sale in the USA or to an individual who is resident in the USA or on behalf of such a person.

The Base Prospectus contains certain forward-looking statements that reflects the Company’s current views or expectations with respect to future events and financial and operational performance. Words such as “*anticipate*”, “*estimate*”, “*expect*”, “*intend*”, “*may*”, “*plan*”, or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties, as it is dependent on future events and circumstances. Forward-looking information does not constitute a guarantee of future performance or developments, and actual outcomes may differ materially from that which is stated in forward-looking information. Factors that may cause the Company’s future results and developments to differ from that which can be expressed in forward-looking statements include, but are not limited to, those described in the *section “Risk Factors”*. Forward-looking information in the Base Prospectus is only valid as of the date of publication of the Base Prospectus. The Company undertakes no obligation to publish updates or revisions to forward-looking information as a result of new information, future events or similar circumstances, other than as required by applicable legislation.

In respect to each issue of MTN, a target market assessment will be made by the Arranger and the Dealers for MTN and appropriate distribution channels for MTN will be determined. An individual who subsequently offers, sells or recommends MTN (a “**Distributor**”) should take the target market assessment into account. However, a Distributor subject to Directive 2014/65/EU (“**MiFID II**”) is obliged to carry out its own target market assessment in respect of MTN (either by applying or adapting the target market assessment) and determining the appropriate distribution channels. According to MiFID’s product governance requirements under the (EU) Delegated Directive 2017/593 (“**MiFID Product Governance Rules**”), it is necessary to determine, in relation to each issue, whether the Arranger or any of the Dealers involved in the issue of MTN is a manufacturer of such MTN. Neither the Arranger, the Dealers nor any of their respective subsidiaries that are not participating in an issue, will be considered to be manufacturer in accordance with the MiFID Product Governance Rules.

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# DESCRIPTION OF LATOUR'S MTN-PROGRAMME

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## Overview

This MTN programme (the “**MTN-Programme**”) constitutes a framework under which the Company intends to raise loans in Swedish kronor (“**SEK**”) or (“**EUR**”) with varying tenors, although not less than one (1) year, within the framework of a maximum total nominal amount, outstanding at the time, of SEK FIFTEEN BILLION (15,000,000,000) or the equivalent amount in EUR. The nominal amount per MTN may not be less than EUR 100,000 (or the equivalent amount in SEK). The Board of Directors resolved to establish the MTN-Programme on 3 November 2017.

## General

Loans are raised through the issue of promissory notes, known as Medium Term Notes (“**MTN**” or “**Loans**”). The MTN-Programme forms part of the Company’s debt financing and is aimed at qualified investors in the Swedish capital market. MTN are freely transferable in nature.

For all MTN issued under the MTN-Programme, the general terms and conditions (the “**General Terms and Conditions**”) included in the Base Prospectus will apply. In addition, for each MTN, supplementary Final Terms will apply, which, together with the General Terms and Conditions, will constitute the complete Loan Terms and Conditions for the relevant MTN.

The Company has appointed Svenska Handelsbanken AB (publ) as the arranger (the “**Arranger**”). The Arranger, Skandinaviska Enskilda Banken AB (publ) and Nordea Bank Abp constitute dealer agents, as well as any other dealer agent that accedes as dealers under the MTN-Programme (the “**Dealers**”). As Dealers under the MTN-Programme, the above Dealers have no financial or other relevant interests in this regard, except for any fees. The Dealers have not verified the content of the Base Prospectus.

As far as the Company is aware, as of the date of the Base Prospectus, there are no other individuals involved in the issuing of MTN who have any financial or other relevant interests. However, this assessment will be made for each MTN and will be disclosed in the Final Terms.

## Status

MTN constitute an unsecured debt obligation with equal rank and rights to payment (*pari passu*) with the Company’s other, existing or unsecured and unsubordinated obligations for which preferential rights do not follow from legislation.

## Form of securities and identification

MTN issued under the MTN-Programme are an unilateral debt obligation issued in dematerialized book-entry form and registered on a securities account on behalf of the relevant Bondholder and connected to Euroclear Sweden’s account-based system, which is why no physical securities will be issued. The MTN-Programme is affiliated with Euroclear Sweden, and the Final Terms contain the International Securities Identification Number (ISIN) obtained from Euroclear Sweden.

Euroclear Sweden has the following address: Euroclear Sweden AB, Box 7822, SE-103 97 Stockholm, Sweden.

## Green framework and terms for green bonds

Latour has established a green framework to enable sustainable financing which has been published on the Company’s website (the “**Green Framework**”). The Green Framework describes the special terms and conditions (the “**Green Terms**”) that are applicable to the issue of green bonds (“**Green Bonds**”). On 2 June 2022, the Company issued its first two Green Bonds, which amounted to a total of SEK 700 million.

The Green Framework is based on ICMA’s Green Bond Principles, updated as of June 2021 together with its appendix I from June 2022 (the “**GBP**”). The GBP are voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the Green Bond market by clarifying the approach for issuance of a Green Bond. The GBP are intended for broad use by the market: they provide issuers with guidance on the key components involved in launching a credible Green Bond; they aid investors by promoting availability of information necessary to evaluate the environmental impact of their Green Bond investments; and they assist underwriters by offering vital steps that will facilitate transactions that preserve the integrity of the market. As reflected in the Green Framework, the four core components for alignment with the GBP are (i) Use of Proceeds, (ii) Process for Project Evaluation and Selection, (iii) Management of Proceeds and (iv) Reporting.

To ensure that the Green Framework meet the ambitious sustainability requirements that are aligned with applicable regulations and standards, the independent research institute Cicero Shades of Green has reviewed the Green Framework and provided a so called second opinion, where it has been rated "Medium Green". The second opinion determines the Green Framework's environmental robustness, including its alignment with the GBP, and is available at Latour's website (latour.se).

In order for the Green Terms to apply to a particular Loan, the Final Terms for the Loan must specify that the Loan constitutes a Green Bond. The Green Terms may be updated from time to time by the Company in whole or in part in order to reflect changes in the GBP, "best practice" in the market or relevant applicable laws. In December 2019, the European Council and the European Parliament concluded a political agreement on the so-called Taxonomy Regulation regarding a harmonized classification system with rules on the assessment of green and sustainable investments (the "**Taxonomy Regulation**") which fully applies as of 1 January 2023. In addition, Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EuGB Regulation**") will apply from 21 December 2024. For issuers of European Green Bonds, including the Company, the EuGB Regulation will entail, among other things, that proceeds from European Green Bonds must be used for projects that meet the requirements of the Taxonomy Regulation. The Green Terms are divided into the following four sections:

**1. Use of Proceeds:** An amount equivalent to the proceeds from Green Bonds will exclusively be used by Latour to fully or partly finance or refinance investments and expenditures that promote the transition to low-carbon, climate resilient and sustainable economies. Such assets ("**Eligible Green Assets**") must comply with the certain specified categories and criteria.

**2. Process for Project Evaluation and Selection:** The evaluation and selection process for Eligible Green Assets is a key process in ensuring that the net proceeds from Green Bonds are allocated to assets and activities which meet the criteria in the Green Framework. Identified projects and assets will be evaluated by a Green Business Council consisting of the Company's CEO, CFO and Head of Sustainability.

**3. Management of Proceeds:** An amount equal to the proceeds of Green Bonds, without deducting costs, will be tracked by Latour (the "**Green Portfolio**"). Deductions will be made from the Green Portfolio by an equivalent amount corresponding to the financing, refinancing, investment or expenditure of Eligible Green Assets or at repayment of any Green Bonds.

**4. Reporting and Transparency:** In order to be fully transparent towards its stakeholders, Latour will publish an annual report in English on its website (latour.se) that will contain information about the allocation of funds adherence to the Green Terms and impact data for financed Green Assets and activities.

The Green Terms may from time to time be updated. For Loans issued prior to such updates, the Green Terms that applied as of the Loan Date will still apply for such Loan regardless of changes in the Green Terms that occur after the Loan Date with the exception of such necessary amendments to the Green Terms that only aim to enable that already issued Loans can receive the accreditation of a European Green Bond.

If the Company should fail to comply with the Green Terms in relation to a particular Loan, this does not result in a termination right for Bondholders under such Loan, which is why Bondholders in such case are not entitled to request early repayment or repurchase of MTN or other compensation in such an event.

### **Admission to trading on a Regulated Market**

According to the General Terms and Conditions, any admission to trading on a Regulated Market will be specified in the Final Terms, and if MTN are to be admitted to trading on a Regulated Market, the application will be submitted to Nasdaq Stockholm or another Regulated Market. The Regulated Market to which the application is made will be entitled to make its own assessment and then admit or reject the registration of a Loan.

The Company is liable for all costs associated with the admission to trading of MTN under the MTN-Programme, such as costs to prepare the Base Prospectus. The cost for registering a Loan on a Regulated Market may be affected by the nominal amount and duration, which can be found from the currently applicable price list for the relevant Regulated Market.

### **Credit rating**

A credit rating is the rating that a borrower can obtain from an independent credit rating agency in respect of its ability to meet its financial commitments. On 11 September 2023, the credit rating agency Fitch affirmed Latour's

credit rating of A, with a stable outlook. For complete information regarding the Company's credit rating, see the section "*Legal considerations and supplementary information - Credit rating*".

Credit rating may also be set on a Loan. If MTN are to receive or have received a credit rating, this is specified in the Final Terms. This ability is also known as creditworthiness. There is no guarantee that a credit rating has taken into account all the risks associated with investment in MTN. A credit rating is therefore not a recommendation to buy, sell or hold securities, and can be changed or revoked by the credit rating agency at any time. It is the obligation of each individual to obtain up-to-date information about credit ratings, as these may be subject to change.

#### **Time-bar for claims**

A claim for principal of MTN is limited and void ten (10) years after the Maturity Date. A claim for interest is limited to three years after the relevant Interest Payment Date. If a claim is limited as regards time, the funds set aside for payment of the claim will accrue to the Company. In the event of an interruption in the limitation period, a new limitation period of 10 years in the case of the principal MTN and three years in respect of interest amounts will apply, in both cases calculated from the date set out in provisions on the effect of interruptions in limitation periods in the Swedish Limitations Act (1981:130).

#### **Governing law**

MTN are issued in accordance with Swedish law. Disputes regarding the Loan Terms and Conditions will be settled by a Swedish court. The Stockholm District Court (Sw. *Stockholms tingsrätt*) will be the court of first instance.

# PRODUCT DESCRIPTION

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*Below is a description of the structures and terms that is applicable in the Loan Terms and Conditions and that apply when issuing Loans under the MTN-Programme. The structure of each Loan is set out in the relevant Final Terms, which will apply together with the General Terms and Conditions applicable at the time of the MTN-Programme. For a description of the definitions set out below, see the General Terms and Conditions.*

## INTEREST STRUCTURES

For Loans issued under the MTN-Programme, the applicable interest rate structure for the specific Loan will be disclosed in the Final Terms. Under the MTN-Programme, in accordance with section 6 of the General Terms and Conditions, it is possible to issue Loans with one of the interest rate structures described below. When calculating the interest period during which the interest rate is to run, different day count convention methods are used depending on which interest rate structure is applied.

### Day Count Convention of the Interest Period

Interest that has accrued during an Interest Period is paid in arrears on the relevant Interest Payment Dates, and is calculated according to one of the Day Count Convention Methods described below.

- “30/360” - means that the amount is calculated for a year with 360 days, consisting of twelve months each of 30 days, and during the broken month the actual number of days that have elapsed in the month.
- “Actual/360” - means that the amount is calculated using the actual number of days in the relevant period divided by 360.

Which of these structures for Day Count Convention of the Interest Period that applies for a particular Loan is specified in the Final Terms of the Loan.

### MTN with Fixed Rate

If the Loan is specified as a Loan with Fixed Rate in SEK or EUR, the Loan will run with interest according to the Interest Rate from (but excluding) the Interest Commencement Date up to and including the Maturity Date.

In the case of a Loan with Fixed Rate, the interest that has accrued during an Interest Period is paid in arrears on the relevant Interest Payment Dates and is calculated according to the Day Count Convention method specified in the Final Terms (see “*Day Count Convention of the Interest Period*” above for information about calculation methods).

### MTN with Floating Rate (FRN)

If the Loan is specified as a Loan with floating rate in SEK or EUR, the Loan will run with interest from (but excluding) the Interest Commencement Date up to and including the Maturity Date. The interest rate for each interest period is determined by the Administrative Agent on the relevant Interest Determination Date, and consists of the Base Rate plus the Base Rate Margin for the same period, adjusted with regard to the application of section 13 (Replacement of Base Rate) of the General Terms and Conditions. If the calculation of the interest rate entails a value lower than zero, the interest rate will be considered to be zero.

If the Interest Rate cannot be determined on the Interest Determination Date due to an obstacle as referred to in point 17.1 of the General Terms and Conditions, the Loan will continue to run at the interest rate that applied to the immediately preceding Interest Period. As soon as the obstacle has ceased to exist, the Administrative Agent will calculate a new Interest Rate, which will apply from the second Business Day after the date of the estimate up until the end of the current Interest Period.

The interest that has accrued during an Interest Period is paid in arrears on the relevant Interest Payment Date and is calculated according to the Day Count Convention method specified in the Final Terms (see “*Day Count Convention of the Interest Period*” above for information about calculation methods).

#### *Base Rate for MTN with Floating Rate*

The Base Rate is the reference rate specified in the Final Terms. This generally means STIBOR for Loans in SEK and EURIBOR for Loans in EUR. If, at a given time and with respect to MTN with Floating Rate, the reference rate is specified in the Final Terms as other than STIBOR, the interest rate for said MTN will be specified and determined in accordance with the Final Terms for MTN.

STIBOR refers to (a) the interest rate administered, calculated and distributed by the Swedish Financial Benchmark Facility AB (or the replacing administrator or calculation agent) for the relevant day and published on the information system Refinitiv's page "STIBOR =" (or through such other system or on such other page as replaces the said system or page) for SEK for a period comparable to the relevant Interest Period; or (b) if no such interest rate is available for the relevant Interest Period according to point (a), the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by the Reference Banks for deposits of SEK 100,000,000 for the relevant Interest Period; or (c) if no such interest rate is specified in accordance with point (a) and (b), the interest rate which, according to the reasonable estimate of the Administrative Agent, best reflects the interest rate for deposits in SEK in the Stockholm interbank market for the relevant Interest Period.

EURIBOR refers to (a) the interest rate as displayed as of around 11.00 a.m. on the relevant day, is specified page EURIBOR01 of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) for EUR for a period comparable to the relevant Interest Period; or (b) if no such interest rate is available for the relevant Interest Period according to point (a), the arithmetic mean (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by the European Reference Banks for deposits of EUR 10,000,000 for the relevant Interest Period; or (c) if no interest rate is specified in accordance with point (a) and (b), the interest rate which, according to the reasonable assessment of the Administrative Agent, best reflects the interest rate for deposits in EUR offered for the relevant Interest Period.

#### *The Benchmark Regulation*

Interest paid on MTN issued under the MTN-Programme can be calculated using certain benchmarks as defined in the General Terms and Conditions. These benchmarks are STIBOR (provided through Swedish Financial Benchmark Facility AB ("SFBF"), a wholly-owned subsidiary of Global Rate Set Systems Ltd.), and EURIBOR (provided by the European Money Market Institute). SFBF is registered in the register of administrators and benchmarks provided by ESMA in accordance with Article 36 of Regulation (EU) 2016/1011 (the "Benchmark Regulation") following authorization on 21 April 2023. The European Money Market Institute (provider of EURIBOR) is also registered in said register following authorization on 2 July 2019.

#### **MTN without interest (Zero Coupon Loans)**

If the Loan is specified as a Zero Coupon Loan, the Loan will run without interest, which means that MTN can be sold at a rate equal to, below or above the Nominal Amount, where the return is received on the Maturity Date in connection with the repayment of the nominal amount.

#### **Repayment and repurchase**

Loans fall due for payment at their Nominal Amount, as applicable under the relevant Final Terms, on the Maturity Date, along with accrued interest (if any). If the Maturity Date falls on a day that is not a Business Day, the Loan is repaid on the following Business Day. Payment of the Nominal Amount and interest must take place in the currency in which the Loan has been taken out, to the person who is registered as the Bondholder on the Record Date prior to the relevant due date, or to another person who is registered with Euroclear Sweden who is entitled to receive such payment.

The Company may, by agreement with Bondholders, repurchase MTN at any time provided this is compatible with applicable law. MTN that are owned by the Company may, according to the Company's own decision, be retained, transferred or redeemed.

#### **GREEN BONDS**

The Company has established the Green Framework which describes the Green Terms applicable to the issuance of Green Bonds. Section 16 of the Final Terms contains provisions regarding the possibility to issue Green Bonds.

For more information of Green Bonds, see the section "Green framework and terms for green bonds" and the risk factor "Risks associated with Green Bonds" in the section "Risk related to MTN".



# RISK FACTORS

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*Prior to an investment decision in the Company's MTN, it is important to carefully analyze the risk factors that are deemed to be of importance to Latour. The risk factors that are deemed to be significant for the Company are set out below. These risk factors are attributable to the Company and its market, operational risks, legal risks, financial risks and risks related to MTN. Furthermore, the Company has assessed the materiality of the risk factors on the basis of the likelihood of their realization and the anticipated extent of their adverse effects. The risk factors that, as of the date of the Base Prospectus, are considered to constitute the most significant risk factors are presented first in each category, while subsequent risk factors are presented in no particular order.*

*The following risks may have a material adverse impact on the Company's operations, financial position and/or earnings. These risk factors, if they occur, may also cause MTN to decrease in value, which could also result in Bondholders losing all or part of their invested capital.*

*Financial information that is presented in brackets constitutes comparative information for the corresponding period for the 2022 financial year.*

## RISKS RELATED TO THE GROUP AND ITS MARKET

### **Risks related to the valuation and development of Latour's investment portfolio**

Latour's investment portfolio consists of several companies in various businesses and sectors. All of these companies are affected, to varying degrees, by macroeconomic factors such as general global or local economic trends, growth, employment trends, production rates, changes in infrastructure, regional economic development, inflation and interest rate levels. Latour's investment strategy is primarily based on long-term investments in sustainable companies that have proprietary products and brands, considerable growth potential and that the Company believes have good prospects for internationalization. Latour's operations primarily consist of two parts: the wholly-owned industrial operations and the investment portfolio.

The world's stock markets have experienced high levels of volatility in recent years as a reaction to several different macroeconomic factors. The Covid-19 pandemic caused sharp declines in the first quarter of 2020, however, 2020 as well as 2021 as a whole ended strongly, with the world's stock markets ultimately showing positive growth over the years as a whole. In 2022 and 2023, the world's stock markets again witnessed decreasing share prices driven by high inflation with following interest rate increases, increased energy prices, and political instability in parts of Europe and the Middle East, but 2023 still ended strongly. These macroeconomic factors can continue to cause fluctuations in the world's stock markets and the world economy in general as of the date of the Base Prospectus and entails risk for impaired valuation of Latour's investment portfolio.

The market value of the listed holdings is simple to calculate, since clearly stated market prices are available. Determining the value of the wholly-owned operations is much more difficult and uncertain than for the investment portfolio because the market value, and the price that potential buyers are willing to pay for the operations, is not as clearly defined. As of 31 December 2023, the market value of the investment portfolio was SEK 78,838 million (SEK 64,202 million). Latour's largest holdings as of 31 December 2023, in terms of their net asset value, consist of ASSA ABLOY (24 per cent of the net asset value), Swegon (14 per cent), Hultafors Group (11 per cent), Sweco (10 per cent) and Nord-Lock Group (6 per cent). As of 31 December 2023, the wholly-owned industrial operations accounted for approximately 46 per cent of the consolidated net asset value, if using the value derived through the chosen calculation method. The Group's earnings and financial position are largely dependent on how the companies in the investment portfolio develop, which also includes changes in the share prices of the companies that are included in Latour's investment portfolio. As a result of any negative share price developments in the investment portfolio, the Group may potentially need to restructure its holdings.

Furthermore, although Latour is the principal shareholder, or one of the principal shareholders, and have Board representation in all of the companies included in the investment portfolio, Latour is not a majority shareholder in any of them. This means that the portfolio companies can make decisions and implement measures that may be negative as regards Latour's interests without the Company having had full opportunity to influence these decisions or measures.

### **Valuation risk**

The Group is exposed to a price risk concerning shares due to investments held by the Group and which, in the Group's balance sheet, are classified as either available-for-sale financial instruments or assets measured at fair value through the income statement. The price risk regarding shares covers the share price risk and the liquidity

risk. The share price risk refers to the risk of a reduction in value due to changes in the share prices on the stock market for each holding in the investment portfolio, which in turn affects the valuation of the Group's overall investment portfolio. Liquidity risk means that a share can be difficult to sell for a number of reasons, including that the liquidity in trade over the trading venue may be limited, making it more difficult to sell all or part of a holding in the short term or over time. There is also a risk that there will be no buyers of larger shareholdings, both on the trading venue and outside. The consequence of a liquidity risk is the risk that the valuation based on the trading price on the trading venue is not always fair when it comes to evaluating the total holding that the Group has in a company in the investment portfolio. Furthermore, liquidity risk in respect of transactions that take place outside a trading venue may entail that the anticipated valuation of holdings cannot be realized and the valuation may consequently be lower than expected, which may have an impact on the valuation of the Group's total holdings. If the market value of holdings in the investment portfolio as of 31 December 2023 should change by 5 per cent, this would affect comprehensive income and equity by SEK 156 million (262).

### **Risk of non-payment of dividends from Latour's investment portfolio**

Latour's long-term ambition is to be an active owner in the companies that form part of the Group's investment portfolio. The Group's dividend policy is to pay dividends amounting to 100 per cent of the dividends received from the investment portfolio and partially-owned holdings, as well as dividends totaling 40-60 per cent of the profit after tax in wholly-owned companies. The Group is consequently reliant to some extent on dividends from a number of companies in its investment portfolio in order to finance its operations, implement potential future investments and to go through with the dividend policy. The dividends from the companies in the investment portfolio amounted to SEK 1,441 million (SEK 1,345 million) in 2023, and the dividends from wholly-owned industrial operations amounted to SEK 1,200 million (SEK 1,057 million). The investment portfolio companies' ability to decide on dividends to Latour may vary from time to time, and is primarily based on a number of factors such as future income, financial position, cash flows, the need for working capital, costs for investments or a complete lack of distributable funds. Reduced profitability in Latour's investment portfolio can therefore affect its ability to pay dividends, which in turn may have an impact on the Group's liquidity and financing.

### **Interest rate risk**

The Group's main sources of financing are cash flows from its operating activities and its equity investment, as well as from loans. The loans are interest-bearing and thus expose the Group to interest rate risk. Interest rate risk relates to the possibility of changes in the interest rate level having an adverse impact on the Group's net interest and/or cash flows. As of 31 December 2023, the average fixed loan period was approximately 14 months. If the interest rate level had been one percentage point higher, the profit/loss for the 2023 financial year would have been impacted by SEK 119 million (SEK 119 million).

In order to combat high levels of inflation in recent years, central banks around the world have raised policy rates in fast pace. The US Federal Reserve, which resolutions usually have great impact on other central banks including the European Central Bank and the Swedish Central Bank, have indicated that interest levels will continue to remain at high levels over a relatively long period of time. High interest rates could have an adverse impact on Latour's profit and financial position.

### **Risk regarding the need for new share issues in the listed holdings**

The Company's investment portfolio consists of ten listed holdings where Latour is the principal owner or one of the principal owners, but does not have such influence individually in the holdings that the Company controls the decisions and measures that any of the companies in the investment portfolio may take. The companies in Latour's investment portfolio may, from time to time, be in need of future capital and financing, where one potential measure for raising capital might be to conduct a new share issue to existing shareholders. Examples in recent time where Latour participated in new share issues in portfolio companies, and participated in relation to its *pro rata* shareholding, are Securitas (2022, SEK 1.0 billion), Alimak Group (2023, SEK 0.7 billion) and CTEK (2023, SEK 0.1 billion). In 2024, HMS Networks, one of Latour's listed holdings, is conducting a directed share issue of about USD 120 million following the acquisition of Red Lion Controls which was announced on 11 December 2023 by HMS Networks. Latour has committed to participate in the directed share issue up to an amount corresponding to its *pro rata* ownership, 25.9 per cent, as of the date of the Base Prospectus.

In order not to risk the dilution of the Group's holdings, Latour may need to participate in potential new issues, even in those cases where such capital procurement is not in line with Latour's own interests or within the framework of Latour's investment strategy, for example including defensive new share issues or crisis issues carried out primarily to ensure the continued operation of the business. If Latour should decide not to participate in a new share issue, there is a risk that the Company will also not be able to receive financial compensation through the sale of subscription rights, as it may be difficult to find buyers for subscription rights or because the market for trading in subscription rights is illiquid. The risk of defensive new share issues or crisis issues is considered low as

of the date of the Base Prospectus. If an investment portfolio company should be in need of a defensive new share issue or crisis issue, this could have an impact on the Group's liquidity.

### **Risks related to the Company's holdings in construction-related sectors**

The companies included in Latour's investment portfolio have a broad customer base that spans a number of industries, with the majority being within construction and industry-related sectors, such as Hultafors Group, Swegon and Alimak Group. These sectors account for more than half of the Group's holdings. In the construction industry, sales are divided between new construction and the repairs and maintenance sector, and are further divided between commercial premises, public premises and housing. The construction industry is exposed to particular risks such as increased interest rates, actual and anticipated changes in taxation and subsidies for housing and housing development, tax deductions for Swedish citizens for repairs and maintenance as well as renovations and extensions, and legislative changes in respect of loan financing for the purchase of property. Should any of these change negatively, or in the case of other events affecting the construction industry in light of the Group's exposure to it, this could have a negative impact on the Group's financial position.

### **Risks related to major shareholders with significant influence**

As of 31 December 2023, the Douglas family and their companies own a total of 76.0 per cent of the capital and 79.2 per cent of the voting rights in Latour. The Board members Eric Douglas and Carl Douglas are part of the Douglas family. As the single largest shareholder, the Douglas family and their companies may have the potential to exercise significant influence over the outcome of matters that are referred to Latour's shareholders for approval, including the election of Board members and any increases in the share capital, mergers, consolidations or the sale of companies in the investment portfolio. The interests of the Douglas family as shareholders in Latour do not necessarily have to be in line with the interests of Bondholders. There is also a risk that the Group's operations may be affected in the event that, for some reason, the Douglas family is unable or unwilling to continue to exercise an active ownership role in Latour.

### **Currency exposure**

The Group's operations face currency exposure in the form of exchange rate fluctuations. A breakdown of the net currency flows for Swedish entities for the 2023 financial year shows: NOK 644 million (NOK 567 million), DKK 107 million (DKK 112 million), GBP 40 million (GBP 24 million), USD -95 million (USD -158 million), EUR 114 million (EUR 139 million) and CHF 20 million (CHF 11 million). Assuming the same net transaction exposure as in the 2023 financial year, and provided no hedging has been used, profit would have been impacted by +/- SEK 8 million if SEK had increased or decreased by one percentage point against all transaction currencies. The Group's currency exposure consists partly of transaction exposure relating to purchases and sales in foreign currency, and partly to translation exposure relating to net investments in foreign subsidiaries and exchange rate fluctuations when the results from foreign subsidiaries are translated into SEK.

### **Financing and liquidity risk**

The financing and liquidity risk refers to the need for future capital procurement and the risk that the refinancing of due loans will be carried out at a high cost. The framework of the financing risk also includes the short-term liquidity risk. In a business like Latour, where long-term financial resources are procured centrally, the short-term liquidity risk is automatically handled within long-term financing. On 31 December 2023, the Group's net financial liabilities, excluding shareholdings and other securities, amounted to SEK 11,411 million. Part of the Group's loans, SEK 9,150 million, are extracted from the bond market, with the remainder, amounting to SEK 2,354 million as of the date of the Base Prospectus, through the Group's lines of credit. SEK 7,304 million of the liability has exposure to EUR through swap derivatives and loans. The non-current interest-bearing liabilities of SEK 11,925 million as of 31 December 2023, falling due for payment up to and including 2026, are equivalent to a cash outflow of SEK 40 million, of which SEK 23 million is accumulated interest. Contracts for granted credits with terms longer than one year contain financial covenants, which state that net debt may not exceed a certain level in relation to the listed market price of the Group's listed securities. In the event that the Group violates a financial covenant, this may result in the Bondholder issuing a demand for immediate payment. There is a risk that the Group will not be able to meet the conditions and covenants stipulated for the Group's lines of credit, which could have a negative impact on the Group's cash flow.

## **RISKS RELATED TO MTN**

### **Credit risk associated with MTN**

Investors in MTN issued by Latour have a credit risk in respect of the Company. This means that an investor's ability to receive payment under MTN is dependent on the Group's ability to meet its payment commitments, which consequently is largely dependent on the development of the Group's operations, its ongoing financial position and the risks to which the Group is exposed (as described in the "Risks related to the Group and its market"). Issued

MTN by the Company are also not covered by the state deposit guarantee. The poorer development of the Group's investment portfolio or a revised view of the Group's creditworthiness could result in a decline in the market value of MTN. In the event that the Group's operations should develop negatively or if the Company's financial position should deteriorate, there is a risk that investors' ability to receive payment under MTN will deteriorate or that the value of MTN will decrease.

#### **Loans issued under the MTN-Programme are not secured**

The Company is not prevented from providing collateral for other debts, with the exception of debts that constitute Market Loans. Since Bondholders have no collateral in the Company's assets, any secured creditor in the Company will be entitled to payment from the collateral before the Bondholders. In the event of the Company's insolvency, Bondholders will therefore be unprioritized creditors, which entails the risk that they will not receive payment for their claims.

#### **MTN are structurally subordinated creditors in relation to companies within the Group**

The Company is dependent on other companies within the Group to be able to make payments under MTN. In order for the Company to be able to meet payment obligations under MTN, it is therefore necessary for companies within the Group to be able to provide loans or pay dividends to the Company. MTN will not be secured and companies within the Group will not guarantee payment obligations under MTN, and these may also have liabilities to other creditors such as banks that have granted loans to subsidiaries of the Company, which is why investors in MTN are structurally subordinated in relation to the Company's subsidiaries creditors. If companies within the Group are declared bankrupt, their creditors will be entitled to full payment of their claims prior to the Company, in its capacity as a direct or indirect shareholder in companies within the Group, is entitled to the distribution of any remaining funds, which may result in Bondholders not receiving payment for their claims.

#### **Risks associated with Green Bonds**

On 2 June 2022, Latour issued its first two Green Bonds, which totaled SEK 700 million, within the framework of the existing MTN program. What constitutes Green Bonds is determined by criteria's set out in the Company's applicable Green Terms and Conditions, according to its wording on the Loan Date for a particular Loan. There is a risk that Green Bonds, according to the Green Terms and Conditions, will not suit all investors' requirements, wishes or specific investment mandates. Both the Green Terms and Conditions and market practice may develop after the Loan Date for a particular Loan, which may result in amended Loan Terms and Conditions for subsequent Bondholders or amended requirements for the Company. Changes in the Green Terms and Conditions that occurs after the Loan Date for a certain Loan will not benefit Bondholders of the Loan.

The EuGB Regulation will start to apply from 21 December 2024. For issuers of European Green Bonds, including the Company, the EuGB Regulation will entail, among other things, that (i) proceeds from European Green Bonds must be used for projects that meet the requirements of the Taxonomy Regulation, (ii) issuers must publish information, including how the proceeds are used and how environmental objectives are achieved and that (iii) European Green Bonds must be reviewed by so-called external reviewers to ensure compliance with the rules and the taxonomy criteria. There is a risk that the classification of Loans issued as Green Bonds under the Green Terms and Conditions will be affected by the EuGB Regulation, the Taxonomy Regulation and the European Green Bond Standard, including future versions of these, and that the Loans will no longer be qualified as Green Bonds. If the Company does not meet the conditions of the Green Terms and Conditions in relation to a certain Loan or that a certain Loan due to the EuGB Regulation, Taxonomy Regulation or European Green Bond Standard, ceases to be classified as green, it does not mean that there is a ground for termination for Bondholders under such Loan. Bondholders have no right to early repayment or repurchase of Green Bonds or other compensation in such cases.

There is a risk that the Company can only partially or not at all allocate the proceeds from Green Bonds to Eligible Green Assets as a result of the Company failing to identify Eligible Green Assets that sufficiently meet the requirements of the Green Framework. The proceeds from Green Bonds can for example be used to finance investments in renewable energy production and there is a risk that no such investment opportunities are available for the Company at favorable terms or at all, which may consequently prevent the Company from allocating the proceeds to Eligible Green Assets. Furthermore, there is a risk that Eligible Green Assets financed through Green Bonds do not contribute to sustainable or green purposes. In the future, as new research and knowledge related to sustainability is generated, Eligible Green Assets may not contribute to sustainability to the extent expected when the proceeds from Green Bonds were allocated to them. In the event that one or more Eligible Green Assets no longer meet the criteria in the Green Framework, it may result in the outstanding volume of Green Bonds exceeding the volume of what qualifies as Eligible Green Assets, which may impair the Company's reputation and violate investors' internal regulations or investment mandates.

### **Secondary market and liquidity**

There is normally no significant real time trading in MTN on a Regulated Market on which the MTNs may be admitted to trading. Trading conducted in MTN is normally executed outside the trading venue through so-called OTC (*Over the Counter*) trading. This can apply throughout its duration, and there is therefore a risk that a functioning secondary market for MTN will not arise or persist. If a secondary market for MTN does not develop, liquidity may be low. As a result, rapidly selling an MTN or obtaining a price may be associated with difficulties compared to similar investments that have a liquid secondary market. In addition, the transparency of the bond market, primarily the OTC transactions, is called into question, as it is mainly based on the financial institutions involved in OTC trading reporting this correctly. The SFSÅ has in a 2019 supervisory report, *FI Supervision No. 15 - New rules resulted in reduced transparency on the Swedish bond markets*, noted that information about transactions on the bond market is sometimes so difficult to find that it can be uncertain as to whether this is because it has never been published or whether it is simply very difficult to access, which is contributing to the low level of transparency. For Bondholders, there is consequently a risk that the secondary market will not give an accurate picture of the market value of MTN.

### **Currency risk and currency restrictions linked to MTN**

The Company pays the nominal amount and the interest from the MTN in SEK or EUR. This entails certain risks linked to currency translation in those cases where the currency differs from the individual currency in which the investor's financial activities are mainly conducted. This includes the risk of significant exchange rate fluctuations (including devaluation and revaluation), as well as the introduction of or amendments to currency regulations. A strengthening of the investor's own currency in relation to the currency in which the investment is denominated reduces the value of the investment for the investor, and can therefore have a negative impact on the Company's MTN.

### **Credit rating of MTN may not reflect all risks**

One or more credit rating agencies may rate Loans issued under the MTN-Programme, which will be specified in the Final Terms. There is a risk that such a rating has not factored in all the risks associated with investment in the Loan. A credit rating is therefore not a recommendation to buy, sell or hold securities, and can be changed or revoked by the credit rating agency at any time. Credit ratings that the Company has been awarded may differ from the credit rating obtained for a Loan, which is why an investor cannot rely exclusively on the credit rating provided. In the event a credit rating is provided for MTN in the Final Terms, a deterioration in the Group's creditworthiness may have a negative impact on the credit rating awarded for MTN, while a poorer credit rating from a credit rating agency may adversely affect the value of MTN.

# GENERAL TERMS AND CONDITIONS FOR LOANS UNDER THE MTN-PROGRAMME

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*The General Terms and Conditions of Latour's MTN-Programme has originally been prepared and adopted in Swedish. The General Terms and Conditions as presented in the Base Prospectus is an unofficial English translation of the General Terms and Conditions. In the event of a discrepancy between the Swedish and English version of the General Terms and Conditions, the Swedish version is legally binding and shall prevail. The Swedish version is available on Latour's web page.*

The following general terms and conditions (the “**General Terms and Conditions**”) will apply to loans that Investment AB Latour (publ) (corporate reg. no. 556026-3237) (the “**Company**”) issues on the capital market after 17 February 2023 under an agreement that has been entered into on 15 February 2018 between the Company and Nordea Bank Abp<sup>1</sup>, Skandinaviska Enskilda Banken AB (publ) and Svenska Handelsbanken AB (publ) regarding the MTN-Programme (the “**MTN-Programmes**”) by issuing bonds in SEK or EUR with varying maturities, although not less than one year, known as *Medium Term Notes*.

## 1. DEFINITIONS

1.1 In addition to the definitions set out above, the following terms will have the meaning set out below.

“**Administrative Agent**” means (i) if Loans have been issued through two or more Issuing Agents, the Issuing Agent designated by the Company as being responsible for certain administrative tasks relating to the Loan according to the Final Terms, and (ii) if loans have been issued through only one Issuing Agent, the Issuing Agent.

“**Record Date**” means the fifth Business Day before (or another Business Day before the relevant date that may generally be applied to the Swedish bond market) (i) the due date for interest or the principal under the Loan Terms and Conditions, (ii) another date on which payment is to be made to Bondholders, (iii) the date of the Bondholders’ Meeting, (iv) the date on which the notification is dispatched, or (v) another relevant date.

“**Business Day**” means a day that is not a Sunday or other public holiday in Sweden or that, in respect of the payment of promissory notes, is not equated with a public holiday in Sweden. Saturdays, Midsummer’s Eve, Christmas Eve and New Year’s Eve will be considered to be equated to public holidays for this definition.

“**Day Count Convention**” means when calculating an amount for a particular calculation period, the calculation method specified in the Final Terms.

- (a) If the calculation method “**30/360**” is specified as applicable, the amount must be calculated for a year with 360 days, consisting of twelve months each of 30 days, and during the broken month the actual number of days that have elapsed in the month.
- (b) If the calculation method “**Actual/360**” is specified as applicable, the amount must be calculated using the actual number of days in the relevant period divided by 360.

“**Dealers**” means Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ) and Svenska Handelsbanken AB (publ), as well as any other dealer agent that has been specifically authorized by Euroclear Sweden to handle and register issues in the VPC system, and which accedes to this MTN Programme, although only provided such institution has not ceased to act as a dealer agent.

“**EURIBOR**” means:

- (a) the interest rate as displayed as of or around 11.00 a.m. on the relevant day on page EURIBOR01 of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) for EUR for a period comparable to the relevant Interest Period; or
- (b) if no such interest rate is available for the relevant Interest Period as described in paragraph (a), the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by the European Reference Banks for deposits of EUR 10,000,000 for the relevant Interest Period; or

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<sup>1</sup> Nordea Bank Abp acceded to the Issuance Agreement through an addendum agreement dated 16 February 2024.

- (c) if no interest rate as described in paragraph (a) and (b) is available, the interest rate which, according to the reasonable assessment of the Administrative Agent, best reflects the interest rate for deposits in EUR offered for the relevant Interest Period.

“**Euro**” and “**EUR**” means the currency used by the participating Member States in accordance with the European Union’s regulations for the Economic and Monetary Union (EMU).

“**Euroclear Sweden**” means Euroclear Sweden AB (corp. no. 556112-8074).

“**European Reference Banks**” means four major commercial banks which, at the current time, are quoting EURIBOR and are appointed by the Administrative Agent.

“**Bondholder**” means the party listed on the Securities Account as the directly registered owner Sw. ägare) or nominee (Sw. förvaltare) of an MTN.

“**Bondholders’ Meeting**” means a meeting with the Bondholders in accordance with section 12 (*Bondholders’ Meeting*).

The “**Principal Owners**” means:

- (a) any of Carl Douglas (born 5 May 1965) and Eric Douglas (born 1 May 1968), or any of their children, or spouses of any of these persons;
- (b) any trust, foundation or similar legal entity in which one or more of the persons under (a) above is a beneficiary; or
- (c) any other company (listed or not), partnership, limited partnership or other legal entity that, directly or indirectly, is controlled by one or more of the persons under (a) and (b) above, where control, directly or indirectly, will be deemed to exist if one or more of the persons under (a) and (b) above, individually or jointly, has 25 per cent or more of the voting rights on the Board of Directors or equivalent management body or enjoy 25 per cent or more of the economic rights from such a company, partnership, limited partnership or entity;

“**Adjusted Loan Amount**” means the Loan Amount less MTN owned by a Group Company or a Principal Owner, regardless of whether such Group Company or Principal Owner is directly registered as the owner of such MTN or not.

The “**Group**” means the corporate group in which the Company is the parent company (the terms group and parent company refer to that which is specified in the Swedish Companies Act (2005:551), as amended from time to time).

“**Group Company**” means any legal entity that, from time to time, forms part of the Group.

“**Account-holding Institution**” means a bank or other party that has been granted the right to be an account-holding institution under the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479), and with which Bondholders have opened a securities account in respect of MTN.

“**Settlement Date**” means the date on which, according to the Final Terms, the issue proceeds for MTN are to be paid.

“**Loan**” means any loan from a particular series, encompassing one or more MTN, which the Company issue under this MTN-Programme.

“**Loan Amount**” means the total outstanding Nominal Amount of MTN in respect of a particular Loan, although less any repaid amount.

“**Loan Date**” means the date specified as such in the Final Terms.



**“Loan Terms and Conditions”** means for a particular Loan, these General Terms and Conditions as well as the Final Terms for said Loan.

**“Market Loans”** means issuing certificates, bonds or other securities (including loans under the MTN or other market loan programme), which are sold, brokered or invested in an organized form and which are or may be traded on a Regulated Market.

**“MTN”** means an unilateral debt obligation regarding a Nominal Amount that has been registered under the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479), and which forms part of a Loan issued by the Company under this MTN Programme.

**“Nominal Amount”** means the amount for each MTN specified in the Final Terms.

**“Net sales”** means the sum of sales revenue from goods and services less discounts, VAT and other tax associated with the sale.

**“Reference Banks”** means those Dealers designated under this MTN Programme or such replacement banks which, at the relevant time, quote an interest rate for STIBOR and which are designated by the Administrative Agent.

**“Regulated Market”** means a regulated market as defined in Directive 2014/65/EU on markets in financial instruments.

**“Base Rate”** means in regards to Loans with Floating Rate, the base rate STIBOR or EURIBOR as specified in the Final Terms or any reference rate replacing STIBOR or EURIBOR in accordance with section 13 (Replacement of Base Rate).

**“Final Terms”** means the Final Terms established for a particular Loan under this MTN Programme in accordance with the form of Final Terms under the section *“Form of Final Terms”* below (with the additions and amendments that may be made from time to time).

**“Interest Commencement Date”** means, according to the Final Terms is the date from which interest (where applicable) will start to accrue.

**“STIBOR”** means:

- (a) the interest rate administered, calculated and distributed by the Swedish Financial Benchmark Facility AB (or the replacing administrator or calculation agent) for the relevant day and published on the information system Refinitiv's page “STIBOR =” (or through such other system or on such other page as replaces the said system or page) for SEK for a period comparable to the relevant Interest Period; or
- (b) if no such interest rate is available for the relevant Interest Period as described in paragraph (a), the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by the Reference Banks for deposits of SEK 100,000,000 for the relevant Interest Period; or
- (c) if no such interest rate as described in paragraph (a) and (b) is available, the interest rate which, according to the reasonable estimate of the Administrative Agent, best reflects the interest rate for deposits in SEK offered in Stockholm interbank market for the relevant Interest Period.

**“Swedish Kronor”** and **“SEK”** means the legal currency in Sweden.

**“Issuing Agent”** means, according to the Final Terms, the Dealer(s) under this MTN Programme through which a particular Loan has been carried out.

**“Securities Account”** means the securities account with Euroclear Sweden under the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479), in which (i) an owner of

a security is directly registered as the owner of securities or (ii) an owner's holding of securities is registered in the name of a nominee.

**"Material Group Companies"** means (a) the Company, Latour-Gruppen AB (CRN 556649-8647), Nordiska Industri AB (CRN 556002-7335), Caljan ApS (30205618), Hultafors Group AB (CRN 556365-0752), Latour Industries AB (CRN 556018-9754), Nord-Lock International AB (CRN 556610-5739) and Swegon AB (CRN 556077-8465) and (b) any Group company whose Net sales represent at least four per cent of the Group's consolidated Net sales, in accordance with the most recently published Annual Report.

**"Maturity Date"** means, according to the Final Terms, is the date on which an MTN is to be repaid.

**"Repurchase Date"** means the date specified in accordance with point 9.2.

- 1.2 When calculating whether a limit described in Swedish Kronor has been reached or exceeded, an amount in another currency must be calculated on the basis of the exchange rate that applied on the Banking Day immediately prior to the relevant time and that is published on the Refinitiv's website "SEKFIX=" (or through such other system or on such other website that replaces said system or website respectively) or, if said exchange rate is not published, according to the exchange rate for Swedish Kronor against the currency in question on said date that is published by the Riksbank on its website (riksbank.se).
- 1.3 Additional definitions, such as Interest Rate Structure, Interest Rate, Base Rate, Base Rate Margin, Interest Determination Date, Interest Payment Date(s), Interest Period and Currency can be found (where applicable) in the Final Terms.

## **2. ISSUANCE OF LOANS**

- 2.1 Under this MTN Programme, the Company may issue MTN in Swedish Kronor or Euros with a duration of at least one year. Under a Loan, MTN may be issued in additional tranches without the approval of Bondholders.
- 2.2 By subscribing to MTN, each initial Bondholder accepts that its MTN will have those entitlements and be subject to those terms and conditions arising from the Loan Terms and Conditions. By acquiring MTN, each new Bondholder confirms such acceptance.
- 2.3 The Company undertakes to make payments in respect of issued MTN, as well as to comply in other respects with the Loan Terms and Conditions for the Loans taken out under this MTN Programme.
- 2.4 If the Company wishes to issue MTN under this MTN Programme, the Company must enter into a separate agreement for this purpose with one or more dealer agents, which will be the Issuing Agent(s) for said Loan.

## **3. REGISTRATION OF MTN**

- 3.1 MTN will be registered in a securities account on behalf of Bondholders, which is why no physical securities will be issued. Any request for a particular registration measure in respect of MTN must be addressed to the Account-holding Institution.
- 3.2 Anyone who, due to mandates, pledges, the provisions in the Children and Parents Code, terms and conditions in wills or deeds of gift, or has otherwise acquired the entitlement to receive payment under an MTN, must have their right to receive payment registered.
- 3.3 The Administrative Agent is entitled to receive information from Euroclear Sweden regarding the content of its reconciliation register for MTN, in order to fulfil its duties in accordance with section 11 (*Termination of loans*) and section 12 (*Bondholders' Meeting*). Administrative Agents will not be responsible for the content of such extracts or otherwise be responsible for determining who is the Bondholder.

#### **4. ENTITLEMENT TO ACT FOR BONDHOLDERS**

- 4.1 If a party other than a Bondholder wishes to exercise a Bondholder's rights under the Loan Terms and Conditions or vote at a Bondholders' Meeting, said party must be able to present a power of attorney or other authorization document issued by the Bondholder or a series of such powers of attorney and/or authorization documents from the Bondholder.
- 4.2 A Bondholder, or another party exercising the Bondholder's rights pursuant to point 4.1 above, may authorize one or more parties to represent the Bondholder in respect of some or all MTN held by the Bondholder. Any such authorized party must act independently.

#### **5. PAYMENTS**

- 5.1 Payment in respect of MTN issued in Swedish Kronor must be made in Swedish Kronor, while payment in respect of MTN issued in Euros must be made in Euros.
- 5.2 Payments in respect of MTN must be made to the person who is registered as the Bondholder on the Record Date prior to the relevant due date, or to another person who is registered with Euroclear Sweden who is entitled to receive such payment.
- 5.3 If the Bondholder, through an Account-holding Institution, has registered that the capital amount and interest are to be deposited in a particular bank account, this deposit will be made through Euroclear Sweden on the respective due date. Otherwise, Euroclear Sweden will transfer the amount on the relevant due date to the Bondholder at its address registered with Euroclear Sweden on the Record Date.
- 5.4 In the event Euroclear Sweden, due to a delay on the part of the Company or due to some other obstacle, should not be able to pay an amount as previously stated, the Company must ensure that the amount is paid to the person who was the Bondholder on the Record Date as soon as the obstacle has ceased to exist.
- 5.5 If the Company is unable to fulfil its payment obligation through Euroclear Sweden due to an obstacle affecting Euroclear Sweden, the Company will be entitled to defer the payment obligation until the obstacle has ceased to exist. In such a case, interest will be payable in accordance with point 7.2.
- 5.6 If it transpires that the person who has been allocated the amount in accordance with this section 5 was not entitled to receive this, the Company and Euroclear Sweden will nevertheless be deemed to have fulfilled their relevant obligations. However, this does not apply if the Company or Euroclear Sweden were aware that the amount had come into the wrong hands or had not been normally prudent.

#### **6. INTEREST**

- 6.1 Interest on a particular Loan is calculated and paid (where applicable) in accordance with the Loan Terms and Conditions.
- 6.2 In the Final Terms, the relevant Interest Rate Structure will be specified according to one of the following options or in a combination thereof:

(a) Fixed Rate

If the Loan is specified as a Loan with Fixed Rate, the Loan bear with interest according to the Interest rate from (excluding) the Interest Commencement Date up to and including the Maturity Date.

Interest that has accrued during an Interest Period is paid in arrears on the respective Interest Payment Date and is calculated according to the Day Count Convention method set out in the Final Terms.

(b) Floating Rate (FRN)

If a Loan denominated in SEK or EUR is specified as a Loan with Floating Rate, the Loan will bear interest with an interest rate from (but excluding) the Loan Date up to (and including) the Maturity Date. The interest rate for the relevant Interest Period shall be calculated by the Administrative Agent on the respective Interest Determination Date, and is the sum of the Base Rate and the Margin for the relevant period, adjusted for the application of section 13 (Replacement of Base Rate). If the calculation of the interest rate entails a value lower than zero, the interest rate will be considered to be zero.

If the interest rate cannot be determined on the Interest Determination Date due to an obstacle as referred to in point 17.1, the Loan will continue to run at the interest rate that applied to the immediately preceding Interest Period. As soon as the obstacle has ceased to exist, the Administrative Agent will calculate a new interest rate, which will apply from the second Business Day after the date of the estimate up until the end of the current Interest Period.

Interest is paid in arrears on each relevant Interest Payment Date and is calculated according to the Day Count Convention for MTN in SEK and EUR for the relevant Interest Period, or by using such other method of calculation as is applied for the relevant Base Rate.

(c) Zero Coupon

If the Loan is specified as a Zero Coupon Loan, the Loan will run without interest.

6.3 Interest (where applicable) is paid on the relevant Interest Payment Date.

6.4 If the Interest Payment Date for Fixed Rate Loans falls on a non-Business Day, interest will not be paid until the following Business Day. However, interest is only calculated and payable up to and including the Interest Payment Date.

6.5 If the Interest Payment Date for Floating Rate Loans falls on a non-Business Day, the Interest Payment Date will instead be considered to be the nearest subsequent Business Day, provided that said Business Day does not fall in a new calendar month, in which case the Interest Payment Date will be considered to be the preceding Business Day.

## 7. PENALTY INTEREST

7.1 In the case of payment delays, penalty interest on the overdue amount is payable from the due date up to and including the date on which payment is made, at an interest rate equal to the average of one week's STIBOR for MTN issued in Swedish Kronor and EURIBOR for MTN issued in Euro respectively for the duration of the delay, plus two percentage points. In this regard, STIBOR or EURIBOR will be read on the first Business Day of each calendar week during which the delay lasts. However, penalty interest under this point 7.1 for Loans running with interest will never be payable at a lower interest rate than that applicable to the Loan in question on the relevant due date, plus two percentage points. Penalty interest will not be capitalized.

7.2 If the delay is due to an obstacle affecting the Dealers or Euroclear Sweden, penalty interest is payable according to an interest rate corresponding to: (i) for Loans running with interest, the interest rate applicable to the Loan in question on the relevant due date, or (ii) for Loans running without interest, the average of one week's STIBOR or EURIBOR respectively for the duration of the delay (whereby STIBOR or EURIBOR will be read on the first Business Day of each calendar week during which the delay lasts).

## 8. REPAYMENT AND REPURCHASE

8.1 Loans fall due for payment at their Nominal Amount, as applicable under the relevant Final Terms, on the Maturity Date, with the amount per MTN that is specified in the Final Terms along with accrued interest (if any). If the Maturity Date falls on a day that is not a Business Day, however, the Loan is repaid on the following Business Day.

8.2 The Company may, by agreement with Bondholders, repurchase MTN at any time and at any price provided this is compatible with applicable law. MTN that are owned by the Company may, according to the Company's own decision, be retained, transferred or redeemed.

## **9. REPURCHASE IN CASE OF CHANGE OF CONTROL**

9.1 Each Bondholder is entitled to request the repurchase of all or some of the MTN held by them, if:

- (a) the shares in the Company cease to be admitted to trading on the Regulated Market at Nasdaq Stockholm AB; or
- (b) an event or a series of events occurs, resulting in a natural or legal entity, individually or together with such related parties as referred to in the Stock Market (Takeover Bids) Act (SFS 2006:451), and which is not or does not include the Principal Owners, directly or indirectly, at some point:
  - (i) acquiring more than fifty (50) per cent of the shares or voting rights in the Company;
  - (ii) by agreement or otherwise, itself (or together with such related parties as mentioned above) having the opportunity to appoint a majority of the Company's Board members; or
  - (iii) by agreement, through voting rights or otherwise, individually (or together with such related parties as mentioned above) having the opportunity to determine the content of significant business decisions in the Company.

9.2 It is the responsibility of the Company, as soon as the Company becomes aware of a change of ownership as described in point 9.1, to notify the Bondholders of this through a press release, on the Company's website and in accordance with section 16 (*Notices*). The notification must include instructions regarding how a Bondholder that wishes to have MTN repurchased should act, as well as specifying the Repurchase Date.

9.3 The Repurchase Date will fall at the earliest twenty (20) and at the latest forty (40) Business Days after the notification of the change of ownership has been sent to Bondholders in accordance with point 9.2. If the Repurchase Date is not a Business Day, however, the Repurchase Date will be considered to be the nearest subsequent Business Day.

9.4 If a right to repurchase exists, the Company, if Bondholders so request, will repurchase the relevant MTN on the Repurchase Date at the price per MTN that would have been repaid on the final Maturity Date, together with accrued interest (if any). For MTN that are Zero Coupon Loans, an amount per MTN calculated in accordance with point 11.4 will be paid instead.

9.5 A notification from Bondholders regarding exercising the repurchase of MTN must be sent to the Company no later than ten (10) Business Days before the Repurchase Date.

## **10. UNDERTAKINGS**

As long as an MTN is outstanding, the Company undertakes the following.

### **10.1 Status**

The Company will ensure that its payment obligations under a Loan rank equal to the Company's other non-subordinated and unsecured payment obligations, except for those obligations that, under applicable law, has a better right of priority.

### **10.2 The Company's operations**

The Company will not significantly alter the nature of the Group's operations in a way that has a significant adverse effect on the Company's ability to fulfil its obligations in respect of the Bondholders.

### **10.3 Securing other Market Loans**

The Company will:

- (a) not provide collateral itself or allow another party to provide collateral, whether in the form of a contingent liability or otherwise, for other Market Loans that have been or may be taken out by the Company;
- (b) not provide collateral in any form other than through a contingent liability, which in turn may not be secured, for other Market Loans that have been or may be taken out by a party other than the Company; and
- (c) ensure that Group companies comply with the provisions referred to in points (a) and (b) above, whereby the Group Companies concerned will be subject to that which applies to the Company.

### **10.4 Carry out Market Loans in other Group Companies**

The Company will ensure that a Group Company other than the Company does not take out Market Loans.

### **10.5 Admission to trading on a Regulated Market**

For Loans that, according to the Final Terms, are to be admitted to trading on a Regulated Market, the Company undertakes to apply for this at Nasdaq Stockholm AB or another Regulated Market and to take the necessary measures to maintain the admission to trading for as long as the relevant Loan is outstanding, although at most for as long as this is possible according to the applicable rules.

### **10.6 Provision of Loan Terms and Conditions**

The Company undertakes to ensure that the current version of these General Terms and Conditions, as well as the Final Terms for all outstanding Loans that have been admitted to trading on a Regulated Market, are kept available on the Company's website.

## **11. TERMINATION OF LOANS**

11.1 The Administrative Agent must (i) if so requested in writing by Bondholders who, at the time of the request, represent at least one tenth of the Adjusted Loan Amount under the relevant Loan (said request may only be submitted by Bondholders who are registered in the reconciliation register maintained by Euroclear Sweden on the Business Day immediately following the date on which the request was received by the Administrative Agent, and must be made jointly if it is submitted by several Bondholders each representing less than one tenth of the Adjusted Loan Amount under the relevant Loan) or (ii) if so decided by the Bondholders under a Loan at a Bondholders' Meeting, declare in writing the relevant Loan along with interest (if any) that is due for payment immediately or at the time decided by the Administrative Agent or the Bondholders' Meeting (as applicable); if:

- (a) the Company does not, at the correct time, pay the principal or interest amount due in respect of any Loan under this MTN Programme, unless the delay:
  - (i) is a consequence of a technical or administrative error; and
  - (ii) does not last for longer than three (3) Business Days;
- (b) the Company, in any respect other than that set out in point (a) above or in the point Green Bonds in the Final Terms, does not fulfil its obligations under the Loan Terms and Conditions in respect of the relevant Loan, provided that:
  - (i) correction is possible; and

- (ii) the Company has received a written request from the Administrative Agent to implement corrective action and such corrective action has not been implemented within fifteen (15) Business Days;
- (c) (i) a Material Group Company does not, on time or within an applicable deferral period, make payment in respect of another loan, and the loan in question has consequently been subjected to, or could be subjected to, early termination, or in the absence of a termination provision or if the non-payment would constitute final payment, if the payment delay lasts for fifteen (15) Business Days;
- (ii) another loan to the Material Group Company is declared to have been subjected to early termination as a result of grounds for termination (regardless of nature); or
- (iii) a Material Group Company does not, within fifteen (15) Business Days after the date on which the Material Group Company has received a legitimate and undisputed claim, redeem the surety or guarantee that the Material Group Company has provided for the obligation of another party,

provided that the sum of the outstanding debt, under the loans or commitments affected under point (c)(i)-(iii), collectively amounts to at least SEK 50,000,000 or the equivalent thereof in another currency;

- (d) assets that are owned by a Material Group Company, and that have a value in excess of SEK 50,000,000 or the equivalent thereof in another currency, are distrained or subject to similar overseas proceedings, and such distraint or similar overseas proceedings are not eliminated within thirty (30) Business Days from the date of the notification of the distraint decision or the decision on such similar overseas proceedings;
- (e) a Material Group Company cancels its payments;
- (f) a Material Group Company applies for or grants an application for debt restructuring or similar procedure;
- (g) a Material Group Company is declared bankrupt;
- (h) a decision is made whereby the Company will enter into liquidation or a Material Group Company will be placed in compulsory liquidation; or
- (i) the Company's annual general meeting approves a merger plan under which the Company is the transferring company, or a Material Group Company's annual general meeting approves a merger plan under which said Material Group Company is the transferring company, in relation to a company outside the Group if this affects the Company's ability to fulfil its obligations in respect of the Bondholders.

The terms "loan" and "obligation" in point (c) above also include credit on account as well as amounts that have not been received as loans, but that are to be paid on the basis of promissory notes that are clearly intended for general sale.

- 11.2 The Administrative Agent may not declare a relevant Loan along with interest (if any) as due for payment pursuant to point 11.1 by referring to grounds for termination, if it has been decided at a Bondholders' Meeting that such grounds for termination (temporarily or permanently) will not result in termination pursuant to point 11.1.
- 11.3 It is the responsibility of the Company to notify the Dealers and the Bondholders immediately in accordance with section 16 (*Notices*) in the event grounds for termination as set out in point 11.1 should occur. In the absence of such notification, neither the Administrative Agent nor the Dealers, regardless of their actual knowledge, will be deemed to be aware of grounds for termination. Neither the Administrative Agent nor the Dealers are themselves obliged to monitor whether the conditions for termination according to point 11.1 exist.
- 11.4 In the case of the repayment of Loans after termination pursuant to point 11.1:

- (a) Loans running with interest will be repaid at an amount per MTN that, together with accrued interest, would have been repaid on the final Maturity Date; and
- (b) Loans running without interest will be repaid at an amount per MTN that is determined according to the following formula as of the date of the termination of the Loan:

$$\frac{\text{Nominal Amount}}{(1 + r)^t}$$

r = the sales interest rate that the Administrative Agent specifies for loans, issued by the Swedish State, with a remaining duration corresponding to that which applies to the Loan in question. In the absence of a sales interest rate, the purchase interest rate will be used instead, which must be reduced by the market difference between purchase and sales interest rates, expressed in percentage points. In the calculation, the closing note must be used.

t = the remaining duration for the Loan in question, expressed with the Day Convention Actual/360.

## 12. BONDHOLDERS' MEETING

- 12.1 The Administrative Agent may and must, at the request of the Company or Bondholders who, at the time of the request, represent at least one tenth of the Adjusted Loan Amount under a particular Loan (said request may only be submitted by Bondholders who are registered in the reconciliation register for MTN maintained by Euroclear Sweden on the Business Day immediately following the date on which the request was received by the Administrative Agent, and must be made jointly if it is submitted by several Bondholders each representing less than one tenth of the Adjusted Loan Amount), convene a Bondholders' Meeting for the Bondholders under the relevant Loan.
- 12.2 The Administrative Agent must convene a Bondholders' Meeting by sending notification of this to each Bondholder and the Company within five (5) Business Days after receiving a request from the Company or Bondholders pursuant to point 12.1 (or such later date as required for technical or administrative reasons). The Administrative Agent must notify the Issuing Agent without delay and in writing about the abovementioned notification.
- 12.3 The Administrative Agent may refrain from convening a Bondholders' Meeting if (i) the proposed decision must be approved by a person in addition to the Bondholders and this person has notified the Administrative Agent that such approval will not be given, or (ii) the proposed decision is not compatible with applicable law.
- 12.4 The convening notification referred to in point 12.2 must include (i) the time of the meeting, (ii) the venue for the meeting, (iii) the agenda for the meeting (including any request for a decision from the Bondholders), and (iv) a proxy form. Only matters that have been included in the convening notification may be decided on at the Bondholders' Meeting. If it is necessary for Bondholders to notify their intention to attend the Bondholders' Meeting, this requirement must be specified in the convening notification.
- 12.5 The Bondholders' Meeting must be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days after the notification. Bondholders' Meetings for multiple loans under the MTN-Programme can be held at the same time.
- 12.6 Without deviating from the provisions in these General Terms and Conditions, the Administrative Agent may prescribe such additional provisions regarding the notification and the implementation of the Bondholders' Meeting as it deems appropriate. Such provisions may include the potential for Bondholders to vote without attending the meeting in person, i.e. that voting may take place using an electronic voting procedure or through a written voting procedure.
- 12.7 Only persons who are, or have been, authorized in accordance with section 4 (*Entitlement to act for Bondholders*) by a person who is a Bondholder on the Record Date for the Bondholders' Meeting may exercise voting rights at such Bondholders' Meeting, provided that the relevant MTN are covered by the Adjusted Loan Amount. The Administrative Agent must ensure that, at the Bondholders' Meeting, there is a printout of the reconciliation register maintained by Euroclear Sweden from the Record Date for the Bondholders' Meeting.



- 12.8 Bondholders, the Administrative Agent and the Issuing Agents, as well as their respective representatives, assistants and any experts, are entitled to attend the Bondholders' Meeting. Representatives must present a duly issued power of attorney, which must be approved by the Chair of the Bondholders' Meeting. The Bondholders' Meeting must begin with the appointment of a chair, a person to take the minutes and persons to adjust the minutes. The Chair must draw up a list of attending Bondholders who are eligible to vote, indicating the share of the Adjusted Loan Amount that each Bondholder represents ("**Voting List**"). After this, the Voting List must be approved by the Bondholders' Meeting. Bondholders who have cast their votes via an electronic voting procedure, a voting slip or equivalent will, with the application of these provisions, be deemed to be present at the Bondholders' Meeting. Only those who were Bondholders on the fifth Business Day before the date of the Bondholders' Meeting, or representatives of said Bondholders, and who are covered by the Adjusted Loan Amount, are entitled to vote and will be included in the Voting List. The Company will have access to relevant voting calculations and the supporting data for these. The minutes must be completed as soon as possible and made available to Bondholders, the Company, the Administrative Agent and the Issuing Agent.
- 12.9 Decisions in the following matters require the approval of Bondholders representing at least ninety (90) per cent of that part of the Adjusted Loan Amount for which Bondholders vote under the relevant Loan at the Bondholders' Meeting:
- (a) changing of the to the Maturity Date, reduction of the Loan Amount, changing of terms relating to interest or the amount to be repaid (other than in accordance with the Loan Terms and Conditions, including what follows from the application of section 13 (Replacement of Base Rate) and changing of the relevant Currency of the Loan;
  - (b) change to the terms of the Bondholders' Meeting under this section 12;
  - (c) change of debtors and
  - (d) mandatory exchange of MTN for other securities.
- 12.10 Matters that are not covered by point 12.9 require the consent of Bondholders representing more than fifty (50) per cent of the portion of the Adjusted Loan Amount for which Bondholders are voting under the relevant Loan at the Bondholders' Meeting. This includes, but is not limited to, amendments and waivers of rights in relation to the Loan Terms and Conditions that do not require a larger majority (other than amendments according to section 14 (*Amendment of terms etc.*)), as well as early termination of Loans.
- 12.11 A Bondholders' Meeting reaches quorum if Bondholders representing at least fifty (50) per cent of the Adjusted Loan Amount under the relevant Loan in respect of a matter in point 12.9, or twenty (20) per cent of the Adjusted Loan Amount under the relevant Loan in respect of other matters, attend the meeting in person or by telephone (or attend through an authorized representative).
- 12.12 If the Bondholders' Meeting does not reach quorum, the Administrative Agent must convene a new Bondholders' Meeting (in accordance with point 12.2), provided that the relevant proposal has not been withdrawn by the person or persons who initiated the Bondholders' Meeting. The requirement for quorum set out in point 12.11 will not apply to said new Bondholders' Meeting. If the Bondholders' Meeting has reached quorum for some but not all of the matters to be decided at the Bondholders' Meeting, decisions will be taken regarding those matters for which quorum exists, and other matters will be referred to a new Bondholders' Meeting.
- 12.13 A decision at a Bondholders' Meeting that extends obligations or limits entitlements accruing to the Company or the Issuing Agent under the Loan Terms and Conditions also requires the approval of the party concerned.
- 12.14 A Bondholder that holds more than one MTN does not need to vote for all the MTN they hold, nor vote in the same way for all their MTN.
- 12.15 The Company must not, directly or indirectly, pay or contribute to the payment of remuneration to a Bondholder in order for them to give their consent according to the Loan Terms and Conditions, unless such remuneration is offered to all Bondholders who give consent at the relevant Bondholders' Meeting.

- 12.16 A decision taken at a Bondholders' Meeting is binding on all Bondholders under the relevant Loan, regardless of whether they attended the Bondholders' Meeting or not. Bondholders who have not voted in favor of a decision will not be liable for harm caused to other Bondholders by the decision.
- 12.17 At the request of the Administrative Agent, the Company must, without delay, provide the Administrative Agent with a certificate indicating the total amount for all the MTN owned by Group Companies and Principal Owners on the Business Day specified in point 12.1 and the relevant Record Date prior to a Bondholders' Meeting, regardless of whether said Group Company or Principal Owner is directly registered as an owner of MTN. The Administrative Agent will not be responsible for the content of said certificate or otherwise be responsible for determining whether an MTN is owned by a Group Company or Principal Owner.
- 12.18 Information about decisions made at the Bondholders' Meeting must be notified without delay to the Bondholders under the relevant Loan by means of a press release, on the Company's website and in accordance with section 16 (*Notices*). The Administrative Agent must, at the request of Bondholders and Issuing Agents, provide minutes of the relevant Bondholders' Meeting. Failure to notify the Bondholders as described above will not affect the validity of the decision.

### 13. REPLACEMENT OF BASE RATE

- 13.1 If a Base Rate Event as described in point 13.2 below has occurred, the Company shall, in consultation with the Arranger, initiate the procedure to, as soon as reasonably possible, determine a Successor Base Rate, Adjustment Spread as well as initiate the procedure to determine upon necessary administrative, technical and operational amendments to the Loan Terms and Conditions in order to apply, calculate and finally decide the applicable Base Rate. There Arranger is not obligated to participate in such consultation or determination as described above. Should the Arranger not participate in such consultation or determination, the Company shall, at the Company's expense, as soon as possible appoint an Independent Adviser to initiate the procedure to, as soon as reasonably possible, determine upon the mentioned. Provided that the Successor Base Rate, the Adjustment Spread and other amendments have been finally decided no later than prior to the relevant Interest Determination Date in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of Euroclear Sweden and any calculation methods applicable to such Successor Base Rate.
- 13.2 A Base Rate Event is an event where one or more of the following events occur ("**Base Rate Event**") which means:
- (a) the Base Rate (for the relevant Interest Period of the relevant Loan) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period of the relevant Loan) ceasing to be calculated or administered;
  - (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period of the relevant Loan) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
  - (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period of the relevant Loan) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
  - (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator, with the consequence that it is unlawful for the Company, the Arranger or the Administrative Agent to calculate any payments due to be made to any Bondholders using the applicable Base Rate (for the relevant Interest Period of the relevant Loan) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period of the relevant Loan);
  - (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework

(Sw. *krishanteringsregelverket*), or in respect of EURIBOR, from the equivalent entity with insolvency or resolution powers over the Base Rate Administrator, containing the information referred to in (b) above; or

- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

13.3 Upon a Base Rate Event Announcement, the Company may (but are not obligated to), if it is possible at such time to determine the Successor Base Rate, Adjustment Spread and other amendments, in consultation with the Arranger or through the appointment of an Independent Advisor, initiate the procedure as described in point 13.1 above to finally decide the Successor Base Rate, the Adjustment Spread and other amendments, in order to change the Successor Base Rate at an earlier time.

13.4 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided at the latest prior to the relevant Interest Determination Date or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of Euroclear Sweden cannot be applied in relation to the relevant Interest Determination Date, the interest applicable to the next succeeding Interest Period shall be:

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

This provisions set out in this point are applicable on subsequent Interest Periods, provided that all relevant measures have carried out regarding the application of and the adjustments described in this section 13 (Replacement of Base Rate) prior to every such subsequent Interest Determination Date, but without success.

13.5 Prior to the Successor Base Rate, Adjustment Spread and any other amendments becoming effective, the Company shall promptly, following the final decision by the Company in consultation with the Arranger or the Independent Adviser of any Successor Base Rate, Adjustment Spread and other amendments, give notice thereof to the Bondholders, the Administrative Agent, the Arranger and Euroclear Sweden in accordance with section 16 (Notices). The notice shall also include information about the effective date of the amendments. If the MTN are admitted to trading on a Regulated Market, the Company shall also give notice of the amendments to the relevant stock exchange.

13.6 The Arranger, the Independent Adviser and the Administrative Agent that carries out measures in accordance with this section 13 shall not be liable whatsoever for any damage or loss caused by determinations, action taken or omitted by it in conjunction with the determination and final decision of the Successor Base Rate, Adjustment Spread and any amendments thereto to the Loan Terms and Conditions, unless directly caused by its gross negligence or willful misconduct. The Arranger, the Independent Adviser and the Administrative Agent shall never be responsible for indirect or consequential loss.

13.7 In this section 13, the following definitions have the meaning described below:

**"Adjustment Spread"** means a spread or a formula or methodology for calculating a spread to be applied to a Successor Base Rate and that is:

- (i) formally recommended by any Relevant Nomination Body in relation to the replacement of the Base Rate; or
- (ii) if (i) is not applicable, the adjustment spread that the Company in consultation with the Arranger or the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate and is customarily applied in comparable debt capital market transactions.

“**Base Rate Administrator**” means the Swedish Financial Benchmark Facility AB (SFBF) in relation to STIBOR and the European Money Markets Institute (EMMI) in relation to EURIBOR or any person replacing it as administrator of the Base Rate.

“**Base Rate Event Announcement**” means a public statement or published information as set out in 13.2 (b) to 13.2 (e) that any event or circumstance specified therein will occur.

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

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

“**Successor Base Rate**” is:

- (i) the screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as MTN, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nomination Body as successor; or
- (ii) if there is no such rate as described in paragraph (i), such other rate as the Company in consultation with the Arranger or the Independent Advisor determines is most comparable to the Base Rate.

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

#### **14. AMENDMENT OF TERMS ETC.**

- 14.1 The Company and the Dealers may reach agreement on adjustments to clear and obvious errors in these General Terms and Conditions.
- 14.2 The Company and the Administrative Agent may agree on the adjustment of clear and obvious errors in the Final Terms for a particular Loan.
- 14.3 Amendments and waivers of Loan Terms and Conditions, other than as set out in points 14.1 to 14.2 shall take place through a decision at a Bondholders’ Meeting as described in section 12 (*Bondholders’ Meeting*).
- 14.4 The accession of a new Dealer to the MTN-Programme may take place by means of a written agreement between the Company, the relevant institution and existing Dealers. Dealers may withdraw, although the Administrative Agent in respect of a particular Loan may not withdraw, unless a new Administrative Agent is appointed in its place for said Loan.
- 14.5 An approval of an amendment to terms and conditions granted at a Bondholders’ Meeting may cover the substance of the amendment, and does not need to include the specific wording of the amendment.
- 14.6 A decision on an amendment to terms and conditions will also include a decision on when the amendment will take effect. However, an amendment will not take effect until it has been registered with Euroclear Sweden (where applicable) and published in accordance with point 10.6.
- 14.7 The Company and the Arranger or the Independent Adviser may, without the approval of the Bondholders', agree on and execute amendments to the Loan Terms and Conditions in accordance with what is described in section 13 (Replacement of Base Rate) and such amendments will be binding on those covered by the Loan Terms and Conditions.
- 14.8 The amendment or concession of Loan Terms and Conditions in accordance with this section 13 must be notified to the Bondholders by the Company as soon as possible in accordance with section 16 (*Notices*) and published in accordance with point 10.6.

## **15. TIME-BAR FOR CLAIMS**

- 15.1 A claim for principal is limited to ten years after the Maturity Date. A claim for interest is limited to three years after the relevant Interest Payment Date. If a claim is limited as regards time, the funds set aside for payment of said claim will accrue to the Company.
- 15.2 In the event of an interruption in the limitation period, a new limitation period of 10 years in the case of the principal and three years in respect of interest amounts will apply, in both cases calculated from the date set out in provisions on the effect of interruptions in limitation periods in the Limitations Act (1981:130).

## **16. NOTICES**

- 16.1 Notifications will be issued to Bondholders for the Loan in question at the address registered with Euroclear Sweden on the Record Date prior to dispatch. A notification to the Bondholders must also be made public by means of a press release and be published on the Company's website.
- 16.2 Notification must be sent to the Company and the Dealers at the address registered with the Swedish Companies Registration Office on the Record Date prior to dispatch.
- 16.3 A notification to the Company or Bondholders in accordance with the Loan Terms and Conditions that is sent by normal mail to the specified address will be deemed to have been received by the recipient on the third Business Day after dispatch, and a notification sent by courier will be deemed to have been received by the recipient when it has been delivered at the specified address.
- 16.4 In the event a notification has not been sent correctly to a particular Bondholder, this will not affect the impact of the notification on other Bondholders.

## **17. LIMITATION OF LIABILITY ETC.**

- 17.1 In the case of the measures affecting the Dealers, liability cannot be asserted for harm due to Swedish or foreign legislation, measures by a Swedish or foreign authority, war, strike, blockade, boycott, lockout or other similar circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts applies even if the Dealers concerned is itself subject to or implementing such industrial action.
- 17.2 Harm arising in other cases will not be compensated by a Dealer if the Dealer concerned has been normally prudent. Under no circumstances will compensation be paid for indirect harm.
- 17.3 If obstacles exist preventing Dealers from taking action due to such circumstance as specified in point 17.1, the action may be suspended until the obstacle has ceased to exist.
- 17.4 That stated above applies unless otherwise set out in the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479).

## **18. GOVERNING LAW AND JURISDICTION**

- 18.1 Swedish law will apply to the Loan Terms and Conditions and all non-contractual obligations that arise in connection with the application of the Loan Terms and Conditions.
- 18.2 Disputes must be determined by a Swedish court. Stockholm District Court will be the court of first instance.

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It is hereby confirmed that the above General Terms and Conditions are binding for us.

Gothenburg, 17 February 2023

INVESTMENT AB LATOUR (publ)

# FORM OF FINAL TERMS

The Form of Final Terms has originally been prepared and adopted in Swedish. The Form of Final Terms as presented in the Base Prospectus is an unofficial English translation of the Form of Final Terms. In the event of any discrepancy between the Swedish and English version of the Form of Final Terms, the Swedish version is legally binding and shall prevail. The Swedish version is available on Latour's web page.

The following template will be used for the preparation of the Final Terms for each loan issued under the MTN-Programme.

## FINAL TERMS ("Final Terms")

for loan no. [•]  
under Investment AB Latour's (publ) (the "Company")  
Swedish MTN-Programme

The General Terms and Conditions dated [15 February 2018/17 February 2023] for the above headlined MTN-Programme will apply to the Loan, together with the Final Terms as set out below. An English translation of the General Terms and Conditions of the Company's MTN-Programme is presented in the Company's base prospectus dated 16 February 2024 (the "Base Prospectus"), which has been prepared in accordance with Regulation (EU) 2017/1129 (the "Prospectus Regulation"), together with any prepared and published supplementary prospectuses to the Base Prospectus. The Final Terms has been prepared in accordance with the Prospectus Regulation. Defined terms used below shall have the same meaning as in the General Terms and Conditions, the Final Terms or as otherwise set out in the Base Prospectus.

Complete information about the Company and the MTN-Programme can only be obtained through the Base Prospectus, any published supplementary prospectuses and these Final Terms, which is why investors who are considering investing in MTN should read these documents together and in full. The Base Prospectus and any supplementary prospectuses to the Base Prospectus as applicable are available on the Company's website <https://www.latour.se/en/investor-relations/mtn-programme>.

[These Final Terms replace the Final Terms dated [date], whereby the Loan Amount has been increased by [SEK/EUR] [amount in figures] from [SEK/EUR] [amount in figures] to [SEK/EUR] [amount in figures].]

### GENERAL

1. **Loan number:** [•]
  - (i) **Tranche name:** [•]
2. **Aggregate Nominal Amount:**
  - (i) for the loan: [•]
  - (ii) for tranche [•]: [•]
  - (iii) for tranche [•] (*indicate previous tranches*): [•]
3. **Price per MTN:** [•] % of Nominal Amount [plus accrued interest as from [insert date] if applicable]
4. **Currency:** [SEK/EUR]
5. **Nominal Amount:** [SEK/EUR] [•] (*Not less than EUR 100,000 or the equivalent thereof in SEK.*)
6. **Loan date:** [•]
7. **Interest Commencement Date:** [Loan date/[•]]
8. **Settlement Date:** [Loan date/[•]]
9. **Maturity Date:** [•]

10. **Basis for calculation of interest:** [Fixed Rate]  
[Floating Rate (FRN)]  
[Zero Coupon]
11. **Amount as basis for calculation of interest** [Nominal Amount/[•]]

#### BASIS FOR CALCULATION OF RETURN

12. **Fixed Rate:** [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) **Interest Rate:** [•] % annual interest calculated on [Nominal Amount/[•]].
- (ii) **Interest Period:** The time from [•] up to and including [•] (the first Interest Period) and thereafter each period of [•] months with the end date on an Interest Payment Date
- (iii) **Interest Payment Date(s):** [Annually/Semi-Annually/Quarterly] on [•], the first time on [•] and the last time on [•]  
*(The above is adjusted in the event of a shortened or extended Interest Period)*
- (iv) **Day Count Convention Method:** 30/360 [Specify]
13. **Floating Rate (FRN):** [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) **Base Rate:** [•] months [STIBOR/EURIBOR]  
[The [first/last] coupon's Base Rate will be interpolated linearly between [•] months [STIBOR/EURIBOR] and [•] months [STIBOR/EURIBOR].]
- (ii) **Margin:** [+/-][•] % annual interest calculated on [Nominal Amount/[•]]
- (iii) **Interest Determination Date:** [Two] Business Days before each Interest Period, the first time on [•]
- (iv) **Interest Period:** The time from [•] up to and including [•] (the first Interest Period) and thereafter each period of approx. [•] months with the end date on an Interest Payment Date.
- (v) **Interest Payment(s):** The final day in each Interest Period, [the [•], the [•], the [•] and the [•],] the first time on [•] and the last time [the [•]/on the Maturity Date].
- (vi) **Day Count Convention Method:** Actual/360 [Specify]
- (vii) **Risk factors:** In accordance with the risk factor with the heading "MTN with Floating Rate" in the Base Prospectus.
14. **Zero Coupon:** [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) **Terms and conditions for Zero Coupon Loans:** [•]
- (ii) **Risk factor:** In accordance with the risk factor with the heading "MTN without interest (known as Zero Coupon Loans)" in the Base Prospectus.

## REPAYMENT

15. Amount at which MTN is to be repaid on the Maturity Date: [•] % of [Nominal Amount/[•]]

## OTHER

16. Green Bonds [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*  
The Green Terms and Conditions dated [•] apply to this Loan.  
[Violation of this provision, point 16 (Green Bonds), will not constitute grounds for termination under point 11.1(b) of the General Terms and Conditions.]
- (i) Risk factor In accordance with the risk factor with the heading “*Risks associated with Green Bonds*” in the Base Prospectus.
17. Estimated net proceeds [SEK]/[EUR] [•] after deduction for costs related to the issue.
18. Use of net proceeds [General corporate purposes]/[In accordance with the Green Terms and Conditions]/[Specify]
19. Admission to trading on a Regulated Market: [Applicable/Not applicable]  
*(If not applicable, delete the remaining subheadings of this paragraph)*
- (i) Regulated Market: [Nasdaq Stockholm/Specify other Regulated Market]
- (ii) Estimated total costs associated with admission to trading: [•]
- (iii) Total number of securities admitted to trading: [•]
- (iv) Earliest day for commencement of trading: [•]
20. Interests: [Specify/Not applicable]  
*(Interests and any conflicts of interest for individuals who are involved in the share issue and that are of significance for the Loan must be described)*
21. Credit rating for Loans: [Specify/Not applicable]
22. Resolutions as basis of the issue: [Not applicable/Resolutions regarding this Loan were taken on [insert date]/Specify]  
*(If resolutions regarding issues under the MTN-Programme are described in the Base Prospectus and this issue is covered by such a decision, “Not applicable” must be used)*
23. Information from third parties: [Information presented in these Final Terms originating from third parties has been reproduced accurately and, as far as the Company is aware and can ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading]/ [Not applicable]
24. Issuing Agent:
- (i) for tranche [•]: [[Nordea Bank Abp], [Skandinaviska Enskilda Banken AB (publ)], [Svenska Handelsbanken AB (publ)] [•]]



- [(ii) for tranche [•] (*indicate previous tranches*):]
25. **Administrative Agent:** [[Nordea Bank Abp], [Skandinaviska Enskilda Banken AB (publ)], [Svenska Handelsbanken AB (publ)] [•]]
26. **ISIN:** SE[•]

The Company confirms that the above Final Terms are applicable to the Loan, together with the General Terms and Conditions, and undertakes, in accordance therewith, to repay the Loan and to pay interest in accordance herewith. The Company further confirms that any material event after the date of the Base Prospectus that could affect the market's assessment of the Loan and the Company to this MTN have been publicly disclosed.

Gothenburg, [•]  
Investment AB Latour (publ)

# BUSINESS DESCRIPTION

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## MAIN OPERATIONS

### Background

Investment AB Latour (publ) is a mixed investment company listed on Nasdaq Stockholm, Large Cap. Latour, with its current operations and strategy, was formed in 1985 when the Douglas family became the Company's largest shareholder which they still are as of the date of the Base Prospectus. Since 1985, Latour's share has achieved a total return, including both share price growth and dividends, amounting to approximately 292,348 per cent as of 31 December 2023. This can be compared to 9,173 per cent for the benchmark index, SIXRX. As of 31 December 2023, Latour's market value amounted to SEK 167.8 billion (SEK 126.1 billion).

### Business concept

Latour's main business concept is to invest in sustainable companies with proprietary products, strong growth potential supported by global megatrends and good future prospects. Its long-term ambition is to create international growth and added value in these holdings by means of active ownership.

### Vision

Latour's vision is to be a sustainable and attractive choice for long-term investors that want good returns. Latour creates added value in its holdings by being an active and steadfast owner that, with financial strength and solid industrial know-how, contributes to the sustainable development of the companies.

### Core Values

Latour's four core values are:

- Long-term perspective
- Businessmanship
- Trust & Accountability
- Development

Governance is characterized by a delegated decision-making structure, with each holding having a unique corporate culture and its own strategic process. However, Latour's core values permeate all holdings.

### Latour's operations

Latour's operations are primarily carried out in two business lines: wholly-owned industrial operations and a portfolio of listed holdings. There are also a handful of other holdings, mainly in Latour Future Solutions. In all holdings, Latour acts as an active principal owner, where the work of the Board is the most important platform for the sustainable creation of value.

In all holdings, there is a structured approach to the work of the Board of Directors, acquisition processes and integration processes. Latour's interests in several global groups help the companies to develop in line with the adopted international expansion strategy, by enabling the holdings to exchange experiences and knowledge.

Leadership plays a central role in the corporate governance. Leaders at Latour should be culture carriers and role models. They should assume responsibility for performance, sustainable value creation and the well-being of the organization. The leadership style is characterized by freedom with responsibility and is favorably combined with feedback and transparency.

## Financial targets

### *Low net debt*

Latour's total net debt cap is set at ten per cent of the investment portfolio's value and 2.5 times the wholly-owned industrial operations' EBITDA, measured as an average for the last three years and adjusted for acquisitions and divestitures.

### *Corporate governance worth its price*

Latour's shareholders are offered active corporate governance for a management fee of approximately 0.1 per cent of the managed market value.

### *Financial targets for the industrial operations over a business cycle*

- Average annual growth > 10 per cent (minimum for every holding)
- Operating margin > 15 per cent (minimum average across all holdings)
- Return on operating capital > 15 per cent (minimum for every holding)

### *Dividend policy*

Further payment of dividend received from the investment portfolio and part-owned holdings	100 per cent
Profit after tax in wholly-owned companies	40-60 per cent

## ACQUISITION AND INVESTMENT STRATEGY

Latour's acquisition process is centered on long-term assumptions about which technologies and companies have the best prospects, based on the overall trends that are expected to lead to new and growing needs.

Latour's business is based on identifying the best opportunities for creating sustainable value in the longer term, and on avoiding risks that might lead to diminished value. These opportunities and risks can be viewed on two levels - company-specific and market-related. Latour takes the company-specific opportunities and risks into account in its investment strategy and active corporate governance.

As an investment company, Latour has relatively narrow investment criteria, but with these, the company can quickly get an idea as to whether a business qualifies for a more in-depth analysis or not.

### Latour's investment criteria

#### Market and trends

- Addresses identified trends
- The industry is showing profitable growth

#### Development potential

- Next wave of development has begun
- Potential for geographical expansion
- Sustainable business with high ethical standards
- Latour adds value

#### Business and market position

- Development and manufacture of proprietary products under their own brands.
- Sustainable products with high added value
- Favorable position in the value chain
- Strong management

#### Financial performance

- Ability to meet Latour's long-term financial targets

## Sustainability

Sustainability is a central concern for Latour and is reflected in the Company's four core values, which are basically about consideration for people and the environment. Since Latour is an investment company each individual holding may have its company culture. Latour's overriding core values must however permeate all the companies that Latour has an ownership interest in.

The concept long-term means that, from a decision-making perspective, short-term changes in external circumstances will not influence Latour's choice when a decision is considered best in the long-term. In order to be perceived as long-term our business must then be built on integrity and run according to the laws and regulations that govern Group activities. Working long-term also means that the Group's engagement in sustainable development has been and will be reflected and included in the Group's guidelines, decisions and actions.

Latour has its greatest impact on sustainability by being an active and responsible owner, where all holdings drive their own sustainability development. There are 16 employees at the head office and around 450,000 in the holdings. The head office's direct sustainability footprint is therefore limited compared to that of the holdings, but through the active work of boards, Latour drives and has high expectations for the sustainable development of the holdings.

Long-term values are created by developing sustainable operations and Latour is confident that a commitment across the organization to the environment and people is essential for Latour and its market to develop in a positive direction. The holdings have different challenges and offer internationally leading products in the fields of energy efficiency, safety, recycling, sustainable construction and workplace health.

Latour have a Code of Conduct and an Environmental Policy with guidelines and policies for all wholly-owned companies and their employees. The guidelines and policies make up the minimum requirements with which all holdings must comply. For the companies that are part of Latour's investment portfolio, this is accomplished by their boards proactively ensuring that they have their own codes of conduct and policies that meet Latour's requirements in this area.

## LATOUR'S HOLDINGS

Latour's investments mainly consist of two parts; the *wholly-owned industrial operations* grouped into six business areas and the *investment portfolio* containing ten holdings in which Latour is the principal owner or one of the principal owners. As of 31 December 2023, the market value of the investment portfolio was SEK 79 billion (SEK 64 billion). In addition to the above two operational branches, Latour has an investment area that focuses on sustainability-oriented growth companies, Latour Future Solutions, as well as a small portfolio of part-owned holdings.

Latour creates added value in its holdings by being an active and long-term owner that, with financial strength and solid industrial know-how, contributes to the sustainable development of the companies. Latour is an active principal owner in the holdings, regardless of whether the holdings are listed, wholly-owned or part-owned, where the work of the Board is an important platform for creation of value.

The investment portfolio currently consists of significant holdings in Alimak Group, ASSA ABLOY, CTEK, Fagerhult, HMS Networks, Nederman, Securitas, Sweco, TOMRA and Troax Group. Latour's largest holdings, based on net asset value, are ASSA ABLOY, Swegon, Hultafors Group, Sweco and Nord-Lock Group. The wholly-owned industrial operations accounts for 46 (48) per cent of the Group's total net asset value as of 31 December 2023, which is a result of the very good profitability development combined with the investments made in industrial operations in recent years. The market value of the listed holdings is simple to calculate, since clearly stated market prices are available. Determining the value of the wholly-owned operations is much more difficult. This is because the market value, the price that potential buyers are willing to pay for the operations, is not as clearly defined.

### Wholly-owned operations

The Group's wholly-owned industrial operations are grouped into six business areas: Bemsiq, Caljan, Hultafors Group, Latour Industries, Nord-Lock Group and Swegon.

All the business areas are strongly positioned in their respective niches with companies that develop, manufacture and market their own products and brands to customer segments that represent considerable and growing international demand.

The ambition of growth is high with focus on organic growth and growth through acquisitions. In order to grow at a rate that exceeds overall economic development, the businesses systematically work to strengthen the offer, gain market share in existing markets and increase the international presence.

All businesses carry out product development at the forefront, which is essential in order to ensure significant competitive advantages in the future. Latour is acting forward and constantly invests in product development, sales and marketing, and improving the digital presence of our business areas.

In total, the industrial operations employ well over 8,000 people with a total turnover of SEK 25.6 (22.6) billion as of 31 December 2023.



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Bemsiq comprises a portfolio of companies in the sectors of building automation and energy efficiency. Bemsiq's mission is to accelerate the journey towards SMART and GREEN commercial buildings by being a leading global supplier of sensor, control and connectivity technologies and products. Bemsiq is a group of international companies that deliver innovative products to the building automation and energy metering sector. The products that these companies develop and sell are used in an extensive range of applications that enhance the smartness and environmental performance of buildings.



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Since 1963, Caljan has specialised in helping packing companies, distributors and manufacturers around the world to manage loose cargo efficiently. Caljan is a leading supplier of equipment, solutions and services that optimize loading and unloading processes within logistics. Caljan supports customers handling FMCG at many stages of their supply chain, typically centered around e-commerce, postal and distribution. Caljan's solutions are used by large international customers for whom fast, secure and cost-effective parcel handling represents an important competitive advantage. The business comprises four global divisions.

## HULTAFORS GROUP

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Hultafors Group offers a portfolio of leading brands to help professional users stay at the forefront when it comes to performance, safety and productivity. Hultafors Group is one of Europe's largest companies providing professional users with workwear, safety footwear, head protection, hand tools and ladders. The products are developed, manufactured and sold through the company's own brands and are available via leading distributors in nearly 70 countries globally, with the emphasis on Europe and North America.



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Latour Industries is a miniature Latour, in which active and careful ownership will result in stable and independent development of the holdings. One of the main goals for the holdings is to become independent business areas within Latour at some point in the future. Latour Industries comprises eight wholly-owned holdings holding whose

proprietary products contain high-tech components and have considerable potential for growth. All holdings have their own business concept and business model.

## **NORD-LOCK** GROUP

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Nord-Lock Group is a world-leading manufacturer of safe and reliable bolt-securing solutions. Since 1982, Nord-Lock Group has been using its innovative products and extensive expertise to provide reliable and effective bolted joints to customers in all major industries. Nord-Lock Group focuses on customers in all major industrial segments where quality and safety standards are high and the consequences of failure would be serious. Over 90 per cent of production is exported. Sales take place through its own companies and a worldwide network of distributors.

## **Swegon**

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Swegon maintains its clear focus on creating quality indoor climate to promote the well-being, health and comfort of those who use the buildings. Swegon supplies the market with high-quality products and efficient system solutions that promote a healthy indoor environment and contribute to lower energy consumption and life-cycle costs for all types of buildings. Sales and marketing activities are conducted through its own companies in 16 countries and through distributors in other markets. Swegon has production units in Europe, North America and India.

## Investment portfolio

Latour's investment portfolio consists of ten companies where Latour is the principal owner or one of the principal owners and where Latour controls at least ten per cent of the voting rights.

Regardless of the ownership stake, a clear working method is applied to the work of the Board of Directors. Latour will operate as a transparent principal owner that contributes to initiatives to ensure sustainable growth and profitability in its companies. All its businesses are at the forefront of their respectful sectors.

The below table presents the Group's investment portfolio as of 31 December 2023.

Share <sup>2</sup>	Number	Market value <sup>3</sup> , MSEK	Listed price, SEK	Acquisition value, MSEK	Dividend, MSEK	Share of votes <sup>4</sup> (%)	Share of equity <sup>5</sup> (%)
Alimak Group	32,033,618	2,640	82.4	2,883	58	30.0	29.8
ASSA ABLOY <sup>6</sup>	105,495,729	30,678	290.8	1,697	506	29.5	9.5
CTEK	23,114,799	490	21.2	1,194	0	33.0	33.0
Fagerhult	84,708,480	5,574	65.8	1,899	136	48.1	47.8
HMS Networks	12,109,288	6,052	499.8	250	48	26.0	25.9
Nederman	10,538,487	1,876	178.0	306	40	30.0	30.0
Securitas	62,436,942	6,178	98.9	2,125	215	29.6	10.9
Sweco	97,867,440	13,281	135.7	479	264	21.0	26.9
Tomra <sup>7</sup>	62,420,000	7,578	121.4	1,605	108	21.1	21.1
Troax	18,060,000	4,493	248.8	397	65	30.2	30.1
<b>TOTAL</b>		<b>78,838</b>		<b>12,802</b>	<b>1,441</b>		

<sup>2</sup> All holdings are recognised as associated companies in the balance sheet.

<sup>3</sup> The last price paid is used as the listed price.

<sup>4</sup> Percentage of voting rights, not including repurchased shares.

<sup>5</sup> Percentage of equity calculated on total number of issued shares.

<sup>6</sup> Due to limited trading in class A shares in Sweco, and because ASSA ABLOY and Securitas class A shares are unlisted, they have been given the same listed price as the company's class B shares. In those cases where the holding consists of both class A and class B shares, they are reported in the table as an entity.

<sup>7</sup> At the end of the reporting period, the listed share price was NOK 123, which has been translated to SEK at the exchange rate prevailing at the balance sheet date.

Alimak Group is a world-leading provider of vertical transportation solutions for professional use with sales to more than 120 countries. The Group develops, manufactures, sells and services lifts and platforms under the brands Alimak, Scanclimber, Tractel, CoxGomyl, Manntech and Avanti. Alimak Group was founded in 1948 in Skellefteå and currently has about 3,000 employees globally.

**Chairman of the Board:** Johan Hjertonsson.  
**Chief Executive Officer:** Ole Kristian Jødahl.

Board member connected to Latour: Johan Hjertonsson.

## ASSA ABLOY

ASSA ABLOY is a world leader in access solutions. ASSA ABLOY helps billions of people to experience a more open world every day through innovations that provide safe, secure and convenient solutions for both physical and digital access. The Group is a world leader in the field of access solutions, with products and services such as locks, doors, gates and entrance automation solutions.

**Chairman of the Board:** Johan Hjertonsson.  
**Chief Executive Officer:** Nico Delvaux.

Board members connected to Latour: Carl Douglas, Lena Olving, Johan Hjertonsson.

## CTEK

MAXIMIZING BATTERY PERFORMANCE

CTEK is a global market leader in vehicle charging solutions. Established in Dalarna Sweden, CTEK is the leading global brand in battery charging solutions, most specifically vehicle charging. CTEK offers products ranging from 12V & 24V battery chargers to charging solutions for electrical vehicles. Products are sold via a carefully selected network of global distributors and retailers, as original equipment, supplied to more than 50 of the world's leading vehicle manufacturers and through charge point operators, property owners as well as other organizations and individuals providing EV charging infrastructure. CTEK takes pride in its unique culture based on a passion for innovation and a deep commitment to supporting the transition to a greener mobility, by adhering to industry-leading ESG standards.

**Chairman of the Board:** Hans Stråberg.  
**Chief Executive Officer:** Henrik Fagrenius.

Board members connected to Latour: Johan Menckel, Björn Lenander.



# FAGERHULT

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Fagerhult is one of Europe's leading lighting companies with subsidiaries in a total of 27 countries. Fagerhult designs and manufactures innovative and energy-efficient lighting solutions in four business areas - Collection, Premium, Professional and Infrastructure. The business is conducted locally through several companies with strong brands. Sales are also made via agents and distributors to over 40 markets.

**Chairman of the Board:** Jan Svensson.

**Chief Executive Officer:** Bodil Sonesson.

Board members connected to Latour: Jan Svensson and Eric Douglas.



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HMS Networks is a world-leading supplier of software and hardware for industrial ICT (Information & Communication Technology). Over 90 per cent of HMS Networks' sales are outside of Sweden, to some 60 countries. The head office is located in Halmstad and there are offices in 16 countries. The company markets industrial communication solutions under the Anybus®, Ewon®, Ixxat® and Intesis® brands. The products make it possible for industrial devices such as robots, motors, generators and sensors to communicate with their surroundings.

**Chairman of the Board:** Charlotte Brogren.

**Chief Executive Officer:** Staffan Dahlström.

Board member connected to Latour: Anders Mörck.

# Nederman

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Nederman is a world-leading developer of advanced air purification products and systems. Nederman's solution protect people, production and the environment from the harmful effects of industrial processes. The portfolio includes individual products, complete solutions, planning, installation, commissioning and service. Sales are made to more than 50 markets through the company's own sales organization, agents or distributors.

**Chairman of the Board:** Johan Menckel.

**Chief Executive Officer:** Sven Kristensson.

Board member connected to Latour: Johan Menckel.



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Securitas is a leading global partner within intelligent security solutions. The company has a flat and decentralized structure with 350,000 employees in 45 markets. Securitas offers services within guarding, electronic security, fire and safety as well as risk management that enable the company's over 150,000 customers to see a different world.

**Chairman of the Board:** Jan Svensson.  
**Chief Executive Officer:** Magnus Ahlqvist.

Board members connected to Latour: Jan Svensson and Johan Menckel.



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SWECO plans and designs the sustainable communities and cities of the future. Sweco is the leading consultant company in technology and architecture in Europe. Together with the clients and the collective knowledge of 21,000 architects, engineers and other specialists, they co-create solutions to address urbanisation, capture the power of digitalisation, and make societies more sustainable.

**Chairman of the Board:** Johan Nordström.  
**President and CEO:** Åsa Bergman.

Board member connected to Latour: Johan Hjertonsson.



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TOMRA is a world leader in sorting and recycling technologies for optimal resource productivity. Tomra was founded in Norway in 1972 and today has more than 5,000 employees and operations in over 100 countries worldwide. Its products and services are offered in three business areas: TOMRA Collection, TOMRA Recycling Mining and TOMRA Food.

**Chairman of the Board:** Johan Hjertonsson.  
**President and CEO:** Tove Andersen.

Board member connected to Latour: Johan Hjertonsson.



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Troax is a world-leading supplier of perimeter protection for indoor use. Troax's mission is to develop sustainable, high-quality and innovative security systems that protect people, property and processes. Since it was founded in 1955, Troax has developed into a successful listed international group, with about 1,100 employees and local presence in more than 40 countries.

**Chairman of the Board:** Anders Mörck.

**Chief Executive Officer:** Thomas Widstrand.

Board member connected to Latour: Anders Mörck.

## Latour Future Solutions

Latour Future Solutions is an investment area within Latour that targets sustainability-focused growth companies. The goal is for the investments to create a sustainable society based on all dimensions; environmental, social and economic.

Latour Future Solutions is actively looking for companies that are facing an expansion phase within industrial sectors with opportunities to make big positive difference.

Latour Future Solutions in an active owner through board work. By involving the entire Latour industrial competence, Latour also want to continuously contribute resources to the companies to create solutions for a long-term sustainable society.

### *Investments*



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Gaia BioMaterials AB develops and manufactures biodegradable biomaterials from renewable sources to replace fossil-based plastics. The company was founded in 2011 with headquarters and manufacturing in Helsingborg, Sweden.

## AQUA ROBUR

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Aqua Robur Technologies AB designs and manufactures IoT equipment, sensors, energy-harvesting products, and software for the water industry. The company offers a complete solution to water companies in order to digitize their water networks. The business was founded in 2015 with headquarters in Gothenburg, Sweden.



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Swedish Hydro Solutions AB offers sustainable solutions for water treatment via mobile and stationary treatment systems for bilge and storm water, process water and remediation of polluted areas. The company's offering includes analysis support, patented bio-based products, and adapted equipment for efficient purification of very large volumes of water. The business started in 2015 and today has offices in Alingsås and Stockholm.



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SENSENODE AB has developed a complete IoT-solution with associated SaaS-platform for energy efficiency in all types of industries. The company offers energy monitoring, energy mapping, power optimization and energy efficiency, with associated automatic reports and alarm functions. The business was founded in 2013 and is headquartered in Lund.



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ANOLYTECH has developed a circular system for producing effective disinfection, AnoDes, based on nature's own disinfectant hypochlorous acid, which is a natural part of the immune system of humans and animals. The company's system is offered as a packaged service to customers in industrial food production, agriculture with animal husbandry, hotels and real estate, and within health care. The business was founded in 2005 and is headquartered in Ystad.



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QOITECH is headquartered in Lund and offers solutions for energy optimization of products powered by batteries and various energy harvesting technologies. Sales take place on a global basis via digital channels and customers are found in around sixty countries. The business was started within Sony Mobile Communications and a spin-out of the company was carried out in 2019.



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Quandify offers intelligent water measurement systems for commercial and private buildings, enabling cost efficient analysis of water consumption, leakage detection, and remote shut off capability. The company's cloud-based platform uses data analysis combined with a portfolio of patented sensors and a user-friendly app. The business was founded in 2017 and is headquartered in Stockholm with 20 employees.

#### **Part-owned holdings**

Latour is one of the principal owners in a small number of unlisted companies in which a wholly-owned ownership structure has not been possible for various reasons. These companies have the same characteristics as Latour's larger holdings. However, the branch represents a very small proportion of Latour's net asset value.

# BOARD OF DIRECTORS, SENIOR EXECUTIVES AND AUDITOR

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## BOARD OF DIRECTORS

The Company's Board of Directors consists of eight ordinary members, including the CEO, all of whom are elected until the end of the 2024 Annual General Meeting. Information about each individual Board member is presented below. All Board members can be contacted via the Company's head office, J A Wettergrens gata 7, Box 336, SE-401 25 Gothenburg, tel. +46 31 89 17 90.

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### **Joakim Rosengren - Chairman of the Board**

**Born:** 1960

**Board member since:** 2019

**Education:** Bachelor of Science (Econ.), Stockholm School of Economics.

#### *Other significant principal activities*

Board member of Stena Metall AB and Stena Recycling AB.

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### **Johan Hjertonsson - Board member and CEO**

**Born:** 1968.

**Board member since:** 2019.

**Education:** Bachelor of Science (Econ.)

#### *Other significant principal activities*

Chairman of the Board of ASSA ABLOY, Tomra Systems ASA, Alimak Group AB, Caljan A/S, Hultafors Group AB and Latour Industries AB. Board member of Sweco AB (publ).

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### **Mariana Burenstam Linder - Board member**

**Born:** 1957

**Board member since:** 2011

**Education:** Bachelor of Science (Econ.)

#### *Other significant principal activities*

Board member of BTS AB. CEO of Proactivemedicine Stockholm AB.

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### **Anders Böös - Board member**

**Born:** 1964.

**Board member since:** 2005.

**Education:** Economic studies Secondary School.

#### *Other significant principal activities*

Chairman of the Board of Einride AB, Valamis OY and Hantverksdata Holding AB. Board member of Wall to Wall Group AB.

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### **Carl Douglas - Board member**

**Born:** 1965

**Board member since:** 2008

**Education:** BA (Bachelor of Arts), D. Litt (h.c.) (Doctor of Letters).

#### *Other significant principal activities*

Vice Chairman of the Board of ASSA ABLOY AB.

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**Eric Douglas - Board member**

**Born:** 1968

**Board member since:** 2002

**Education:** Three year-program at the University of Lund "Economy for Entrepreneurs".

*Other significant principal activities*

Vice Chairman of the Board of AB Fagerhult.

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**Lena Olving - Board member**

**Born:** 1956

**Board member since:** 2016

**Education:** M.Sc. Mechanical Engineering.

*Other significant principal activities*

Chairman of the Board of ScandiNova Systems AB and The Royal Swedish Opera. Board member of ASSA ABLOY AB, Vestas A/S, NXP Semiconductors N.V. and Stena Metall AB. Member of the Royal Swedish Academy of Engineering Sciences.

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**Ulrika Kolsrud - Board member**

**Born:** 1970

**Board member since:** 2021

**Education:** M.Sc. Chemical Engineering.

*Other significant principal activities*

President Health & Medical at Essity. Board member of Essity Hygiene and Health AB and member of the Royal Swedish Academy of Engineering Sciences.

## GROUP MANAGEMENT

Latour's industrial operations are grouped into six business areas. The investment portfolio is managed by the parent company, Investment AB Latour (publ), and the wholly-owned subsidiary Latour Förvaltning AB. The wholly-owned subsidiary Latour-Gruppen AB is the parent company for all the business areas that are part of the wholly-owned industrial operations.

The Group management consists of the Group's Chief Executive Officer, Chief Investment Officer, Chief Financial Officer and Chief Operating Officer. The business area managers lead the operations in their respective business area and are responsible for the performance and management of their business area. The Group's business organization is built on decentralization of responsibilities and powers. The business areas are responsible for the respective operation's sustainable strategic and operational development and for meeting financial targets, including return on operating capital, tied-up capital, operating margins and growth.

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### **Johan Hjertonsson - CEO**

*For more information, see above under "Board of Directors".*

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### **Anders Mörck - Chief Financial Officer**

**Born:** 1963

**CFO since:** 2008

**Education:** Bachelor of Science (Econ.).

#### *Other significant principal activities*

Chairman of the Board of Troax Group AB (publ). Board member of HMS Networks AB, Hultafors Group AB, Latour Industries AB, Nord-Lock International AB, Bemsig AB and Swegon Group AB.

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### **Johan Menckel - Chief Investment Officer**

**Born:** 1971

**CIO since:** 2021

**Education:** M.Sc. Engineering (industrial engineering and management), Royal Institute of Technology (KTH).

#### *Other significant principal activities*

Chairman of the Board of Nederman Holding AB, Bemsig AB, Nord-Lock International AB, Latour Industries AB and Swegon AB. Board member of SAAB AB, Securitas AB, CTEK AB and World Materials Forum.

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### **Heléne Mellquist - Chief Operating Officer**

**Born:** 1964

**CCO since:** 2024

**Education:** Bachelor in International Business studies, University of Gothenburg. Executive Management, Stockholm School of Economics.

#### *Other significant principal activities*

Board member in Atlas Copco AB and Thule Group AB.

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### **Independence of the Board of Directors and potential conflicts of interest**

Except for Johan Hjertonsson, everyone on the Board of Directors is independent of the Company and the company management. Except for Carl Douglas and Eric Douglas, everyone is independent in relation to the Company's major shareholders.

Johan Hjertonsson (CEO), Anders Mörck (CFO) and Johan Menckel (CIO) in the Group management have financial interests in the Company in the form of shareholdings and call options.

In addition to that set out above, there is no conflict of interests between the duties of any of the Board members or senior executives in relation to the Company, their private interests and/or other duties.



## **AUDITOR**

At the 2023 Annual General Meeting, Ernst & Young AB was re-elected to serve as the Company's auditors for the period up to the end of the 2024 Annual General Meeting. Staffan Landén (born 1963), authorized public accountant and member of FAR, has been the responsible auditor during the period covered by the historical financial information in the Base Prospectus. Staffan Landén can be contacted at Ernst & Young AB, 401 82 Gothenburg, visiting address Parkgatan 49.

# OVERVIEW OF HISTORICAL FINANCIAL INFORMATION

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The historical financial information included in the Base Prospectus consists of the Company's audited consolidated financial statements for the financial years 1 January - 31 December 2022 and 1 January - 31 December 2021. In addition, the Company's year-end report for the period 1 January - 31 December 2023 is included, which has not been audited or subject to review.

The Company's financial information for the 2022 and 2021 financial years has been audited by the Company's auditor. The auditor's Reports for each financial year form part of the Base Prospectus and follow the standard format, without any qualifications or remarks. Other than the audit of the 2022 and 2021 financial years, no other parts of the Base Prospectus has been audited by the Company's auditor.

The Company's financial statements for 2022 and 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), as adopted by the European Union, and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the EU. Furthermore, the Group has applied the Swedish Annual Accounts Act (Sw. Årsredovisningslagen) and RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Financial Accounting Standards Council.

All the above financial statements have been incorporated in the Base Prospectus by reference, see the section "*Documents incorporated by reference*". All the financial statements included in the Base Prospectus are available on Latour's website, <https://www.latour.se/en/investor-relations/reports-and-presentations>.

## SIGNIFICANT CHANGES AND INFORMATION ABOUT TRENDS

### **Material adverse changes in the Group's prospects since the publication of the last audited financial statement**

There have been no material adverse changes regarding Latour's prospects since the publication of the last audited financial statement on 21 March 2023 (the 2022 Annual Report).

### **Significant changes in the Group's financial performance since 31 December 2023**

There have been no significant changes in the Group's financial performance since 31 December 2023.

### **Significant changes in the Group's financial position since 31 December 2023**

There have been no significant changes of the Group's financial position since 31 December 2023.

### **Recent events affecting the Group's solvency**

No material recent events have occurred recently, specifically for the Group, that may have a material impact on the assessment of Latour's solvency.

# LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

## About Latour

Investment AB Latour (publ), corporate reg. no. 556026-3237, is a Swedish public limited liability company established on 22 October 1927 in Sweden. The company name is Investment AB Latour (publ) and its operations are regulated by legislation including the Swedish Companies Act (2005:551). The company name was registered on 13 May 1987 and its trade name is Latour. The Company's registered office and head office are located in the municipality of Gothenburg, Västra Götaland County, at address Box 336, 401 25 Gothenburg, telephone number +46 31 89 17 90. The Company's visiting address is J A Wettergrens gata 7 in Gothenburg. The Company's LEI number is: 5493006GFBLNB3Y0Y789.

According to the Company's Articles of Association, the objective of the Company's operations is to acquire and manage shares and other movable property.

## Group structure

Investment AB Latour (publ) is the parent company of the Group, which consists of more than 200 subsidiaries, of which approximately a fifth of the subsidiaries are Swedish. The Group has important production facilities in Sweden, as well as in the UK, Germany, Italy, Poland, Latvia and the USA, among others.

Since Latour's operations are mainly conducted through its subsidiaries, the Company relies on its subsidiaries to be able to generate profit and cash flow, as well as to be able to meet its commitments under the MTN-Programme.

## Ownership structure

Below is a list of the Company's major shareholders with holdings of more than five (5) per cent of the share capital or voting rights, as of 31 December 2023.

Owner/administrator/custodian bank	Number of class A shares	Number of class B shares	Share capital (%)	Voting rights (%)
The Douglas family with associated companies	39,958,100	446,554,000	76.0	79.2
The Palmstierna family	6,408,640	3,370,000	1.5	6.3
<b>Total shareholder's with more than five per cent of the share capital or voting rights</b>	<b>46,366,740</b>	<b>449,924,000</b>	<b>77.5</b>	<b>85.5</b>
<i>Other shareholders</i>	<i>1,237,228</i>	<i>142,322,032</i>	<i>22.4</i>	<i>14.5</i>
<b>Total</b>	<b>47,593,968</b>	<b>592,246,032</b>	<b>100.0</b>	<b>100.0</b>

As of 31 December 2023, the total number of shares in the Company amounted to 639,840,000. As of 31 December 2023, Latour owns 552,200 of its own repurchased shares, which corresponds to approximately 0.09 per cent of the total capital in the Company.

As of 31 December 2023, the Douglas family and their companies own a total of 76.0 per cent of the capital and 79.2 per cent of the voting rights in Latour. The Board members Eric Douglas and Carl Douglas are part of the Douglas family. In order to guarantee that this control is not abused, the Group's corporate governance is managed in accordance with the Swedish Corporate Governance Code (the "Code"). In accordance with the Code, the Company has established a Remuneration Committee, an Audit Committee and also has clear internal governance in respect of financial management, as well as a structured process for risk management within the Group. Questions regarding matters such as the election of Board members, any increases in the share capital, mergers or consolidations, are such questions that are normally referred to the general meeting of shareholders.

## Material agreements

No agreements of major importance have been entered into that are not part of the ordinary course of business or that could result in a company within the Group being under an obligation or entitlement that could materially affect the Company's ability to fulfil its obligations in relation to the holders of MTN.

### Legal and arbitration proceedings

The Company is not, and has not been in the last twelve months, a party to any governmental, legal or arbitration proceedings that have had or could have a significant adverse effect on Group's financial position or profitability. The Company is also not aware of any governmental, legal or arbitration proceedings that could arise and that could have a significant adverse effect on the Group's financial position or profitability.

### Credit rating

On 11 September 2023, the credit rating agency Fitch affirmed Latour's credit rating of A, with a stable outlook.

Fitch was registered on 31 October 2011 in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

A rating is the rating a borrower can obtain from an independent credit rating agency for its ability to meet its financial commitments. This ability is also known as creditworthiness. Fitch is one of the three largest credit rating agencies, along with Standard & Poor's and Moody's. A more detailed explanation of the significance of a particular credit rating can be obtained from Fitch's website <https://www.fitchratings.com/products/rating-definitions>. A credit rating does not constitute a recommendation to buy, sell or hold securities. It is everyone's individual obligation to obtain information about up-to-date credit ratings, as these may be subject to change.

The following table sets out the credit rating scale used by Fitch for Issuer Default Ratings (IDR).

Fitch Issuer Default Rating - Long Term
AAA
AA+
AA
AA-
A+
A
A-
BBB+
BBB
BBB-
BB+
BB
BB-
B+
B-
CCC+/CCC/CCC-
CC
C
RD/D

### Dealers

The Dealers, including the Arrangers, in some cases have had and may have different relationships with the Group than those resulting from their roles under the MTN-Programme. A Dealer may, for example, provide services related to other forms of financing than through the MTN-Programme. There is consequently a risk that conflicts of interest exist or will arise in the future.

## DOCUMENTS INCORPORATED BY REFERENCE

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The following documents are incorporated in the Base Prospectus by reference. The documents have previously been published and can be found on the Company's website, <https://www.latour.se/en/investor-relations/reports-and-presentations>.

Those parts of the following documents that have not been incorporated by reference are by the Company either deemed not relevant to investors in MTN or is covered elsewhere in the Base Prospectus.

### **Year-end report for the period 1 January - 31 December 2023**

- Consolidated income statement, p. 12.
- Consolidated statement of comprehensive income, p. 12.
- Consolidated cash flow, p. 12.
- Consolidated balance sheet, p. 13.
- Consolidated changes in equity, p. 13.
- Notes, p. 16-17.

Link: <https://vp302.alertir.com/afw/files/press/latour/202402095774-1.pdf>

### **Annual Report for the 2022 financial year**

- Consolidated income statement, p. 79.
- Statement of comprehensive income, p. 79
- Consolidated balance sheet, p. 80-81.
- Consolidated cash flow statement, p. 82.
- Change in consolidated equity, p. 83.
- Change in consolidated interest-bearing net debt, p. 83.
- Notes, p. 87-114.
- Auditor's report, p. 116-119.

Link: [https://vp302.alertir.com/sites/default/files/report/latour\\_annual\\_report\\_and\\_sustainability\\_report\\_2022\\_web.pdf](https://vp302.alertir.com/sites/default/files/report/latour_annual_report_and_sustainability_report_2022_web.pdf)

### **Annual Report for the 2021 financial year**

- Consolidated income statement, p. 89.
- Statement of comprehensive income, p. 89
- Consolidated balance sheet, p. 90-91.
- Consolidated cash flow statement, p. 92.
- Change in consolidated equity, p. 93.
- Change in consolidated interest-bearing net debt, p. 93.
- Notes, p. 97-124.
- Auditor's report, p. 126-129.

Link: [https://vp302.alertir.com/sites/default/files/report/latour\\_2021\\_eng\\_low.pdf](https://vp302.alertir.com/sites/default/files/report/latour_2021_eng_low.pdf)

To facilitate increases of bond loans issued based on previous base prospectuses, the following parts of the previous base prospectuses are incorporated in the Base Prospectus by reference:

**Base prospectus dated and published 18 February 2022**

- General terms and conditions dated 18 February 2022, p. 12-27.

Link:[https://www.latour.se/sites/latour-corp/files/Latour%20-%20Base%20Prospectus%2018%20February%202022%20FINAL%20LOCKED\\_0.pdf](https://www.latour.se/sites/latour-corp/files/Latour%20-%20Base%20Prospectus%2018%20February%202022%20FINAL%20LOCKED_0.pdf)

**Base prospectus dated and published 19 February 2021**

- General terms and conditions dated 15 February 2018 (Allmänna villkor för lån under MTN-programmet daterade 15 februari 2018), p. 12-24.

Link:[https://www.latour.se/sites/latour-corp/files/investerare/finansiering/Latour%20-%20Grundprospekt%202021%20FINAL%20\(locked\)%2019%20Feb%202021\(401228580.1\).pdf](https://www.latour.se/sites/latour-corp/files/investerare/finansiering/Latour%20-%20Grundprospekt%202021%20FINAL%20(locked)%2019%20Feb%202021(401228580.1).pdf)

# LEGAL INFORMATION REGARDING THE BASE PROSPECTUS

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## Approval of the Base Prospectus

The Base Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) (the “SFSA”) as the competent authority under Regulation (EU) 2017/1129 (the “Prospectus Regulation”). The SFSA approves the Base Prospectus as meeting the standards for completeness, comprehensibility and consistency set out in the Prospectus Regulation. This approval should not be considered as an endorsement of the Company or, the Dealers or for the quality of the securities referred to in the Base Prospectus. Investors should make their own assessment of whether it is appropriate to invest in the securities.

## Period of validity of the Base Prospectus

The Base Prospectus is valid for 12 months after the date of the approval, provided that the Company fulfils the obligation under the Prospectus Regulation, if applicable, to supplement the Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies. The Company is under no obligation to prepare supplements to the Base Prospectus after the validity period has expired.

## Declaration of responsibility

The Company accepts responsibility for the information contained in the Base Prospectus and declares that, to the best of the Company’s knowledge, the information contained in the Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import. The Board of Directors of the Company is, to the extent provided by law, responsible for the information contained in the Base Prospectus and declares that, to the best of their knowledge, the information contained in the Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

The documents incorporated by reference are also included as part of the Base Prospectus, see the section “*Documents incorporated by reference*”. In addition to these documents, supplementary prospectuses that the Company may publish, as well as the Final Terms for a completed issue, must also be read as part of the Base Prospectus.

## Information from third parties

The information that the Company has provided in the Base Prospectus regarding credit ratings, in the section “*Legal considerations and supplementary information - Credit rating*”, refers to information acquired from a third party. Information from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading, however, the Company has not independently verified the information and therefore the accuracy and completeness cannot be guaranteed.

## Available documents

Copies of the memorandum and Articles of Association of the Company can be accessed on the Company’s website, [www.latour.se](http://www.latour.se), throughout the period of validity of the Base Prospectus.

## Other information

For further information about the MTN-Programme and to obtain the Base Prospectus, please refer to the Company’s website, [www.latour.se](http://www.latour.se), or the Dealers. The Base Prospectus is also available on the SFSA’s website, <https://fi.se/en/our-registers/prospektregistret/> as well as the European Securities and Markets Authority’s website, [www.esma.europa.eu](http://www.esma.europa.eu). The Final Terms for MTN admitted to trading on a Regulated Market are published on the Company’s website.

## References to websites

Readers of the Base Prospectus should note that the information on the Company’s website, [www.latour.se](http://www.latour.se) or equivalent links referring to all or part of the Company’s website, does not form a part of the Base Prospectus unless this information is incorporated into the Base Prospectus by reference, see the section “*Documents incorporated by reference*”. The same applies to references submitted to websites provided by third parties. Information on the Company’s or a third party’s website has not been reviewed or approved by the SFSA.

## ADDRESSES

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### The Company

Investment AB Latour (publ)  
J A Wettergrens gata 7  
Box 336  
401 25 Gothenburg  
+46 31 89 17 90  
[www.latour.se](http://www.latour.se)

### Arranger

Svenska Handelsbanken AB (publ)  
Handelsbanken Capital Markets  
Blasieholmstorg 11  
106 70 Stockholm  
[www.handelsbanken.se](http://www.handelsbanken.se)

### Legal advisor to the Company

Baker McKenzie  
Vasagatan 7  
Box 180, 101 23 Stockholm  
[www.bakermckenzie.com](http://www.bakermckenzie.com)

### Dealers

For purchases and sales, please contact:

Svenska Handelsbanken AB (publ)  
Blasieholmstorg 11  
106 70 Stockholm  
Credit Sales +46 8 463 46 50  
[www.handelsbanken.se](http://www.handelsbanken.se)

### Central Securities Depository

Euroclear Sweden AB  
Klarabergsviadukten 63  
Box 191  
101 23 Stockholm  
+46 8 402 90 00  
[www.euroclear.eu](http://www.euroclear.eu)

Skandinaviska Enskilda Banken AB (publ)  
Kungsträdgårdsgatan 8  
106 40 Stockholm  
Stockholm +46 8 506 232 09  
[www.seb.se](http://www.seb.se)

Nordea Bank Abp  
Smålandsgatan 17  
105 71 Stockholm  
Nordea Markets +46 8 407 90 85  
[www.nordea.se](http://www.nordea.se)