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STRICTLY PRIVATE AND CONFIDENTIAL

Launch version

Bonds Term Sheet



SEK BONDS – ISIN: SE0013486024

EUR BONDS – ISIN: SE0013486032

CPHI-Holding A/S

Maximum of DKK 100 million equivalent in SEK or EUR

Senior Secured Fixed Rate Bonds 2020/2022

(the "Bonds")

The following overview included in this term sheet does not purport to be complete, and is qualified in its entirety by the final Terms and Conditions for the Bonds and related documents. The issue of the Bonds is subject to approval by the board of directors of the Issuer, as well as any other approvals as may be required by applicable company law.

Unless otherwise defined in this term sheet, terms defined in the Schedule (Definitions) hereto shall have the same meanings when used in this term sheet.

Structure

Issuer: CPHI-Holding A/S, a limited liability company incorporated in Denmark with reg. no. (Dk. CVR) 21 74 54 48.

Group: The Issuer and each of its Subsidiaries from time to time, and "**Group Company**" means any of them.

Quantum and pricing

Currency: SEK and EUR, respectively the "**SEK Bonds**" and the "**EUR Bonds**".

Initial Bond Issue: Issued amount:

SEK: 21 200 000

EUR: 1 300 000

Subsequent Bond Issue: The Issuer may at one or more occasion(s) issue additional Bonds (each a "**Subsequent Bond**") (together with the Initial Bond Issue, in a total aggregate amount of DKK 100,000,000 equivalent in SEK or EUR) (each a "**Subsequent Bond Issue**"), provided that the Incurrence Test (calculated pro forma including such issue) is met.

Interest Rate: The Bonds shall carry fixed interest at 12.00 per cent. per annum, payable quarterly in arrear.

First Issue Date: Expected to be 21st of February 2020. Notice is expected to be given to subscribers at least two (2) Business Days prior to the First Issue Date.

Issue Date: The First Issue Date and any subsequent date when a Subsequent Bond Issue takes place.

Final Maturity Date: 21st of February 2022 (2 years after the First Issue Date), subject to the Maturity Extension Option.

Maturity Extension Option: The Issuer shall have an option to extend the original Final Maturity Date with six (6) month by giving notice to the Agent and the Bondholders at least ten (10) business days prior to the original Final Maturity Date.

Interest Payment Dates: 21st May, 21st Aug, 21 Nov and 21st Feb each year.

The first Interest Payment Date shall be 21st May 2020.

The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full).

To the extent any of the above dates is not a Business Day, the first following day that is a Business Day.

Interest Periods: Interest on the Initial Bonds will accrue from, but excluding, the First Issue Date to, and including, the first Interest Payment Date.

Any subsequent interest periods will be the period from, but excluding, an Interest Payment Date to, and including, the next succeeding Interest Payment Date (or a shorter period if relevant).

Any Subsequent Bonds will carry interest at the Interest Rate from, but excluding, the Interest Payment Date falling immediately prior to their issuance to, and including, the next succeeding Interest Payment Date (or a shorter period if relevant).

Interest Payment: Interest shall be payable quarterly in arrears on the Interest Payment Dates each year.

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

Default Interest: Five (5) per cent. higher than the Interest Rate.

Accrued Default Interest shall not be capitalised. No Default Interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

Price: 100.00 per cent. of the Nominal Amount for Bonds issued on the First Issue Date, provided that the Bonds may also be sold at a price below par to larger investors, in which case any difference shall be reduced from the Arranger's arrangement fee.

Subsequent Bonds may be issued at, above or below par.

Nominal Amount: The nominal amount of each SEK Bond will be SEK 10,000, and of each EUR Bond will be EUR 1,000.

Minimum Investment: The minimum permissible investment upon issuance of the Bonds is SEK 1,100,000 and EUR 100,000.

Purpose and status

Purpose of the Bond Issue: The proceeds from the Initial Bond Issue and any Subsequent Bond Issue shall be used to (i) finance Transaction Costs, (ii) fund the Interest Account, and (iii) finance business development and/or general corporate purposes of the Group and BBHS (including payment of interest under the Bonds and acquisition of shares in any direct or indirect subsidiary of the Issuer from other shareholders in such companies).

Status of the Bonds: The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated

and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law.

Subordination Agreement: Any claims under any Subordinated Loans (if any) shall be fully subordinated to the Bonds, including with respect to payments (maturity and instalments), tenure and enforcement proceeds under a subordination agreement in form and substance acceptable to the Agent.

Guarantees and Security

Guarantee: Up to 15 months (provided that the Maturity Extension Option is exercised) of interest under the Bonds will, irrevocably and unconditionally, jointly and severally, be guaranteed by the Main Shareholders (to the fullest extent permitted under applicable laws).

Transaction Security: All amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses shall be secured by the following Security on the terms set out in the relevant security agreements:

- (a) a pledge over all the Issuer's shares in BBHS;
- (b) a pledge over all the Issuer's shares in Exruptive;
- (c) a pledge over all the Issuer's shares ITS;
- (d) a pledge over all the Issuer's shares in TT-PG ApS;
- (e) a pledge over all the Issuer's shares in CPH Shared Services A/S ;
- (f) a floating charge (Dk. *Virksomhedspant*) with best priority in Exruptive in the amount of DKK 5,000,000; and
- (g) a floating charge (Dk. *Virksomhedspant*) with best priority in each Downstream Loan Debtor in an amount equal to the amount of the Downstream Loan granted to such Downstream Loan Debtor.

Additional Security over Downstream Loans: The Issuer shall grant a pledge over any present and future Downstream Loan as security for all amounts outstanding under the Finance Documents in favour of the Agent and simultaneously therewith deliver to the Agent:

- (a) constitutional documents and corporate resolutions (approving the relevant Security Document and authorising a signatory/-ies to execute the relevant Security Document) for the Issuer;
- (b) a legal opinion on the capacity and due execution, in respect of the Issuer, issued by a reputable law firm; and
- (c) a legal opinion on the validity and enforceability in respect of the relevant Security Document which, if requested by the Agent, shall also include customary opinions regarding

the role of the Security Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds) issued by a reputable law firm.

Upon the incurrence of a Downstream Loan, the Issuer undertakes to notify the Agent of such Downstream Loan and deliver a copy of the intercompany loan agreement.

Provided that no Event of Default has occurred and is continuing, payment of interest under Downstream Loans shall be permitted for the purpose of serving the Issuer's payment obligations under the Bonds.

Additional Security floating charges (Dk. Virksomhedspant):	over (Dk.	<p>The Issuer shall procure that each Downstream Loan Debtor will, upon the incurrence of a Downstream Loan to such Downstream Loan Debtor, grant a pledge over floating charges (Dk. <i>Virksomhedspant</i>) in such Downstream Loan Debtor with best priority in an amount equal to the amount of the Downstream Loan as security for all amounts outstanding under the Finance Documents and simultaneously therewith deliver to the Agent:</p> <p>(a) constitutional documents and corporate resolutions (approving the relevant Security Document and authorising a signatory/-ies to execute the relevant Security Document) for that Downstream Loan Debtor;</p>
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Redemption and call structure

Redemption at Final Maturity Date:	<p>On the Final Maturity Date, the Issuer shall redeem all, but not only some, of the outstanding Bonds in full with an amount per Bond equal to the Nominal Amount together with accrued but unpaid interest.</p>
Purchase of Bonds by the Issuer:	<p>The Issuer may at any time and at any price purchase any Bonds on the market or in any other way. Bonds held by the Issuer may at the Issuer's discretion be retained, sold or cancelled.</p>
Mandatory Early redemption due to illegality (call option):	<p>The Issuer may redeem all, but not only some, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid interest on a date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.</p>
Mandatory repurchase due to a Change of Control (put option):	<p>Upon the occurrence of a Change of Control Event each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid interest, during a period of 20 Business Days following a notice from the Issuer of the Change of Control Event (after which time period such rights lapse). The Redemption Date must fall no later</p>

than 40 Business Days after the end of the period of 20 Business Days referred to above.

**Voluntary total redemption-
Call Option (American):** The Issuer may redeem all, but not only some, of the Bonds early on any Business Day:

- (a) from and including the First Issue Date to, but excluding the First Call Date at a price equal to the Early Redemption Amount; and
- (b) from and including the First Call Date, to, but excluding, the Final Maturity Date at a price equal to 100.00% of the Nominal Amount (plus accrued but unpaid interest on the redeemed amount) (the "**Call Option Amount**").

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

Early Redemption Amount: Means an amount equal to the sum of:

- (a) the Nominal Amount of the redeemed Bonds; and
- (b) an amount equal to the interest on the redeemed Bonds that would have accrued but is unpaid from and including the relevant Issue Date to, but excluding, the First Call Date.

Escrow Accounts and distribution of Net Proceeds

Escrow Accounts: The Net Proceeds from the Bond Issue shall be held by the Arranger on the Escrow Accounts and shall be released when the Conditions Precedent for Disbursement have been fulfilled.

Conditions Precedent for Disbursement: The Agent's approval of the disbursement of the Net Proceeds from the Escrow Accounts is subject to the following documents being received by the Agent:

- (a) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer and each other party to a Finance Document (other than the Agent), together constituting evidence that the Finance Documents have been duly executed;
- (b) copies of the Finance Documents, duly executed;
- (c) legal opinion(s) on the capacity and due execution of the Finance Document with respect of each party thereto;
- (d) legal opinion(s) on the validity and enforceability of any Finance Document not governed by Swedish law;
- (e) a written confirmation from the shareholders of BBHS confirming that they unconditionally and irrevocably waive their right of first refusal in relation to the share pledge over the shares in BBHS; and

- (f) evidence that the Transaction Security either has been or will be perfected in accordance with the terms of the Finance Documents.

When the conditions precedent for disbursement set out above have been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent, the Agent shall notify the Arranger that the Net Proceeds may be released from the Escrow Accounts, to be applied as set out in Section *Purpose of the Bond Issue* above and in accordance with the instructions of the Arranger.

The Agent may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The conditions precedent are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.

If the Conditions Precedent for Disbursement have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within sixty (60) Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. The funds on the Escrow Accounts shall in such case be applied to redeem the Bonds on behalf of the Issuer. Any shortfall shall be covered by the Issuer.

Conditions Precedent for Disbursement in connection with Subsequent Bond Issues:

The Agent's approval of the disbursement of the Net Proceeds from a Subsequent Bond Issue from the Escrow Accounts is subject to the following documents being received by the Agent:

- (a) constitutional documents and corporate resolutions (approving the Subsequent Bond Issue and any Finance Documents to be entered into and authorising a signatory/-ies to execute the Finance Documents (if any)) for the Issuer and each other party to a Finance Document (other than the Agent), together constituting evidence that the Finance Documents (if any) have been duly executed;
- (b) copies of the Finance Documents (if any), duly executed;
- (c) a Compliance Certificate;
- (d) legal opinion(s) on the capacity and due execution of the Finance Document with respect to any new party entering into such (if any); and
- (e) legal opinion(s) on the validity and enforceability of any Finance Document (if any) not governed by Swedish law (to the extent not already provided); and

- (f) evidence that the Transaction Security (if any) either has been or will be perfected in accordance with the terms of the Finance Documents (if any).

Information Undertakings

Financial Reporting:

The Issuer shall make the following information available in the English language by publication on the website of the Issuer:

- (a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group and the annual audited financial statement of BBHS} including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's and BBHS board of directors; and
- (b) as soon as the same become available, but in any event within two months after the end of each quarter of its financial year, the quarterly unaudited consolidated reports of the Group and the quarterly unaudited report of BBHS, or the year-end report (as applicable) including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the board of directors of the Issuer and BBHS.

Delivery of Compliance Certificate:

The Issuer shall issue a Compliance Certificate to the Agent in connection with the testing of the Incurrence Test.

Notice of Change of Control and Event of Default:

The Issuer shall promptly notify the Agent (and, as regards a Change of Control Event, the Bondholders) when the Issuer is or becomes aware of (i) the occurrence of a Change of Control Event, or (ii) that an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing) constitute an Event of Default has occurred, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice.

Publication and availability of Finance Documents:

The Issuer shall keep the latest version of the Terms and Conditions available on the website of the Group.

The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

Financial Undertakings

Incurrence Test:

The Incurrence Test is met if:

- (a) the Equity Ratio is not less than 50%; and

- (b) no Event of Default is continuing or would occur upon the incurrence.

Calculation of Incurrence Test:

The calculation of the Equity Ratio for the purpose of the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than three months prior to the incurrence of the new Financial Indebtedness.

General Undertakings

The Terms and Conditions shall include the following undertakings by the Issuer.

Distributions:

The Issuer shall procure that no Group Company nor BBHS will:

- (a) pay any dividend in respect of its shares;
- (b) repurchase or redeem any of its own shares;
- (c) redeem or reduce its share capital or other restricted or unrestricted equity (as set forth under the relevant accounting principles) with repayment to its shareholders;
- (d) repay any Subordinated Loans or pay any interest thereon;
- (e) make any prepayments or repayments under any long-term debt ranking junior or *pari passu* with the Bonds; or
- (f) make any other similar distribution or transfers of value to any Person,

(items (a)-(f) above are together and individually referred to as a "**Restricted Payment**").

Notwithstanding the above, a Restricted Payment may be made if made to the Issuer or a wholly-owned Subsidiary of the Issuer or, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer or BBHS, is made on a *pro rata* basis.

Nature of business:

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group and BBHS as of the First Issue Date if such substantial change would have a Material Adverse Effect.

Holding Company:

Except in case of a Permitted Reorganization, the Issuer shall not trade, carry on any business, own any assets or incur any liabilities except for:

- (a) the provision of administrative services (excluding treasury services) to other members of the Group and BBHS of a type customarily provided by a holding company to its Subsidiaries;

- (b) ownership of shares in its Subsidiaries and BBHS, intra-group debit balances, intra-group credit balances and other credit balances in bank accounts, cash and cash equivalent;
- (c) any liabilities constituting Permitted Debt; and
- (d) any liabilities under the Finance Documents to which it is a party and professional fees and administration costs in the ordinary course of business as a holding company.

Financial Indebtedness:	The Issuer shall procure that the Group Companies and BBHS do not incur any Financial Indebtedness, other than Permitted Debt.
Disposals of assets:	<p>The Issuer shall not, and shall procure no Group Companies nor BBHS, sell or otherwise dispose of shares in any Subsidiary or BBHS or of all or substantially all of its or that Subsidiary's or BBHS' assets, or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction (i) is carried out at fair market value and on arm's length terms and (ii) does not have a Material Adverse Effect. Furthermore, the Main Shareholders shall not sell any shares in any Group Company or BBHS.</p> <p>No asset that is subject to Transaction Security may be disposed of.</p>
Negative pledge:	The Issuer shall procure that none of the Group Companies nor BBHS will provide, prolong or renew any security over any of its/their assets (present or future), other than any Permitted Security. Furthermore, the Main Shareholders shall not provide, prolong or renew any security over the shares in any Group Company or BBHS, other than Pars A/S' pledge of its shares in the Issuer to Spar Nord Bank A/S.
BBHS adherence	The Issuer shall procure that BBHS on or prior to any Downstream Loan being granted to BBHS enters into the Adherence Agreement.
BBHS corporate documents	The Issuer shall procure that the articles of association or shareholders agreement in respect of BBHS at all times requires the Issuer's consent to any changes in the capital structure of BBHS.
Loans out:	The Issuer shall procure that the Group Companies and BBHS do not extend any loans in any form to any other party than to other Group Companies.
Mergers and demergers:	The Issuer shall procure that the Group Companies and BBHS do not enter into a merger or demerger, save for a Permitted Reorganization.

Dealings at arm's length terms:	The Issuer shall procure that the Group Companies and BBHS conduct all dealings with any person (other than Group Companies) at arm's length terms.
Compliance with laws and authorisations:	The Issuer shall procure that the Group Companies and BBHS will, (i) comply with all laws and regulations applicable from time to time and (ii), obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company and BBHS, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.
Insurance:	The Issuer shall procure that the Group Companies and BBHS will maintain insurances with one or more reputable insurers on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.
Environmental:	The Issuer shall procure that the Group Companies and BBHS will, comply with all environmental laws and obtain, maintain and ensure compliance with all requisite environmental permits, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

Events of Default

- (a) **Non-payment:** The Issuer or a Main Shareholder fails to pay an amount on the date it is due in accordance with the Finance Documents unless:
- (i) its failure to pay is caused by administrative or technical error; and
 - (ii) payment is made within five (5) Business Days of the due date.
- (b) **Other obligations:** A party (other than the Agent) fails to comply with the Finance Documents, in any other way than as set out under (a) above, provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).
- (c) **Cross payment default and cross-acceleration:** Any Financial Indebtedness of a Group Company or BBHS is:
- (i) not paid when due as extended by any originally applicable grace period (if there is one); or
 - (ii) is declared to be due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur under this paragraph (c) if (i) the aggregate amount of Financial Indebtedness that has fallen due is less than DKK 2,000,000 or (ii) it is owed to a Group Company.

(d) **Insolvency:**

- (i) Any Group Company or BBHS is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (except for Bondholders) with a view to rescheduling its Financial Indebtedness; or
- (ii) a moratorium is declared in respect of the Financial Indebtedness of any Group Company or BBHS.

(e) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to the Subsidiaries or BBHS, solvent liquidations) in relation to:

- (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Group Company or BBHS; and
- (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Group Company, BBHS or any of its assets or any analogous procedure or step is taken in any jurisdiction,

provided that the above shall not apply to any insolvency proceedings which are frivolous or vexatious and which are discharged or dismissed within 20 days of commencement.

(f) **Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company or BBHS having an aggregate value of an amount equal to or exceeding DKK 2,000,000 and is not discharged within 60 days.

(g) **Mergers and demergers:** A decision is made that the Issuer shall enter into a merger where it is not the surviving entity or that it shall enter into a demerger.

- (h) **Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer or any Main Shareholder to fulfill or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.
- (i) **Continuation of the business:** The Issuer, any other Group Company or BBHS ceases to carry on its business if such discontinuation is likely to have a Material Adverse Effect.

Allocation of Proceeds:

All payments by the Issuer relating to the Bonds and proceeds received from an enforcement shall (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the below) be made and/or distributed in the following order of priority:

- (a) *first*, in or towards payment of the Agent and Security Agent under the Finance Documents, including all costs and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights under the Finance Documents;
- (b) *secondly*, towards payment of accrued interest unpaid under the Bonds;
- (c) *thirdly*, towards payment of principal under the Bonds; and
- (d) *fourthly*, in or towards payment of any other costs or outstanding amounts under and in respect of the Bonds.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer (or the Guarantors, as applicable).

Acceleration amount:

In the event of an acceleration of the Bonds, the Issuer shall redeem all Bonds with an amount per Bond as set forth in the Call Option Amount for the relevant period and, shall for the non-call period (until the First Call Date) be the price set out in the Early Redemption Amount definition above.

Agents and other parties**Corporate Finance Advisor:**

JOOL Corporate Finance AB.

Arranger and manager:

SIP Nordic AB.

Agent and Security Agent:

The Bondholders' agent and security agent under the Terms and Conditions and, if relevant, the Finance Documents, from time to time; initially Intertrust (Sweden) AB, reg. no. 556625-5476, P.O. Box 16285, SE-103 25 Stockholm, Sweden.

CSD:

The Issuer's central securities depository and registrar from time to time, initially Euroclear Sweden AB, reg. nr. 556112-8074

Miscellaneous

Quorum and requirements:	<p>majority Quorum at a Bondholders' meeting exists only if Bondholders representing at least 20 per cent. in case of a majority decision and 50 per cent. in case of a decision requiring qualified majority, of the aggregate Nominal Amount attend the Bondholders' meeting in due order.</p> <p>Bonds held by the Issuer or its Affiliates shall not be considered when calculating if necessary majority has been achieved and shall not carry any voting right.</p> <p>The resolution of the Bondholders shall be in accordance with the opinion held by the majority of the Nominal Amount of the Bonds represented at the meeting.</p> <p>In respect of the certain matters, a qualified majority of at least two thirds (2/3) of the Bonds represented at the meeting is required for a resolution to be passed.</p> <p>If the quorum requirement has not been met, no quorum requirement applies in the second meeting.</p>
Voting:	<p>Notwithstanding anything to the contrary above, at a bondholders' meeting or by way of a written procedure, the calculations of whether a quorum exist and if the relevant consent has been obtained, shall be made in SEK. Each Bond shall always entitle to one vote at a bondholders' meeting or by way of a written procedure. The value of the vote of each SEK Bond shall be the Nominal Amount and the value of the vote of each EUR Bond shall be the Nominal Amount of the EUR Bond converted into SEK at the Initial Exchange Ratio. For the avoidance of doubt, the Adjusted Nominal Amount shall at all times be calculated based on the Initial Exchange Ratio.</p>
No action clause:	<p>No Bondholder may take any action against the Issuer in matters relating to the Bonds or the Terms and Conditions.</p>
Terms and Conditions:	<p>The Terms and Conditions will regulate the rights and obligations with respect to the Bonds. In the event of any discrepancy between this term sheet and the Terms and Conditions, the Terms and Conditions shall prevail.</p> <p>By investing in the Bonds, each investor accepts to be bound by the Terms and Conditions. Further, by investing in the Bonds each investor accepts that certain adjustments to the structure and terms described in this term sheet may occur and that they are bound by the final terms of the Terms and Conditions.</p> <p>The Terms and Conditions shall include provisions on the Agent's right to represent the Bondholders, as well as other provisions customary for a Nordic bond offering.</p>
Governing law and disputes:	<p>The Terms and Conditions shall be governed by and construed in accordance with Swedish law.</p>

Any dispute or claim arising in relation to the Terms and Conditions shall be determined by Swedish courts.

Stockholm, [•] 2020

CPHI-HOLDING A/S

as Issuer

SIP NORDIC AB

as Arranger and Manager

DEFINITIONS

"Adherence Agreement" means the Swedish law governed adherence agreement pursuant to which BBHS shall, among other, undertake to adhere to the terms of the Finance Documents.

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

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

"Agency Agreement" means the fee agreement entered into between the Agent and the Issuer on or about the First Issue Date regarding, *inter alia*, the remuneration payable to the Agent for the work in connection with the Bond Issue.

"BBHS" means BBHS A/S, a limited liability company incorporated in Denmark with reg. no. 35 03 53 38.

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

"Bond Issue" means the Initial Bond Issue and any Subsequent Bond Issue.

"Business Day" means a day in Sweden other than a Sunday or other public holiday and on which day the Swedish CSD settlement system is open. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

"Change of Control Event" means the occurrence of an event or series of events whereby one or more persons, not being the Main Shareholders (or an Affiliate of the Main Shareholders), acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

"Compliance Certificate" means a certificate to the Agent, in the agreed form between the Agent and the Issuer, signed by the Issuer certifying (as applicable):

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if the Compliance Certificate is provided in connection with an Incurrence Test, that the Incurrence Test is met (including figures in respect of the relevant financial tests and the basis on which they have been calculated);

"Completion Date" means the date of disbursements of the proceeds from the Escrow Account.

"Convertible Loans" means:

- (a) the DKK 1,000,000 convertible loan granted by Bolvig Ejendomme ApS to the Issuer pursuant to a convertible loan agreement dated 31 January 2019;
- (b) the DKK 2,000,000 convertible loan granted by Ja-Pecunia ApS to the Issuer pursuant to a convertible loan agreement dated 30 January 2019;
- (c) the DKK 2,000,000 convertible loan granted by Invactor ApS to the Issuer pursuant to a convertible loan agreement dated 9 February 2019;
- (d) the DKK 11,250 convertible loan granted by Niels Jesper Jespersen Jensen to the Issuer pursuant to a convertible loan agreement dated 10 February 2019; and
- (e) the DKK 1,400,000 convertible loan granted by Pars A/S to the Issuer pursuant to a convertible loan agreement dated 20 February 2019.

"Downstream Loan" means any loan granted by the Issuer from time to time to any of its:

- (a) Subsidiaries; or
- (b) associated companies (for the avoidance of doubt, including BBHS and any company where the Issuer has a minority interest) (each debtor referred to in paragraph (a) and (b) a **"Downstream Loan Debtor"**),

where the principal amount exceeds DKK 1,000,000 (or its equivalent in any other currency or currencies) (when aggregate with all other intra-group loans between the Issuer and the Downstream Loan Debtor).

"Escrow Accounts" means a SEK bank account and/or EUR bank account opened by the Arranger with a reputable bank on which the proceeds from the Bond Issue will be held until the Conditions Precedent for Disbursement have been fulfilled.

"Equity" means, in accordance with the applicable accounting principles from time to time, (a) the Group's consolidated sum of (i) restricted equity, (ii) non-restricted equity and (iii) any Subordinated Loans plus (b) BBHS unconsolidated sum of (i) restricted equity, (ii) non-restricted equity and (iii) any Subordinated Loans. The sum calculated in (b) shall be adjusted on a *pro rata* basis so only a share equivalent, in percentage, to the Issuer's direct holding of shares in BBHS shall be included.

"Equity Ratio" means the ratio of Equity to Total Assets.

"Exruptive" means Exruptive A/S, a limited liability company incorporated in Denmark with reg. no. 35 63 02 87.

"Financial Indebtedness" means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any Finance Leases;
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if

any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);

- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).

"Finance Documents" means:

- (a) the Terms and Conditions;
- (b) the Agency Agreement;
- (c) the Security Documents;
- (d) the Subordination Agreement (if any);
- (e) the Guarantee Agreement;
- (f) the Adherence Agreement (if any); and
- (g) any other document designated to be a Finance Document by the Issuer and the Agent.

"Financial Report" means the Group's and BBHS' annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according to (a) and (b) under Section "Financial Reporting".

"First Call Date" means the date falling 18 months after the First Issue Date.

"Guarantee Agreement" means the Danish law governed guarantee agreement pursuant to which the Main Shareholders shall, among other:

- (a) guarantee interest payments under the Bonds in an amount equal to (i) if the Maturity Extension Option is not exercised, 12 months interest (ii) if the Maturity Extension Option is exercised, 15 months interest;
- (b) agree to subordinate all subrogation claims;
- (c) undertake to not sell any shares in any Group Company or BBHS; and
- (d) undertake to not provide, prolong or renew any security over the shares in any Group Company or BBHS, other than Pars A/S' pledge of its shares in the Issuer to Spar Nord Bank A/S.

"Interest Accounts" means bank accounts in the name of the Issuer held with a reputable Swedish bank, which shall be pledged on a first priority basis in favour of the Agent, representing the Bondholders, on which SEK [●] and EUR [●] shall be deposited for the purpose of funding 12 months interest.

"Initial Exchange Ratio" means the SEK/EUR exchange rate quoted on the Swedish Central Bank's website (www.riksbank.se) at 12:00 Swedish time on the First Issue Date.

"ITS" means IntelligentTrackSystems A/S, a limited liability company incorporated in Denmark with reg. no. 38 16 86 81.

"Main Shareholders" means:

- (a) A-Pecunia ApS (company reg. (CVR) no. 28 84 30 38);

- (b) Pars A/S (company reg. (CVR) no. 29 19 67 29); and
 - (c) Ejendomsaktieselskabet Virakslund(company reg. (CVR) no. 62 48 77 12),
- each a "**Main Shareholder**".

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

"**Material Adverse Effect**" means a material adverse effect on:

- (a) the business, financial condition or operations of the Group and BBHS taken as a whole;
- (b) the ability of the Issuer and the Main Shareholders taken as whole to comply with their obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

"**Net Proceeds**" means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Arranger, the Agent and the issuing agent for the services provided in relation to the placement and issuance of the Bonds.

"**Permitted Debt**" means any Financial Indebtedness:

- (a) incurred under the Bonds (other than Subsequent Bonds);
- (b) of the Group and BBHS under any guarantee issued by a Group Company or BBHS in the ordinary course of business;
- (c) incurred by (i) a Group Company from another Group Company (including any cash pool arrangements) or BBHS, or (ii) BBHS under its existing loan from the Issuer in the amount of up to DKK 1,978,000;
- (d) incurred under any Subordinated Loans;
- (e) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested pro forma including such incurrence is incurred as a result of a Subsequent Bond Issue;
- (f) incurred under Advance Purchase Agreements;
- (g) incurred under any pension and tax liabilities in the ordinary course of business by any Group Company or BBHS;
- (h) incurred under BBHS' revolving facility in the amount of up to DKK 1,000,000 at Spar Nord Bank A/S;
- (i) incurred under the loan from JA-Pecunia ApS to BBHS in the amount of DKK 5,000,000;
- (j) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, inter alia, the redemption of the Bonds; and
- (k) not covered under paragraphs (a)-(j) above in an aggregate maximum amount of DKK 2,000,000.

"Permitted Reorganization" means:

- (a) an amalgamation, merger, corporate reorganisation or corporate reconstruction on a solvent basis of a Group Company where:
 - i. if the Issuer is involved in such amalgamation, merger, corporate reorganisation or corporate reconstruction on a solvent basis, the Issuer is the surviving entity;
 - ii. if it or its assets or the shares in it were subject to Transaction Security immediately prior to such amalgamation, merger, corporate reorganisation or corporate reconstruction, the Secured Parties will enjoy (in the reasonable opinion of the Agent) substantially the same or equivalent security over the same assets; and
 - iii. the surviving entity of that amalgamation, merger or corporate reorganisation is liable for the obligations of the Group Company with which it has merged.
- (b) a liquidation or winding up of any Group Company (other than the Issuer) on a solvent basis where any payments or assets distributed as a result of such liquidation or winding up are distributed to the Issuer, provided that if such Group Company's assets or its shares were subject to Transaction Security immediately prior to such liquidation or winding up, the Secured Parties will enjoy (in the reasonable opinion of the Agent) substantially the same or equivalent security over the same assets or shares; or
- (c) a merger between BBHS and a Group Company, provided that (i) the Group Company is the surviving entity (ii) if BBHS' assets or the shares in BBHS were subject to Transaction Security immediately prior to such merger, the Secured Parties will enjoy (in the reasonable opinion of the Agent) substantially the same or equivalent security over the same assets, and (iii) the surviving entity of that merger is liable for the obligations of the BBHS.

"Permitted Security" means any security:

- (a) provided under the Finance Documents;
- (b) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;
- (d) provided in relation to any lease agreement entered into by a Group Company or BBHS in the ordinary course of business and on normal commercial terms;
- (e) any Security created for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full (other than with respect to an escrow account (if applicable) which may be perfected in connection with the incurrence of such debt);
- (f) granted by BBHS to Spar Nord Bank A/S in the form of a floating charge (Dk. *Virksomhedspant*) in the amount of up to DKK 1,000,000;
- (g) granted by Exruptive on 28 May 2019 to JA-Pecunia ApS in the form of a floating charge (Dk. *Virksomhedspant*) in the amount of DKK 5,000,000, provided that BBHS shall have

filed for Spar Nord Bank A/S to be replaced by the security agent no later than [●] Business Days following the Completion Date;

- (h) provided for any guarantees issued by a Group Company or BBHS in the ordinary course of business;
- (i) not covered under (a)-(h) above securing an aggregate maximum amount of DKK 2,000,000.

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

"Secured Parties" means the Agent and the Bondholders.

"Security Documents" means the security documents pursuant to which the Transaction Security is created and any other document designated as a Security Document by the Issuer and the Agent.

"Subordinated Loans" means the Convertible Loans or any shareholder loan made to the Issuer as debtor, in each case if such loan:

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

"Subsidiary" means, in respect of which such person, directly or indirectly:

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

"Transaction Costs" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group and BBHS in connection with a Bond Issue.

"Total Assets" means:

- (a) until the Issuer prepares consolidated accounts, the book value of all assets of the Issuer; or
- (b) when the Issuer prepares consolidated accounts, the consolidated book value of all assets of the Group plus the book value of all assets of BBHS (adjusted on a pro rata basis so only a share equivalent, in percentage, to the Issuer's direct holding of shares in BBHS shall be included) with no double counting,

calculated in accordance with the applicable accounting principles from time to time.