

## **Notice of Written Procedure for senior secured bonds issued by DDM DEBT AB (publ)**

Stockholm, 6 July 2020

**To bondholders of the up to EUR 160,000,000 senior secured bonds due 2020 (ISIN SE0010636746) (the "Bonds") issued by DDM Debt AB (publ) (the "Issuer") on 11 December 2017.**

*Capitalised terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions relating to the Bonds dated 8 December 2017 (the "Terms and Conditions").*

**This notice will be sent by Intertrust (Sweden) AB (the "Agent") by regular mail on 7 July 2020 to Bondholders directly registered in the debt register (Sw. *skuldbok*) kept by Euroclear Sweden AB (the "CSD"). This notice has also been published on the websites of the Issuer and the Agent, in accordance with the Terms and Conditions. If you are an authorised nominee under the Swedish Financial Instruments Accounts Act or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. See "Voting rights" in Section B (*Decision procedure*) for further information.**

### Key information:

Record Date for being eligible to vote:	13 July 2020
Deadline for voting:	17:00 (CET) 14 August 2020
Quorum requirement:	At least 50 per cent.
Majority requirement:	At least two thirds (2/3)

At the request of the Issuer, the Agent, acting in its capacity as agent for the Bondholders under the Terms and Conditions, hereby initiates a written procedure (the "**Written Procedure**") whereby the Bondholders can approve or reject a proposal from the Issuer to amend the Terms and Conditions. The request and the background thereto is described in Section A (*Request*) below.

If the resolutions amending the Terms and Conditions are approved in the Written Procedure, the amendments shall take effect immediately after the resolutions are passed or on the relevant date of any second Written Procedure. The proposals to amend the Terms and Conditions are described below under Section A (*Request*) and are hereafter referred to as the "**Proposals**".

### **All Bondholders are strongly encouraged to review and consider the Proposals.**

The information in this Notice of Written Procedure regarding (i) the Proposals, (ii) the Issuer, and (iii) market conditions is provided solely by the Issuer, and the Agent expressly disclaims any liability whatsoever related to such information.

Bondholders may participate in the Written Procedure by voting through your authorised nominees or by completing and sending the voting form attached below to

the Agent. The Agent must **receive the voting form set out in Schedule 1 no later than by 17:00 (CET) on 14 August 2020** by regular mail, via courier or e-mail to the addresses indicated below. Votes received thereafter will be disregarded. Please note that the Written Procedure may expire early if the requisite majority consents of the total Adjusted Nominal Amount have been received before 14 August 2020.

**To be eligible to participate in the Written Procedure a person must fulfil the formal criteria for being a Bondholder on 13 July 2020 (the "Record Date").** This means that the person must be registered on a Securities Account with the CSD as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

If you have an interest in a Bond but are not registered as a direct registered owner or authorised nominee on a Securities Account, you need to obtain a power of attorney from the person who fulfils the formal criteria for being a Bondholder on the Record Date, to be able to participate, in the form as attached hereto as Schedule 2. An alternative may be to ask the person that is registered as a Bondholder and holds the Bonds on your behalf to vote in its own name as instructed by you. For further information on voting, please see under *Voting rights* in Section B (*Decision procedure*).

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

### ***Important Dates***

*Record Date (for voting):* 13 July 2020

*Last time and day to vote:* 17:00 (CET) on 14 August 2020

## A. Request

### **Background**

The current COVID-19 pandemic and the containment measures implemented by governments to limit the spread of the virus have negatively impacted global economic activity and are likely to have a negative impact on the DDM Debt Group's financial performance. In response to the new market environment, the Issuer has undertaken cost saving measures across the DDM Holding Group, including the DDM Debt Group. The COVID-19 outbreak has also impacted the capital markets in general, and particularly the credit markets. Due to the extraordinary situation and uncertainties in the credit markets, it is deemed challenging to refinance the Bonds in the capital market at this point in time.

The Issuer therefore seeks to amend the Terms and Conditions and undertakes to, *inter alia*:

- *Extended term*: extend the term of the Bonds, which currently mature on 11 December 2020, by twelve months;
- *Call option amount*: set the call option amount for the Issuer's call option right at (i) 100 per cent. of the Outstanding Nominal Amount if the call option right is exercised at any time before 1 January 2021, (ii) 101.50 per cent. of the Outstanding Nominal Amount if the call option right is exercised on or after 1 January 2021 but before 1 April 2021, (iii) 103 per cent. of the Outstanding Nominal Amount if the call option right is exercised on or after 1 April 2021 but before 1 July 2021, (iv) 104 per cent. of the Outstanding Nominal Amount if the call option right is exercised on or after 1 July 2021 but before 1 October 2021 and (v) 105 per cent. of the Outstanding Nominal Amount if the call option right is exercised on or after 1 October 2021 until, but excluding, the Final Maturity Date, in each case together with accrued but unpaid interest;
- *Redemption price*: redeem the Bonds on the Final Maturity Date at a price of 105 per cent. of the Nominal Amount, together with accrued but unpaid interest;
- *Cancellation of repurchased Bonds*: by no later than 31 December 2020, cancel Bonds in an aggregate amount of EUR 5,000,000 is included, provided that the Issuer can repurchase such Bonds pursuant to applicable law, regulations and capital market principles;
- *Immediate partial redemption*: make a mandatory partial redemption in an aggregate amount of EUR 7,500,000 (on a pro rata basis without any premium and including accrued but unpaid interest on the repaid amount) is made as soon as practically possible after the approval of the Proposals and the payment of the Consent Fee (as defined below); and
- *Mandatory partial redemption*: make mandatory partial redemptions at the following times and amounts (on a pro rata basis without any premium and including accrued but unpaid interest on the repaid amount): (i) EUR 4,000,000 no later than 31 March 2021, (ii) EUR 3,000,000 no later than 30 June 2021 and (iii) EUR 2,500,000 no later than 30 September 2021.

Reference is further made to the investor presentation, which has been published on the Issuer's website (<https://www.ddm-group.ch/>), which all Bondholders are encouraged to review before making a decision to vote with respect to the Proposals in this Written Procedure.

### **Proposals**

In order to achieve the above mentioned amendments, the Issuer proposes the Bondholders to approve the Proposals in the Written Procedure and thereby

approve to amend the Terms and Conditions in accordance with the comparison version set out in Schedule 3 (*Changes to the Terms and Conditions*), where blue and underlined text indicates additions whereas red and crossed out text indicates removals.

If the Proposals are approved in the Written Procedure, the Bondholders' give the Agent the power to enter into all agreements and take all actions that the Agent deems necessary in order to implement the Proposals.

All Bondholders are strongly encouraged to review and consider the Proposals and the underlying information.

### **Consent Fee**

If the Proposals are approved by the Bondholders in the Written Procedure, the Issuer will pay to the Bondholders a consent fee amounting to EUR 1,000 per Bond held on the Consent Fee Record Date (as defined below) (the "**Consent Fee**").

The Consent Fee will be payable to all persons who are registered as a direct registered owner or authorised nominees in the debt register kept by the CSD five (5) Business Days from the date when the Proposals have been approved in the Written Procedure (the "**Consent Fee Record Date**"). The payment of the Consent Fee shall be made five (5) Business Days after the Consent Fee Record Date through the CSD's account based system.

### **Non-reliance**

The Proposals are presented to the Bondholders by the Issuer, without any evaluation, advice or recommendations from the Agent whatsoever related to the content of this notice and the Proposals. No independent advisor has been appointed to review and/or analyse the Proposals (and their effects) from the Bondholders' perspective. Each Bondholder is recommended to seek professional advice to independently evaluate whether the Proposals from the Issuer (and their effects) are acceptable or not. Included in the investor presentation, which has been published on the Issuer's website (<https://www.ddm-group.ch/>), are the risk factors relating to the Group and the Bonds, which all Bondholders are encouraged to review before making a decision to vote with respect to the Requests in this Written Procedure.

## **B. Decision procedure**

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

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

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

If the Request is approved by the Written Procedure it will be binding on all Bondholders whether they participated in the Written Procedure or voted against the Proposals or not, in accordance with the Terms and Conditions.

### **Voting rights**

Anyone who wishes to participate in the Written Procedure must on 13 July 2020 (the "**Record Date**"):

1. be registered on the Securities Account as a direct registered owner (Sw. *direktregistrerad ägare*); or
  2. be registered on the Securities Account as an authorised nominee (Sw. *förvaltare*),
- with respect to one or several Bonds.

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee (Sw. *förvaltare*) or another intermediary, you may have two (2) different options to influence the voting for the Bonds.

1. You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote on your behalf as instructed by you.
2. You can obtain a power of attorney attached hereto as Schedule 2 from the authorised nominee or other intermediary and send in your own voting form based on the authorisation. A duly signed voting form must then be returned to the Agent in due time before the last day for replies (by scanned e-mail, courier or post). If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as bondholder of the Securities Account, or from each intermediary in the chain, starting with the intermediary that is registered in the debt register as a Bondholder of the Securities Account as authorised nominee or direct registered owner.

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

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

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

### **Quorum**

Pursuant to Clause 16 (*Decisions by Bondholders*) of the Terms and Conditions, a quorum in respect of the Written Procedure will only exist if a Bondholder (or Bondholders) representing **at least fifty (50) per cent.** of the Adjusted Nominal Amount reply to the Request.

If a quorum does not exist, the Agent may initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure. At the option of each Bondholder, a voting form provided at or before 17:00 (CET) on 14 August 2020 in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

### **Majority**

Pursuant to Clause 16 (*Decisions by Bondholders*) of the Terms and Conditions, **at least two thirds (2/3)** of the Adjusted Nominal Amount for which Bondholders reply in a Written Procedure must consent to the Request in order for it to be approved.

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

The Agent must have received the votes by e-mail, courier or post to the address indicated below no later than by **17:00 (CET) on 14 August 2020**. Votes received thereafter will be disregarded.

### **Address for sending replies**

*By regular mail:*

Intertrust (Sweden) AB  
Attn: Beatrice Gustafsson  
P.O. Box 16285, 103 25 Stockholm

*By courier:*

Intertrust (Sweden) AB  
Attn: Beatrice Gustafsson  
Tel: 0701411082  
Sveavägen 9, 10th floor, 111 57 Stockholm

*By e-mail:*

trustee@intertrustgroup.com

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For further questions please contact:

The Issuer: DDM Debt AB (publ), Henrik Wennerholm, Chief Financial Officer,  
investor@ddm-group.ch, +41 79 539 88 59

The Agent: Intertrust (Sweden) AB, Beatrice Gustafsson, trustee@intertrustgroup.com,  
+46-70 860 61 25

**Stockholm on 6 July 2020**

**Intertrust (Sweden) AB**

**as Agent**

**SCHEDULE 1**

**VOTING FORM**

For the Written Procedure initiated on 7 July 2020 for the up to EUR 160,000,000 senior secured bonds due 2020 (ISIN SE0010636746) (the "Bonds") issued by DDM Debt AB (publ) (the "Issuer") on 11 December 2017.

The Issuer requests the Bondholders to approve the Proposals set out in the notice for the Written Procedure.

The Agent is hereby empowered to enter into all necessary documentation required to implement the Request, in the event the Proposals are approved.

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**Reply**

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

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

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

**A) Approve**       **B) Reject**       **C) Refrain from voting**

with respect to the Proposals.

The undersigned hereby confirms (put a cross in the appropriate box) that this voting form shall constitute a vote also for a second Written Procedure (if any) pursuant to paragraph (h) of clause 16 of the Terms and Conditions with respect to the Proposals:

**Confirmed**       **Not confirmed**

Signature

\_\_\_\_\_  
Name in print:

Contact information

Email:

Tel:

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

**SCHEDULE 2**

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

**Written Procedure initiated on 7 July 2020 for the up to EUR 160,000,000 senior secured bonds due 2020 (ISIN SE0010636746) (the "Bonds") issued by DDM Debt AB (publ) (the "Issuer") on 11 December 2017.**

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

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

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

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

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

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

- |  |  |
|--|--|
|  | Registered as authorised nominee on a Securities Account         |
|  | Registered as direct registered owner on a Securities Account    |
|  | Other intermediary and hold the Bonds through <sup>6</sup> _____ |

Date:

Signature

\_\_\_\_\_

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

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

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

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

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

<sup>6</sup> Mark this option if the undersigned is not registered as authorised nominee or direct registered owner in the Securities Account kept by the CSD. Please insert the name of the firm the undersigned holds the Bonds through. Note that a power of attorney also must be provided in relation to the authorised nominee or direct registered owner in order for the authorised person to be authorised to vote.



## SCHEDULE 3

### CHANGES TO THE TERMS AND CONDITIONS

[Insertions are shown as double underlined text in blue and deletions are shown as strikethrough text in red]

#### 1. Definitions and Construction

##### 1.1 Definitions

In these terms and conditions (the "Terms and Conditions"):

"Amendment and Restatement Agreement" means the amendment and restatement agreement amending and restating these Terms and Conditions, dated [●].

"Amendment Effective Date" means [●] 2020.

[---]

"Final Maturity Date" 11 December 2021~~2020~~.

[---]

"Nominal Amount" means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which the Bond has been redeemed in part from time to time, ~~pursuant to Clause 13.5(d)(ii).~~

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"Outstanding Nominal Amount" means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which the Bond has been redeemed in part from time to time, ~~the Nominal Amount of the Bonds from time to time taking into account any amortisations made on the Bonds.~~

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#### 9. Redemption and Repurchase of the Bonds

##### 9.1 Redemption at maturity

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to 105.00 per cent. of the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

##### 9.2 Issuer's purchase of Bonds

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer may at the Issuer's discretion be retained, sold but not cancelled by the Issuer (except that the Issuer may cancel Bonds in connection with a total redemption of all outstanding Bonds) other than in accordance with Clause 13.15 (Cancellation of Bonds).

### 9.3 Voluntary total redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds prior to the Final Maturity Date at:
- ~~(i) the Make Whole Amount, if the call option is exercised on or after the Issue Date to, but not including, the First Call Date; and~~
  - ~~(iii)(i) any time from and including the First Call Date~~Amendment Effective Date to, but excluding, ~~the first Business Day falling twenty four (24) months after the First Issue Date~~1 January 2021 at an amount per Bond equal to ~~100~~4.00 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid Interest;
  - ~~(iii)(ii) any time from and including the date falling twenty four (24) months after the First Issue Date~~1 January 2021 to, but excluding, ~~the first Business Day falling thirty (30) months after the First Issue Date~~1 April 2021 at an amount per Bond equal to ~~1012.05~~0.50 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid Interest;
  - ~~(iii) any time from and including the date falling thirty (30) months after the First Issue Date~~1 April 2021 to, but excluding, ~~the Final Maturity Date after the First Issue Date~~1 July 2021 at an amount per Bond equal to ~~1031.00~~1.00 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid Interest;
  - (iv) any time from and including 1 July 2021 to, but excluding, 1 October 2021 at an amount per Bond equal to 104.00 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid Interest ; or
  - (v) ~~provided that the redemption is financed to more than 50 per cent. by way of one or several Market Loan issues any time from and including the first Business Day falling thirty (30) months after the First Issue Date~~any time from and including 1 October 2021 to, to, but excluding, the Final Maturity Date, at an amount equal to ~~105.00~~5.00 per cent. of the Outstanding Nominal Amount together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 1.1(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

## 9.6 Mandatory partial redemption

- (a) The Issuer shall make a mandatory partial repayment of the Bonds at the following times and with the following amounts:
- (i) as soon as practicably possible after the Amendment Effective Date and the payment of the consent fee pursuant to the Amendment and Restatement Agreement, in the amount of EUR 7,500,000;
  - (ii) no later than 31 March 2021, in the amount of EUR 4,000,000;
  - (iii) no later than 30 June 2021, in the amount of EUR 3,000,000; and
  - (iv) no later than 30 September 2021, in the amount of EUR 2,500,000
- (b) The repayment of the Bonds to be made pursuant to paragraph (a) above, shall reduce the Outstanding Nominal Amount by the amount repaid *pro rata* and shall be made without any premiums and together with accrued but unpaid interest on the repaid amount.

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## 13.15 Cancellation of Bonds

- (a) The Issuer undertakes to cancel Bonds in an aggregate amount of EUR 5,000,000 no later than 31 December 2020.
- (b) The undertaking set out in this Clause 13.15 shall only apply to the extent the Issuer can repurchase such Bonds pursuant to applicable law, regulations and capital markets principles.