



BY APPOINTMENT TO  
HER MAJESTY THE QUEEN OF DENMARK

**GEORG JENSEN**

ESTABLISHED 1904

## **Georg Jensen A/S**

relating to the listing of

Up to EUR 60,000,000 Senior Secured Floating Rate Bonds due 2023

ISIN: SE0011167204

**Issuing Agent and Sole Bookrunner**



Prospectus dated 2 May 2019

## IMPORTANT NOTICE:

This prospectus (the "**Prospectus**") has been prepared by Georg Jensen A/S (the "**Issuer**", or the "**Company**" or together with its direct and indirect subsidiaries unless otherwise indicated by the context, the "**Group**"), a limited liability company incorporated in Denmark, having its headquarters located at the address, Søndre Fasanvej 7, 2000 Frederiksberg, Denmark, with Danish reg. no. (CVR – No.) 26 57 36 45, in relation to the application for the listing of the senior secured floating rate bonds denominated in EUR (the "**Bonds**") on the corporate bond list on NASDAQ Stockholm Aktiebolag, reg. no. 556420-8394 ("**Nasdaq Stockholm**"). DNB Bank ASA, Sweden Branch has acted as sole bookrunner in connection with the issue of the Bonds (the "**Sole Bookrunner**"). This Prospectus has been prepared in accordance with the standards and requirements of the Swedish Financial Instruments Trading Act (*Sw. lag (1991:980) om handel med finansiella instrument*) (the "**Trading Act**") and the Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC as amended by the Directive 2010/73/EC of the European Parliament and of the Council (the "**Prospectus Regulation**"). The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) (the "**SFSA**") pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Trading Act. Approval and registration by the SFSA does not imply that the SFSA guarantees that the factual information provided in this Prospectus is correct and complete. This Prospectus has been prepared in English only and is governed by Swedish law and the courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus. This Prospectus is available at the SFSA's website (fi.se) and the Issuer's website georgjensen.com.

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 49 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Issuer's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents incorporated by reference in, and any supplements to, this Prospectus. In this Prospectus, references to "**EUR**" refer to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, references to "**SEK**" refer to Swedish krona, reference to "**DKK**" refers to Danish kroner and reference to "**AUD**" refers to Australian Dollars.

Investing in bonds is not appropriate for all investors. Each investor should therefore evaluate the suitability of an investment in the Bonds in light of its own circumstances. In particular, each investor should:

- (a) have sufficient knowledge and experience to carry out an effective evaluation of (i) the Bonds, (ii) the merits and risks of investing in the Bonds, and (iii) the information contained or incorporated by reference in the Prospectus or any supplements;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate in the context of its particular financial situation the investment in the Bonds and the impact that such investment will have on the investor's overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks resulting from an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the investor's own currency;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios relating to the economy, interest rates and other factors that may affect the investment and the investor's ability to bear the risks.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on the corporate bond list on Nasdaq Stockholm. This Prospectus may not be distributed in or into any country where such distribution or disposal would require any additional prospectus, registration or additional measures or contrary to the rules and regulations of such jurisdiction. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold outside the United States to purchasers who are not, or are not purchasing for the account of, U.S. persons in reliance upon Regulation S under the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act.

The offering is not made to individuals domiciled in Australia, Japan, Canada, Hong Kong, the Italian Republic, New Zealand, the Republic of Cyprus, the Republic of South Africa, the United Kingdom, the United States (or to any U.S person), or in any other country where the offering, sale and delivery of the Bonds may be restricted by law.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Issuer's management or are assumptions based on information available to the Group. The words "considers", "intends", "deems", "expects", "anticipates", "plans" and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Although the Issuer believes that the forecasts of, or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting the Group's operations. Such factors of a significant nature are mentioned in the section "**Risk factors**" below.

Interest payable on the Bonds will be calculated by reference to EURIBOR. As at the date of this Prospectus, the administrator of EURIBOR is not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011.

This Prospectus shall be read together with all documents that are incorporated by reference, see subsection "**Documents incorporated by reference**" under section "**Other information**" below, and possible supplements to this Prospectus.

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## RISK FACTORS

### RISK FACTORS

*Investing in the Bonds involves inherent risks. A number of risk factors and uncertainties may adversely affect Georg Jensen A/S (the "**Issuer**") and its subsidiaries (the "**Group**"). If any of these risks or uncertainties actually occurs, the business, operating results and financial position of the Group could be materially and adversely affected, which could have a material adverse effect on the Group's ability to meet its obligations (including payment of interest and repayment of principal) under the terms and conditions of the Bonds (the "**Terms and Conditions**"). In this section, a number of risk factors are illustrated, both general risks pertaining to the Group's business operations and risks relating to the Bonds as financial instruments. The risks presented herein are not exhaustive, and other risks not discussed herein, not currently known or not currently considered to be material, may also affect the Group's future operations, performance and financial position, and consequently the Group's ability to meet its obligations under the Terms and Conditions. Potential investors should consider carefully the information contained in this section and make an independent evaluation before making an investment in the Bonds.*

*The risk factors below are not ranked in any specific order.*

#### Market specific risks

##### General economy

The economic situation on the global market affects the Group's business, result and financial position. The demand for the Group's products and services depends on the expenditures by the end-customers. The level of expenditures on luxury goods, such as jewelry, watches, and silver and home decoration articles, by the end-customers depends, in turn, on general economic conditions, levels of disposable income and availability of credit. Adverse changes in the economy may accordingly have a material negative effect on the Group's business, earnings or financial position.

##### Competition

The Group operates on a variety of local and international markets that are highly competitive. Companies in the industry compete by price, availability, innovations, design and quality of goods, but also by other competitive factors such as production capacity, up-to-date designs and market penetration. The Group has a number of competitors across different product categories, segments and geographic markets. It cannot be ruled out that these competitors will grow to be stronger in the future, for example, by means of further consolidation in the market or that these competitors will not take any additional competitive actions against the Group. Further, the jewelry business, in particular in Asia, is becoming more competitive with large brands investing heavily in their networks in response to the growing importance of Chinese consumers travelling in the area.

The Group is dependent upon its ability to produce, sell and develop new products and render such products successful within existing market segments. Further, the Group must also be able to develop its existing products in order to stay competitive and to avoid losing market shares to competitors. Some products go in and out of fashion and efforts to design and develop new products are costly and always entail a risk of unsuccessful commercialisation. In addition, no assurance can be given that the Group will be successful in its work with external designers and key opinion leaders to develop its products and in its attempts to preserve and develop its product segment. If the Group is not

successful in the aforementioned fields, this may have an adverse effect on the Group's business, earnings or financial position.

### **Commodity prices**

A significant part of the Group's income derives from the sale of products made from precious metals (such as silver and gold), various precious and semi-precious stones, and other raw materials and the Group is exposed to risks relating to fluctuations in the prices of the materials used in the Group's production. Thus, the Group's profits and costs in manufacturing and acquiring stock are indirectly linked to the price the Group and its suppliers pay for such metals and gems. The price for metals and gems are volatile and cyclical and may fluctuate. Price volatility is caused by numerous factors which are beyond the Group's control. Further, since the prices often are quoted in other currencies than DKK, the price volatility may not only be caused by changes in the underlying price for the metals and gems, but also in the relevant currency exchange rate against DKK. The Group is therefore indirectly exposed to commodity risk and fluctuations in the prices of these raw materials may have an adverse effect on the Group's business, results of operations and financial condition.

If the Group and its suppliers' access to or cost of purchasing certain quality raw materials is adversely affected, the Group may have to pay more for these raw materials. Any such adverse changes may require the Group to increase the prices that it charges its end-customers or result in that the Group's products will increase in costs without the Group being able to add such increased costs on its end-customers. This may lead to a decrease in consumer demand and/or the Group's earnings which could have an adverse effect on the Group's business or financial position.

### **Exposure to currency fluctuations**

The Group operates in a number of currencies while the Group reports its financial results in DKK. The exchange rates between some of these currencies and DKK have fluctuated in recent years and the Group's local currencies may in the future fluctuate significantly. Consequently, to the extent that foreign exchange rate exposures are not hedged, fluctuations in currencies may adversely affect the Group's financial results in ways unrelated to the operations and could affect the Group's financial statements when the results are translated into DKK for reporting purposes.

Further, due to the international reach of the Group, and considering that the Group purchases material for its products from foreign suppliers in different currencies and sells products to customers in different currencies, the Group is exposed to risks relating to currency fluctuations. There is a risk that a devaluation or appreciation in a currency that the Group has exposure towards results in a reduced value of the Group's local monetary assets and, to the extent that foreign exchange rate exposures are not hedged, generate local currency losses. Further there is a risk that a devaluation or appreciation in a currency could lead to higher prices of the Group's products on the relevant local market and a decrease in consumer demand, which in turn would have an adverse effect on the Group's business, earnings or financial position.

### **Group and business specific risks**

#### **Changes in legislation**

A number of laws and regulations, including competition regulations and environmental regulations, taxes and rules can affect the business conducted by the Group, and the Group must observe and comply with a vast number of laws and regulations relating to the regulatory environment for the industry in which the Group operates. New or amended laws and regulations could call for unexpected

costs or impose restrictions on the development of the business operations or otherwise affect net sales, which could have an adverse effect on the Group's business and results of business operations.

In May 2018 the General Data Protection Regulation ("GDPR") issued by the EU entered into force. The implementation of a new system for personal data processing and actions needed to ensure compliance with the GDPR may involve certain costs for the Group. The implementation of a new system for personal data processing is important as data processing in breach of the GDPR could result in fines amounting to a maximum of EUR 20,000,000 or 4 per cent. of the Group's global turnover. If the Group fails to comply with the GDPR this will have an adverse effect on the Group's business and financial position.

### **Consumer Behaviour**

The sales of the Group's products are dependent upon the buying power and purchase patterns of its end-consumers. Changes in customers' strategies or purchasing patterns may occur due to external factors and could adversely affect the Group's net sales. Further, developments in the retail market for the Group's products and in the market for e-commerce may affect the demand for the Group's products. The Group's ability to compete depends upon the Group's ability to anticipate future market changes and trends and to react on existing and future market needs. If the Group fails to meet the competition from new and existing companies or fails to react to market changes or trends, such as strengthen its position in the market for e-commerce, there is a risk that this will have an adverse effect on the Group's business, earnings or financial position.

Further, the Group is moving towards an omnichannel strategy in order to keep up with the changes in consumer buying behaviour and expectations. The Group aims to create a retail environment where its products and services can be available to customers anytime and anywhere, both in stores and online, by taking advantage of the Group's networks of wholesalers, retail stores and other infrastructures. The omnichannel strategy will require technical changes and investments by the Group. If the Group is unable to successfully implement the omnichannel strategy or if its strategy does not attain its objective, this could have an adverse effect on the Group's business, earnings and financial position.

### **Protection of know-how and loss of key employees**

The Group's future development depends largely on the skills, experience and commitment of its key employees, designers and advisers. Persons employed by the Group have a comprehensive knowledge of the industry in general and of the Group in particular. It is important for the Group's future business activities and development that the Group is able to retain, and where necessary also recruit, skilled personnel. If the Group should become unable to retain or recruit such personnel there is a risk that it has an adverse impact on the Group's operations and results.

### **Dependency on trademarks and its brands**

The Group is dependent upon its brands and marketing and the Group is exposed to the risk of lost market appeal. A decline in the market appeal of the Group (including its brands) may derive from, amongst other things, a poor product offering, loss of flagship stores in key locations, lack of investments in the products in order to keep them updated and attractive for the customers, failure by a supplier to comply with legal and ethical standards with respect to the environment, labour conditions, or the sourcing of raw materials (e.g. diamonds) and other negative publicity concerning the brands (whether or not it is justifiable). There is a risk that the Group fails to build and maintain

its brand perception, resulting in adverse effects on the Group's business, financial position or results of operations.

Further, the Group is actively working to protect its brands, names and domain names in the jurisdictions in which the Group operates, if the Group's protection of its trademarks is not sufficient, if the Group is unable to detect unauthorised use of its trademarks, or if the Group infringes third party intellectual property rights, this may result in an adverse effect on the Group's net sales, earnings and financial position

### **Store leasing arrangements**

The Group operates approximately 97 retail stores of which around ten have a material and strategic impact on the Group's retail business. The Group is therefore significantly dependent on its ability to operate stores in desirable locations with capital investments and lease costs that allow the Group to earn a reasonable return on its locations. External factors such as general leasing market conditions and consumer supply and demand will affect the lease costs and operations costs. The Group cannot be certain as to when or whether desirable store locations will become or remain available at reasonable lease and operating costs or whether retail locations from which the Group currently operates will continue to be sufficiently popular. Increased lease and operation costs, a loss of a material retail store or a change in consumer behaviour could lead to a decrease of sale and thus effect on the Group's operations, earnings and financial position.

### **Damage to warehouse facilities and factories**

The Group operates several factories for the manufacturing of its products. If one of the Group's material factories or the equipment therein would be damaged, for example as a result of fire, or if any of the factories would have to close, the Group may suffer losses and delays in delivery, which in turn could have a material adverse effect on the Group's business, financial position and results of operations.

### **Risk related to suppliers and sourcing**

The manufacturing of the Group's products depends on four sources that are not easily interchangeable. Seasonal products are exclusively produced in the Group's facility in Hjørring, Denmark, jewellery is exclusively produced at the Group's facility in Thailand, silver is predominantly produced at the Group's smithy in Frederiksberg, Denmark, and home production is outsourced to approximately 25 external suppliers mainly in China. There is a political risk in respect of the jewellery production in Thailand and home production in China. If there is any political unrest in these areas this could have an adverse effect on the manufacturing and supply of the Group's products which in turn could result in an adverse effect on the Group's business, earnings and financial position. The Group is dependent on its suppliers and the loss of any key suppliers or temporary supply problems may have an adverse effect on the Group's output and sales which in turn may have an adverse effect on the Group's business, financial position and result of operation.

Further, the replacement of a supplier may increase the costs and/or affect the quality of the Group's products and thus affecting the gross margin of the Group's products and/or its sales, which in turn could result in an adverse effect on the Group's business, earnings and financial position.

### **Dependency on wholesalers**

As the Group's customer base is largely consisting of wholesalers, the Group is dependent on these costumers. Should the Group not be able to cooperate with its wholesalers or should the Group lose any of its significant costumers, or a material reduction in sales to a significant costumer occur, this could have an adverse effect on the Group's business and financial position.

A change from buying in season to pre-orders could lead to resistance from the Group's wholesalers and result in a reduction of the Group's sales, which could have an adverse effect on the Group's business and financial position. On the contrary, should the Group not be able to adjust its wholesale channel operations there is a risk that the Group, in preparation for expected increased demands, could experience weaker sales than expected or overestimate the demand for its products which, in turn, could adversely affect the Group's business, results of operations and financial position.

### **Environment**

The Group's business includes risks associated with running of industrial factories. The Group is exposed to risks of liability under e.g. environmental laws and regulations due to the production, storage, transportation, disposal and sale of materials that can cause contamination or personal injury if released into the environment. Compliance with environmental laws involves manufacturing costs, cost of registration/approval requirements, costs of transportation and storage of raw materials and finished products as well as the costs in connection with storage and disposal of wastes. The Group may furthermore incur substantial costs, including fines, damages, criminal or civil sanctions and remediation costs for violations arising under environmental laws. In addition, the discovery of contamination arising from historical industrial operations at any of the Group's former and present factories may expose the Group to cleanup obligations and other damages. Compliance with environmental laws and liability arising in connection with any personal injuries or damages and damages to the environment may have a material adverse effect on the Group's business, result and financial position.

### **Borrowing by the Group and interest risk**

The Group has incurred and has a right to, in compliance with the limits set out in the Terms and Conditions, further incur financial indebtedness to finance its business operations. There is a risk that such financing generates interest costs which will be higher than the profits produced by the investments made by the Group. Borrowing money to make investments will increase the Group's exposure to the loss of capital and higher interest expenses. Interest on the Group's borrowings from time to time is subject to fluctuations in the applicable interest rates. Higher interest rates could affect the Group's operations, earnings and financial position.

### **Legal disputes and litigations**

Disputes are not unusual in the industry in which the Group operates and can occur with customers, sellers and other parties. Disputes can be time consuming, disrupt normal operations, involve large amounts and result in costs which cannot be foreseen and reputational risks. Claims or legal actions may in the future be brought against the Group which would have significant unfavourable effects on the Group's financial position, operations, earnings, results, performance and market position or pricing of the Bonds.

The Group is currently involved in two legal disputes. Both disputes derive from the Issuer's acquisition of a minor Danish vintage silver company (the "**Target**") in 2013.



The first litigation involves the Issuer, its subsidiary, Georg Jensen Retail A/S, and its owner, Georg Jensen Investments ApS, and nine other non-Danish entities and individuals affiliated with the Issuer and Investcorp. The seller of Target (the "**Seller**") claims that the Issuer and the other 11 defendants are liable for damages due to (contributory) negligence and/or breach of the "Share sale and purchase agreement" entered into between the Seller and the Issuer regarding the sale of Target. The Seller's total alleged loss has been claimed against all defendants under joint and several liability. No evidence has been produced by the Seller with respect to the loss and loss calculation. In the view of the Issuer, the Seller has not established any breach or negligence on the part of any of the defendants nor has the Seller substantiated the alleged claim and losses in fact or in law.

The second litigation involves the Issuer and its subsidiary, Georg Jensen Retail A/S. The Individual who owns the Seller and who was employed by the Issuer after the acquisition of the Target (the "**Individual**") has an alleged claim relating to a Management Equity Programme. In the view of the Issuer, the Individual has not established any circumstances that could trigger a payment event under the Management Equity Programme nor has the Individual substantiated the alleged claim in fact or in law.

Should any of these disputes result in a disadvantageous outcome, this could have a material adverse effect on the Group's business and financial position.

### **Insurance**

The Group is exposed to various types of risks, such as product liability, environmental risks, property damage, third party liability and business interruption, including events caused by natural disasters and other events beyond the Group's control. The Group may in such cases be required to pay for losses, damages and liabilities out of own funds, which could materially and adversely affect its business, earnings and financial position. Even if the insurance coverage would be adequate to cover direct losses, the Group may not be able to take remedial actions or other appropriate measures. Furthermore, the Group's claim records may affect the premiums which insurance companies may charge in the future. In addition, the Group's current insurance coverage could be cancelled or become unavailable on reasonable economic terms in the future. Materialisation of these risks may have an adverse effect on the Group's business, earnings, and financial position as well as future prospects.

### **Risks related to IT infrastructure**

The information technology systems of the Group, as well as those of its service providers and suppliers, are vulnerable to damage from a variety of sources, including telecommunication failures, malicious acts and natural disasters. Moreover, despite network security measures, some of the Group's servers and those of its service providers and suppliers are potentially vulnerable to physical or electronic failures, computer viruses and similar disruptive problems. Since any malfunction can decrease output and sales and cause transaction errors, loss of customers or loss of business opportunity it might have an adverse effect on the Group's business, financial position and result of operation. Additionally, these types of problems might result in a breach of confidential customer information which could result in damages to the Group's reputation and/or litigation which in turn would have an adverse effect on the Group's business, financial position and result of operation.

### **Tax**

The Group conducts its business in accordance with its interpretation of applicable tax legislation, regulations and applicable requirements and decisions. It is possible that the Group's or its advisors' interpretation and the Group's application of laws, provisions, judicial practice has been, or will at

some point be, incorrect or that such laws, provisions and practice will be changed, potentially with retroactive effect. There is a risk that if such an event should occur, the Group's tax liabilities might increase, which could negatively affect the Group's earnings and financial position.

## **Risks relating to the Bonds**

### **Credit risks**

Investors in the Bonds carry a credit risk towards the Group. The investors' ability to receive payment under the Bonds is therefore dependent on the Issuer's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors of which some have been mentioned above.

An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would affect the Bonds' value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group may reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds.

### **Refinancing risk**

The Issuer may be required to refinance certain or all of its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance its debt depends, among other things, on the conditions of the debt capital markets and the Issuer's financial condition at such time. Even if the debt capital markets improve, the Issuer's access to financing sources may not be available on favourable terms, or at all. Should the Issuer be unable to refinance its debt obligations on favourable terms, or at all, it could have a material adverse effect on the Group's business, financial condition and results of operations and on the bondholders' recovery under the Bonds.

### **Ability to comply with the Terms and Conditions**

The Group is required to comply with the Terms and Conditions, *inter alia*, to pay interest under the Bonds. Events beyond the Group's control, including changes in the economic and business conditions in which the Group operates, may affect the Group's ability to comply with, among other things, the undertakings set out in the Terms and Conditions. A breach of the Terms and Conditions could result in a default under the Terms and Conditions, which could lead to an acceleration of the Bonds, resulting in that the Issuer has to repay the bondholders at the applicable call premium. It is possible that the Issuer will not have sufficient funds at the time of the repayment to make the required redemption of the Bonds.

### **Interest rate risks**

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. The Bonds bear a floating rate interest of 3 month EURIBOR plus a margin and the interest rate of the Bonds is determined two business days prior to the first day of each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that an increase of the general interest rate level will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the European and the international financial development and is outside the Group's control.

### **Liquidity risks and secondary market**

Pursuant to the Terms and Conditions, the Issuer has an obligation to list the Bonds on the corporate bond list of a regulated market within 12 calendar months from the first issue date. A failure to list the Bonds will trigger a put option for the Investors. For further information regarding the consequences of a listing failure, see section "*Put option*" below. Even if the Bonds are admitted to trading on a regulated market, active trading in the Bonds does not always occur and a liquid market for trading in the Bonds might not occur even if the Bonds are listed. This may result in that the bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market.

Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if the Bonds are admitted for trading on a regulated market. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

### **The market price of the Bonds may be volatile**

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors. In addition, the global financial markets have experienced significant price and volume fluctuations in the past, which, if repeated in the future, could adversely affect the market price of the Bonds without regard to the Group's operating results, financial condition or prospects.

### **Ability to service debt**

The Issuer's ability to service its debt under the Bonds is dependent upon, among other things, the Group's future financial and operating performance, which is affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all. This would have a negative effect on the Group's operations, earnings, results and financial position.

### **Risks relating to the transaction security**

Although the Issuer's obligations towards the Investors under the Bonds are secured by first priority pledges over the shares in the Issuer and certain Group companies as well as security over a business mortgage, a mortgage deed and certain material intragroup loans, it is not certain that the proceeds of any enforcement sale of the security assets would be sufficient to satisfy all amounts then owed to the Investors.

The bondholders are represented by Nordic Trustee A/S as security agent (the "**Agent**") in all matters relating to the transaction security. There is a risk that the Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security. Further, the transaction security is subject to certain

hardening periods during which times the bondholders do not fully, or at all, benefit from the transaction security.

Subject to the terms of the Intercreditor Agreement (as defined below), the Agent is entitled to enter into agreements with members of the Group or third parties or to take any other actions necessary for the purpose of maintaining, releasing or enforcing the transaction security or for the purpose of settling, among other things, the bondholders' rights to the security.

### **Risks relating to enforcement of the transaction security**

The bondholders will receive proceeds from an enforcement of the transaction security only after obligations of other secured creditors secured on a super senior basis have been repaid in full.

The transaction security may be subject to certain limitations on enforcement (in addition to those set out in the Intercreditor Agreement (as defined below)) and may be limited by applicable Danish law or subject to certain defenses that may limit its validity and enforceability, including financial assistance restrictions.

If a Group company in which shares are pledged in favour of the secured creditors is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such share pledge may then have limited value because all of such Group company's obligations must first be satisfied, potentially leaving little or no remaining assets in the Group company for the secured creditors. As a result, the secured creditors may not recover full or any value in the case of an enforcement sale of such pledged shares. In addition, the value of the shares subject to the pledge may decline over time.

The value of any intra-group loans of the Group that are subject to security in favour of the secured creditors is largely dependent on the relevant debtor's ability to repay such intra-group loan. Should the relevant debtor be unable to repay debt obligations upon enforcement of pledge over the intra-group loans, the secured creditors may not recover the full value of the security granted under such intra-group loans. The floating business charge registered over the Issuer's assets does not prevent the Issuer's disposal of assets in the ordinary course of business, and any new assets acquired after the issue of the charge will be comprised by the charge. The business charge will crystallise in case insolvency procedures against the Issuer are commenced (i.e. typically when a petition for bankruptcy or reconstruction have been filed). Under Danish law a business charge does not always prevail over third party rights established after perfection of the business charge. If (i) a creditor levies distress against any of the assets comprised by the business charge, and (ii) the chargees under the business charge is notified of such appropriation within three days thereof, such lien will rank ahead of the business charge. However, since the lien is subject to a hardening period of three months, the chargees can – depending on the specific circumstances – have the execution deemed void by filing a petition of bankruptcy within three months after the levy of distress. In case of a bankruptcy event, the chargees will be liable (jointly and severally) for bankruptcy costs up to an amount of DKK 50,000.

If the proceeds of an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the bondholders will only have an unsecured claim against the Issuer and its remaining assets (if any) for the amounts which remain outstanding under or in respect of the Bonds.

The insolvency laws of applicable jurisdictions may not be as favourable to the bondholders as bankruptcy laws of other jurisdictions and may preclude or limit the right of the bondholders from recovering payments under the Bonds. The enforceability of the transaction security may be subject to uncertainty. The transaction security may be unenforceable if (or to the extent), for example, the

granting of the security were considered to be economically unjustified for such security providers (corporate benefit requirement). Furthermore, the transaction security may be limited in value, *inter alia*, to avoid a breach of the corporate benefit requirement.

The transaction security may not be perfected, *inter alia*, if the security agent or the relevant security provider is not able to or does not take the actions necessary to perfect or maintain the perfection of any such security. Such failure may result in the invalidity of the relevant transaction security or adversely affect the priority of such security interest, including a trustee in bankruptcy and other creditors who claim a security interest in the same transaction security.

If the Issuer is unable to make repayment under the Bonds and a court renders a judgment that the security granted in respect of the Bonds is unenforceable, the bondholders may find it difficult or impossible to recover the amounts owed to them under the Bonds. Therefore, there is a risk that the security granted in respect of the Bonds might be void or ineffective. In addition, any enforcement may be delayed due to any inability to sell the security assets.

### **Risks related to intercreditor arrangements**

The Issuer have incurred additional debt under a super senior revolving credit facility (the "**Super Senior RCF**") which, in accordance with the terms of an Intercreditor Agreement (as defined below), rank senior to the Bonds. Further, the Issuer may incur additional financial indebtedness which will rank *pari passu* with the Bonds. The relation between certain of the Issuer's creditors (jointly the "**Secured Creditors**") and the security agent is governed by an intercreditor agreement (the "**Intercreditor Agreement**"). Although the obligations under the Bonds and certain other obligations of the Group towards the bondholders and the Secured Creditors is secured by first priority security, there is a risk that the proceeds of any enforcement sale of the security assets will not be sufficient to satisfy all amounts then owed to the Secured Creditors. Furthermore, if the Issuer issues subsequent Bonds, the security position of the current bondholders may be impaired.

The security agent will in accordance with the Intercreditor Agreement in some cases take instructions from a super senior representative under the Super Senior RCF. There is a risk that the security agent and/or a super senior representative under the Super Senior RCF will act in a manner or give instructions not preferable to the bondholders. In addition, the security agent will in some cases take instructions from a senior representative, being those senior creditors whose senior debt at that time aggregate to more than 50 per cent of the total senior debt. If the outstanding senior debt towards other senior creditors than the bondholders exceed the obligations under the Bonds, the bondholders will therefore not be in a position to control the enforcement procedure.

If the outstanding obligations of the Group towards other Secured Creditors than the bondholders increase, there is a risk that the security position of the bondholders is impaired.

Furthermore, there is a risk that the security will not at all times cover the outstanding claims of the Secured Creditors.

The Intercreditor Agreement contains provisions regarding the application of proceeds from an enforcement of security where any agent will receive payments first, secondly any creditor under any super senior debt (including liabilities under super senior hedges), thirdly any creditor *pro rata* under any senior debt (including the bondholders) and lastly any creditor under any shareholder, intercompany and subordinated debt. There is a risk that the enforcement proceeds will not be sufficient in order for the Issuer to satisfy the waterfall provisions above.

### **Subsidiaries, structural subordination and insolvency of subsidiaries**

A part of the Group's assets are owned by the subsidiaries of the Issuer and part of the revenues are generated in such subsidiaries. The subsidiaries are legally distinct from the Issuer and have no obligation to make payments to the Issuer of any profits generated from their business. The ability of the subsidiaries to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and legal restrictions (e.g. limitations on value transfers).

If the Issuer is not able to receive funds by way of dividends or value transfer from one or more subsidiary, this could affect the Issuer's ability to service its payment obligations under the Bonds which would have a material adverse effect on the Issuer's business, financial position, earnings and result.

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group.

### **Currency risks**

The Bonds are denominated and payable in EUR. If bondholders in the Bonds measure their investment return by reference to a currency other than EUR, an investment in the Bonds will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the EUR relative to the currency by reference to which investors measure the return on their investments. This could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the bonds. As a result, there is a risk that investors may receive less interest or principal than expected, or no interest or principal at all.

### **Majority owner**

Following any potential change of control in the Issuer, the Issuer may be controlled by majority shareholder whose interest may conflict with those of the bondholders, particularly if the Group encounters difficulties or is unable to pay its debts as they fall due. A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the board of directors. Furthermore, a majority shareholder may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, although such transactions might involve risks to the bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a material negative impact on the Group's operations, earnings and financial position. According to the Terms and Conditions, if a change of control event occurs, the bondholders have however a right of prepayment of the Bonds (put option). There is thus a risk that the Issuer does not have enough liquidity to repurchase the Bonds if the bondholders use its right of prepayment, see further under Section "*Put option*" below.

### **Put option**

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put option) if:

- (i) prior to an offering of shares in the Issuer or in any of its holding companies whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a regulated market (an "**Equity Listing Event**"), an event or series of events occurs whereby one or more persons, not being GJ Holdings Limited (the "**Main Shareholders**") (and/or any other investment vehicles owned or managed directly or indirectly by Investcorp S.A. (the "**Sponsor**") (or an affiliate of the Sponsor), 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 (being votes which are capable of being cast at general meetings of shareholders), 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;
- (ii) on or after an Equity Listing Event, an event or series of events occurs 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 30 per cent. of the voting shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), 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;
- (iii) the Bonds have (a) not been admitted to listing on Nasdaq Stockholm (or another regulated market) within 12 months after the first issue date, or (b) in the case of a successful admission to listing, the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another regulated market) without being admitted to trading on another regulated market; or
- (iv) following an Equity Listing Event, the shares in the Issuer are delisted from a regulated market.

There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all bondholders and not only those that choose to exercise the option.

#### **Risks related to early redemption and partial repayment of the Bonds**

Under the Terms and Conditions for the Bonds, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. Further, the Issuer may, following an Equity Listing Event, repay up to 35% of the outstanding nominal amount of the Bonds, in which case all outstanding Bonds shall be partially repaid by way of reducing the outstanding nominal amount of each Bond *pro rata*. If the Bonds are redeemed or partially repaid before the final redemption date, the holders of the Bonds have the right to receive an early redemption amount or a premium on the repaid amount (as applicable) which exceeds the nominal amount in accordance with the Terms and Conditions for the Bonds.

However, there is a risk that the market value of the Bonds is higher than the early redemption amount or the repayment amount (including the premium) (as applicable) and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

In addition, a partial repayment of the Bonds may affect the liquidity of the Bonds and may have a negative impact on the market value of the Bonds which could result in bondholders having difficulties to sell the Bonds (at all or at reasonable terms).

### **No action against the Issuer and bondholders' representation**

In accordance with the Terms and Conditions for the Bonds, the Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from or enforcing any security granted by the Issuer and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that an individual bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions for the Bonds), which could negatively impact an acceleration of the Bonds or other action against the Issuer.

To enable the Agent to represent bondholders in court, the bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions for the Bonds, the Agent will in some cases have the right to make decisions and take measures that bind all bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a bondholder's rights under the Terms and Conditions for the Bonds in a manner that is undesirable for some of the bondholders.

### **The rights of bondholders depend on the Agent's actions and financial standing**

By subscribing for, or accepting the assignment of, any Bond, each holder of a Bond accepts the appointment of the Agent (being on the first issue date Nordic Trustee A/S) to act on its behalf and to perform administrative functions relating to the Bonds. The Agent have, among other things, the right to represent the bondholders in all court and administrative proceedings in respect of the Bonds. However, the rights, duties and obligations of the Agent as the representative of the holders of the Bonds is subject to the provisions of the Terms and Conditions for the Bonds, and there is no specific legislation or market practice in Denmark (under which laws the Terms and Conditions for the Bonds are governed) which governs the Agent's performance of its duties and obligations relating to the Bonds. There is a risk that a failure by the Agent to perform its duties and obligations properly or at all will adversely affect the enforcement of the rights of the bondholders.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions for the Bonds. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent with commercially acceptable terms or at all. Further, there is a risk that that the successor Agent would breach its obligations under the above documents or that insolvency proceedings would be initiated against it.

There is a risk that materialisation of any of the above risks will have a material adverse effect on the enforcement of the rights of the holders of the Bonds and the rights of the holders of the Bonds to receive payments under the Bonds.

### **Bondholders' meetings**

The Terms and Conditions for the Bonds include certain provisions regarding bondholders' meetings and written procedures. Such meetings and procedures may be held in order to resolve on matters



relating to the bondholders' interests. The Terms and Conditions for the Bonds allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting or procedure and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting or written procedure. Consequently, there is a risk that the actions of the majority in such matters will impact a bondholder's rights in a manner that is undesirable for some of the bondholders.

#### **Restrictions on the transferability of the Bonds**

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a holder of the Bonds may not offer or sell the Bonds in the United States. The Issuer has not undertaken to register the Bonds under the U.S. Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country's securities laws. It is each potential investor's obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws. Due to these restrictions, there is a risk that a bondholder cannot sell its Bonds as desired. Restrictions relating to the transferability of the Bonds could have a negative effect for some of the bondholders.

#### **Risks relating to the clearing and settlement in Euroclear's book-entry system**

The Bonds are affiliated to Euroclear Sweden AB's ("**Euroclear**") account-based system, and no physical notes are issued. Clearing and settlement relating to the Bonds is carried out within Euroclear's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent on the functionality of Euroclear's account-based system and any problems thereof could have an adverse effect on the payment of interest and repayment of principal under the Bonds.

#### **Amended or new legislation**

This document and the Terms and Conditions are governed by Danish law in force at the date of issuance of the Bonds. There is a risk that amended or new legislation and administrative practices may adversely affect the investor's ability to receive payment under the Terms and Conditions.

#### **Conflict of interests**

The Sole Bookrunner may in the future engage in investment banking and/or commercial banking or other services for the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Sole Bookrunner having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

## THE BONDS IN BRIEF

The following summary contains basic information about the Bonds. It is not intended to be complete and it is subject to important limitations and exceptions. Potential investors should therefore carefully consider this Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Bonds. For a more complete understanding of the Bonds, including certain definitions of terms used in this summary, see the Terms and Conditions.

Bonds issued under this Prospectus have EURIBOR as interest rate. EURIBOR constitutes a benchmark according to the regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). None of the administrators of EURIBOR are, as of the date of this Prospectus, part of the register held by the European Securities and Markets Authority ("**ESMA**") in accordance with article 36 of the Benchmark Regulation.

<b>Issuer</b> .....	Georg Jensen A/S, a limited liability company incorporated in Denmark with Danish company registration no. (CVR-No.) 26 57 36 45 and having its registered address at Søndre Fasanvej 7, DK-2000 Frederiksberg, Denmark.
<b>Bonds Offered</b> .....	The aggregate amount of the bond loan will be an amount of up to a maximum of EUR 60,000,000. The Issuer may choose not to issue the full amount of Bonds on the First Issue Date and may choose to issue the remaining amount of Bonds at one or more subsequent dates. At the date of this Prospectus, an aggregate amount of Bonds of EUR 40,000,000 had been issued on the First Issue Date.
<b>Number of Bonds</b> .....	Maximum 600.
<b>ISIN</b> .....	SE0011167204.
<b>First Issue Date</b> .....	15 May 2018.
<b>Issue Price</b> .....	All Bonds issued on the First Issue Date have been issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount. The issue price of the Subsequent Bonds may be at a discount or at a premium compared to the Nominal Amount.
<b>Interest Rates</b> .....	Interest on the Bonds will be paid at a floating rate of three-month EURIBOR plus 6.00 per cent. per annum.
<b>Interest Payment Dates</b> .....	15 February, 15 May, 15 August and 15 November of each year commencing on 15 August 2018. Interest will accrue from (but excluding) the First Issue Date.
<b>Nominal Amount</b> .....	The Bonds will have a nominal amount of EUR 100,000 and the minimum permissible investment in the Bonds is EUR 100,000.

**Status of the Bonds .....** The Bonds are denominated in EUR and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with the Terms and Conditions.

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer, and:

- will at all times rank *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer without any preference among them, except (A) those obligations which are mandatorily preferred by law and, (B) the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement;
- are guaranteed by the Guarantors (as defined below);
- are effectively subordinated to any existing or future indebtedness or obligation of the Issuer and its subsidiaries that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness; and
- are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Issuer that are not Guarantors, including obligations to trade creditors.

**Guarantees .....** On the date of this Prospectus and subject to the Intercreditor Agreement and applicable corporate law limitations, the Issuer's obligations under the Bonds are jointly and severally guaranteed (the "**Guarantee**") by each of:

- Georg Jensen Investment ApS;
- Georg Jensen Retail A/S; and
- Georg Jensen Pty. Ltd,

each a "**Guarantor**" and jointly the "**Guarantors**".

There is an obligation in the Terms and Conditions for any Material Group Company (as defined in the Terms and Conditions) (other than Georg Jensen Taiwan Ltd.) to accede as guarantor within 60 Business Days after it becomes a Material Group Company.

See "*Description of Material Agreements – Guarantee Agreement*" for further details.

**Ranking of the Guarantees ..** The Guarantee of each Guarantor is a general obligation of such Guarantor and:

- ranks *pari passu* in right of payment with any existing and future indebtedness of such Guarantor that is not subordinated in right of payment to such Guarantee, including the indebtedness under the Super Senior RCF (as defined below);
- ranks senior in right of payment to any existing and future indebtedness of such Guarantor that is expressly subordinated in right of payment to such Guarantee; and
- is effectively subordinated to any existing or future indebtedness or obligation of such Guarantor that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness.

The Guarantees are subject to certain limitations under local law.

<b>Security .....</b>	The Bonds, together with obligations under the Super Senior RCF, are secured by security interests granted on an equal and rateable first-priority basis over the share capital of the Issuer and certain members of the Group and other assets of the Group. See the definition of " <b>Security Documents</b> " in Clause 1.1 ( <i>Definitions</i> ) of the Terms and Conditions.
<b>Call Option.....</b>	The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with Clause 9.3 ( <i>Voluntary Total Redemption</i> ) of the Terms and Conditions.
<b>Redemption Clauses/Equity Claw Back/Put Option .....</b>	<p>The Issuer or the Bondholders (as applicable) has the right to:</p> <ul style="list-style-type: none"> <li>• on one occasion, in connection with an Equity Listing Event (as defined below), repay up to EUR 35,000 per each Bond in accordance with Clause 9.4 (<i>Voluntary partial redemption upon an Equity Claw Back (call option)</i>) together with the applicable Call Option Amount. All outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond <i>pro rata</i>;</li> <li>• redeem all, but not some only, 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</li> </ul>

Documents in accordance with Clause 9.5 (*Early redemption due to illegality (call option)*);

- upon the occurrence of a Change of Control Event, Listing Failure Event or Delisting, 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 twenty (20) Business Days following a notice from the Issuer of the Change of Control Event, Listing Failure Event or Delisting (as applicable) (each as defined below) in accordance with Clause 9.6 (*Mandatory repurchase due to a Change of Control Event, Listing Failure Event or Delisting (put option)*).

**Call Option Amount .....** Call Option Amount means:

- (a) any time prior to the First Call Date, at an amount per Bond equal to the First Call Amount together with accrued but unpaid Interest;
- (b) any time from and including the First Call Date to, but excluding, the first CSD Business Day falling thirty-six (36) months after the First Issue Date at an amount per Bond equal to 103.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) any time from and including the first CSD Business Day falling thirty-six (36) months after the First Issue Date to, but excluding, the first CSD Business Day falling forty-eight (48) months after the First Issue Date at an amount per Bond equal to 101.50 per cent. of the Nominal Amount, together with accrued but unpaid interest;
- (d) any time from and including the first CSD Business Day falling forty-eight (48) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.75 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
- (e) 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 CSD Business Day falling fifty-seven (57) months after the First Issue Date to, but excluding, the Final Maturity Date, at an amount equal to 100

per cent. of the Nominal Amount together with accrued but unpaid Interest.

**First Call Date**..... Means the date falling 24 months after the First Issue Date.

**First Call Amount** ..... Means an amount equal to:

- (a) 103.00 per cent. of the Nominal Amount; and
- (b) the remaining coupon payments (assuming that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the interpolated EUR mid-swap rate for the remaining term from the redemption date until the First Call Date plus the applicable Floating Rate Margin), less any accrued but unpaid interest, through and including the First Call Date, and where "relevant record date" shall mean a date agreed upon between the Agent, the CSD and the Issuer in connection with such repayment.

**Final Maturity Date** ..... Means 15 May 2023.

**Change of Control Event**..... Means:

- prior to an Equity Listing Event, 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 (i) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), or (ii) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer; and
- on or after an Equity Listing Event, 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 (i) acquiring or controlling, directly or indirectly, more than 30 per cent. of the voting shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), or (ii) the right to, directly or indirectly, appoint or remove all or a majority of

the directors of the board of directors of the Issuer.

- Listing Failure Event .....** Means:
- (a) that the Bonds have not been admitted to listing on Nasdaq Stockholm (or another Regulated Market) within 12 months after the First Issue Date;
  - (b) any Subsequent Bonds (as defined below) issued later than 12 months after the First Issue Date have not been admitted to listing on Nasdaq Stockholm (or another Regulated Market) within 20 days after the issuance of such Subsequent Bonds; or
  - (c) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Regulated Market) without being admitted to trading on another Regulated Market.
- Delisting .....** Means, following an Equity Listing Event, the delisting of the shares in the Issuer from a Regulated Market.
- Equity Listing Event .....** Means an offering of shares in the Issuer or any of its holding companies whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a Regulated Market.
- Main Shareholder .....** Means GJ Holdings Limited (and/or any other investment vehicles owned or managed directly or indirectly by the Sponsor).
- Certain Covenants.....** The Terms and Conditions contain a number of covenants which restrict the ability of the Issuer, the Obligors (as applicable) and other members of the Group, including, *inter alia*:
- restrictions on making any changes to the nature of their business;
  - a negative pledge, restricting the granting of security on Financial Indebtedness (as defined in the Terms and Conditions);
  - restrictions on the incurrence of Financial Indebtedness (as defined in the Terms and Conditions); and
  - limitations on the making of distributions and disposal of assets.

The Terms and Conditions contain incurrence covenants which govern the ability of the Issuer and the other members of the Group to incur additional debt and/or to make Restricted Payments.

Each of these covenants is subject to significant exceptions and qualifications, see the Terms and Conditions.

<b>Use of Proceeds .....</b>	<p>The Issuer shall:</p> <ul style="list-style-type: none"> <li>• use the Net Proceeds from the Initial Bond Issue, towards (i) refinancing the Refinancing Debt, (ii) financing general corporate purposes of the Group, and (iii) financing the Transaction Costs; and</li> <li>• use the Net Proceeds from any Subsequent Bond Issue, towards (i) financing general corporate purposes of the Group (including potential acquisitions), and (ii) financing the Transaction Costs.</li> </ul>
<b>Subsequent Bond Issue .....</b>	Has the meaning set forth in Clause 2(e) in the Terms and Conditions.
<b>Transfer Restrictions .....</b>	The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
<b>Obligors .....</b>	Means the Issuer and each Guarantor.
<b>Listing.....</b>	Application has been made to list the Bonds on the corporate bonds list on Nasdaq Stockholm.
<b>Agent.....</b>	Nordic Trustee A/S, Danish company registration no. (CVR-No.) 34 70 57 20, Bredgade 30, DK-1260 Copenhagen K, Denmark, (or any of its Affiliates) or another party replacing it, as Agent, in accordance with the Terms and Conditions.
<b>Security Agent .....</b>	The security agent holding the Transaction Security on behalf of the Secured Parties, being Nordic Trustee A/S on the First Issue Date.
<b>Issuing Agent .....</b>	DNB Bank ASA, Sweden Branch, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.
<b>Governing Law of the Bonds</b>	Danish law.



**Governing Law of the Intercreditor Agreement .....** Danish law.

**Governing Law of the Guarantee & Adherence Agreement.....** Danish law.

**Risk Factors.....** Investing in the Bonds involves substantial risks and prospective investors should refer to the section "*Risk Factors*" for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

## STATEMENT OF RESPONSIBILITY

The issuance of the Bonds was authorised by resolutions taken by the board of directors of the Issuer on 19 April 2018, and was subsequently issued by the Issuer on 15 May 2018. This Prospectus has been prepared in connection with the Issuer's application to list the Bonds on the corporate bond list of Nasdaq Stockholm, in accordance with the Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC as amended by the Directive 2010/73/EC of the European Parliament and of the Council and Chapter 2 of the Trading Act.

The board of directors of the Issuer is responsible for the information given in this Prospectus. The Issuer and its board of directors is the source of all company specific data contained in this Prospectus and the Sole Bookrunner has conducted no efforts to confirm or verify the information supplied by the Issuer. The board of directors of the Issuer confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Issuer's knowledge, in accordance with the facts and contains no omissions likely to affect its import. Any information in this Prospectus and in the documents incorporated by reference which derive from third parties has, as far as the Issuer is aware and can be judged on the basis of other information made public by that third party, been correctly represented and no information has been omitted which may serve to render the information misleading or incorrect. The board of directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus is, to the best of the board of directors' knowledge, in accordance with the facts and contains no omission likely to affect its import.

2 May 2019

Georg Jensen A/S  
*The board of directors*

## DESCRIPTION OF MATERIAL AGREEMENTS

The following is a summary of the material terms of material agreements to which the Issuer is a party and considered as outside of the ordinary course of business. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements.

### Super Senior Revolving Credit Facility Agreement

The Issuer has entered into a super senior revolving credit facility agreement as borrower, with DNB Sweden AB as lender and DNB Bank ASA, Sweden Branch as facility agent, dated 15 May 2018 (the "**Super Senior RCF**"). The total commitment under the Super Senior RCF amounts to EUR 10,000,000. The Super Senior RCF has been provided to the Issuer to be applied for working capital requirements and general corporate purposes of the Group. The final termination date for the Super Senior RCF is 15 November 2022.

### Guarantee Agreement

The Guarantors and the Issuer have entered into a guarantee and adherence agreement with the Security Agent dated 15 May 2018 (the "**Guarantee Agreement**"), pursuant to which the Guarantors have agreed to jointly and severally guarantee the Group's obligations as follows:

- the full and punctual payment and performance within applicable grace periods of all Guaranteed Obligations, including the payment of principal and premium, if any, and interest under the Senior Finance Documents (as defined in the Intercreditor Agreement) when due, whether at maturity, by acceleration, by redemption or otherwise, and interest on any such obligation which is overdue, and of all other monetary obligations of the Guarantors to the Secured Parties under the Senior Finance Documents;
- the full and punctual performance within applicable grace periods of all other obligations and liabilities of the Guarantors under the Senior Finance Documents; and
- the full and punctual performance of all obligations and liabilities of the Guarantors under any Transaction Security Document to which it is a party.

The Guarantees are subject to the Intercreditor Agreement and certain limitations imposed by local law requirements in certain jurisdictions.

### Intercreditor Agreement

The Issuer as Issuer, DNB Bank ASA, Sweden Branch as original facility agent and original hedge counterparty, DNB Sweden AB as original super senior RCF creditor, Nordic Trustee A/S as original bonds agent and original security agent and certain entities as original ICA group companies have entered into an intercreditor agreement dated 15 May 2018 (the "**Intercreditor Agreement**"). The terms of the Intercreditor Agreement provides for the following rank of Debt in respect of proceeds in right and priority of payment following an application of an Enforcement Action (each as defined therein) in the following order:

- *first*, the Super Senior Debt (*pari passu* between all indebtedness under the Super Senior RCF and the Hedging Obligations) (each as defined therein);

- *secondly*, the Senior Debt (*pari passu* between all indebtedness under the Bonds and any New Debt) (each as defined therein);
- *thirdly*, any liabilities raised in the form of Intercompany Debt (each as defined therein); and
- *fourthly*, any liabilities raised in the form of Shareholder Debt (each as defined therein).

***Other material agreements***

No other material agreements have been entered into by the Group.

## DESCRIPTION OF THE GROUP

### History and development

The Issuer was established in 1904 and is a Danish limited liability company operating under the laws of Denmark with Danish reg. no. (CVR - No.) 26 57 36 45.

The registered office and the headquarters of the Issuer is Søndre Fasanvej 7, 2000 Frederiksberg, Denmark with telephone number +45 38 14 98 98.

In accordance with the articles of association of the Issuer, adopted on 28 September 2015, the objects of the Issuer is manufacturing and trade, particularly within the jewellery, silver and gold industry, and any other business activities which in the opinion of the board of directors are related thereto.

### History

#### *1904*

The Danish silversmith Georg Jensen founded the Issuer in Copenhagen, Denmark.

#### *1906*

Georg Jensen starts collaborating with painter and designer Johan Rohde.

#### *1909 - 1921*

Georg Jensen opens retail stores in Berlin, Paris, London

#### *1924*

The first US store is opened on Fifth Avenue in New York City.

#### *1930*

Sigvard Bernadotte joins Georg Jensen as the first non-Danish designer.

#### *1945*

Henning Koppel joins Georg Jensen as a designer.

#### *1967*

Vivianna Torun Bûlow-Hûbe joins Georg Jensen as a designer.

#### *1972 – 1990*

Georg Jensen enters Australia (1972), HK (1986) Taiwan (1989), and Japan (1990).

#### *1987*

Designer Nina Koppel joins Georg Jensen.

#### *2012*

Investcorp acquires Georg Jensen.

#### *2016*

Georg Jensen makes strategic decision to invest in digital transformation.

### Business and operations

The Group is a Scandinavian design, manufacturing and distribution company with an international presence in 13 different countries around the globe offering high quality jewellery, watches, silver and home products. The Group owns and manages retail stores in Europe, the Asia Pacific region and in the North Americas. The Group owns and operates a jewellery plant in Thailand and a plating plant in Denmark. The Group sources most of its home products from third party suppliers. The Group is headquartered in Copenhagen where product development, supply chain coordination, brand & marketing, other Group functions and senior management resides.

### **Brands and concepts**

The Group is the owner of the brand Georg Jensen which is a Scandinavian design brand focusing on being contemporary, using high quality raw materials and processing methods. The Group creates value by using craftsmanship to provide beautiful iconic and timeless products within jewellery, products for the home and silver that inspire people to express themselves. The Group has the rights to a number of 20<sup>th</sup> Century legacy designs both within jewellery and home products.

In jewellery Georg Jensen is positioned as a luxury brand whose distinctive feature is a combination of pure Scandinavian design, the inspiration from nature and the use of uncommon stones. In home business, Georg Jensen is positioned as a premium brand. The home segment offers a wide range of Scandinavian designed home décor items, including candle holders, bowls, porcelain and cutlery products largely made from wood, stainless steel, brass and silver. The Group further provides modern design watches priced in the lower range of the luxury segment inspired by Scandinavian design. In silver, Georg Jensen is a luxury silver brand, providing iconic design items that are handcrafted in Denmark cater to collectors and high end consumers seeking unique masterpieces.

Jewellery constitute approximately 49 per cent. of revenue while home products account for 40 per cent. The rest is split among watches, silver ware and other products.

Revenue split per product category	2018
Jewellery	49%
Home	40%
Watches	5%
Silverware	3%
Other	3%

### **Business model and market overview**

The Group is currently active on several different markets around the world and, at the date of this Prospectus, Europe represents approximately 53 per cent. of the sales of the Group, the Asia Pacific region approximately 42 per cent. of the sales of the Group and North Americas approximately 6 per cent. of the sales of the Group. The sales goes through the following channels: retail, wholesale, e-commerce and some business-to-business.

Scandinavia is the Group's largest regional market representing approximately 38 per cent. of the Group's total revenue. Denmark is the single largest national market. The primary sales channel in Scandinavia is wholesale and retail. Other sales channels include business-to-business and e-commerce, Denmark being the largest market for both.

The second largest regional market is APAC constituting of Australia, Taiwan, Japan, Hong Kong and China. The largest market in the region is Australia, contributing to approximately 21 per cent. of Group revenue thereby being the second largest market of the Group overall. The third largest market

of the Group is Taiwan. Almost all sales in APAC is through wholly owned retail outlets. The Group owns and operates a total of 84 retail outlets in the APAC region.

Revenue split per market	2018
Denmark	26%
Australia	21%
Taiwan	11%
Sweden	8%
Japan	7%

### Share capital and ownership structure

The shares of the Issuer are denominated in DKK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Issuer has an issued share capital of DKK 139,649,100 divided into 1,396,491 shares.

All the shares in the Issuer are owned by Georg Jensen Investment ApS, a Danish private limited company (Dk. *Anpartselskab*) operating under the laws of Denmark with Danish reg. no. (CVR – No.) 34 72 08 19 (the "Parent").

The following table sets forth the ownership structure in the Issuer as per the date of this Prospectus.

<i>Shareholder</i>	<i>No. of shares</i>	<i>Share capital</i>	<i>Voting Rights</i>
Georg Jensen Investment ApS	1,396,491	100.00 %	100.00 %
<b>Total</b>	<b>1,396,491</b>	<b>100.00 %</b>	<b>100.00 %</b>

The following table sets forth the ownership structure in the Parent as per the date of this Prospectus.

<i>Shareholder</i>	<i>No. of shares</i>	<i>Share capital</i>	<i>Voting Rights</i>
Moonlight II B.V	3,170,441	100.00 %	100.00 %
<b>Total</b>	<b>3,170,441</b>	<b>100.00 %</b>	<b>100.00 %</b>

Georg Jensen Investment ApS is controlled, and the Issuer is consequently also controlled, by investment vehicles owned or managed directly or indirectly by Investcorp S.A., a private limited liability company incorporated in the Cayman Islands with registration number 240820 (the "Sponsor").

### Shareholders' agreements

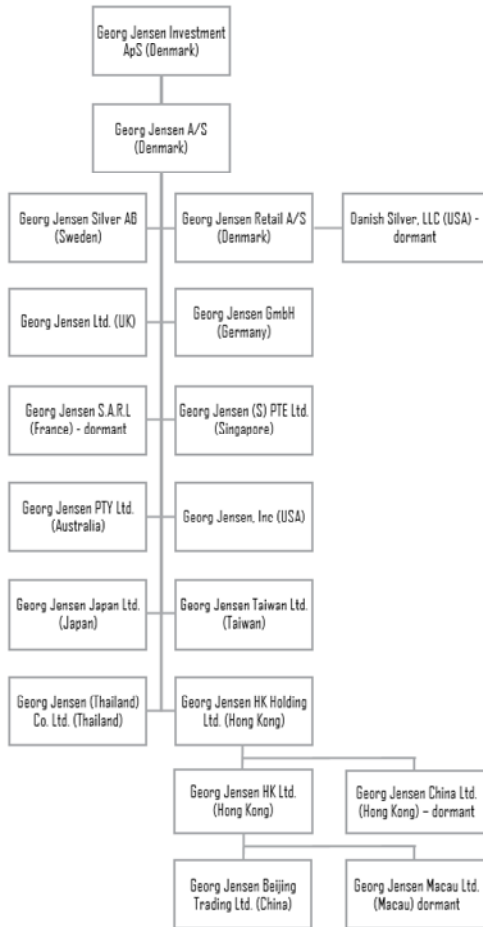
The Issuer is not aware of the details of any provision in the arrangement between its shareholders, the operation of which may at a subsequent date result in a change in control of the Issuer.

### Overview of Group structure

Currently, the Issuer has, directly and indirectly, 17 wholly-owned subsidiaries.

Operations are partly conducted by the subsidiaries and the Issuer is thus partly dependent on its subsidiaries to generate revenues and profit in order to be able to fulfil its payment obligations under the Bonds.

The structure of the Group, including its subsidiaries, is set out below.



Excluded entities:

Georg Jensen NUF (branch of Georg Jensen A/S in Norway)  
Representation Office of Georg Jensen A/S in Shenzhen, China



### **Recent events**

There has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Issuer's or the Guarantors solvency.

### **Significant change and trend information**

There has been no material adverse change in the prospects of the Group since the date of publication of its last audited annual accounts and no significant change in the financial or trading position of the Group since the end of the last financial period for which audited financial information has been published.

### **Legal and arbitration proceedings**

The Group is currently involved in two legal disputes. Both disputes derive from the Issuer's acquisition of a minor Danish vintage silver company (the "**Target**") in 2013.

The first litigation involves the Issuer, its subsidiary, the Guarantor Georg Jensen Retail A/S, and its owner, the Parent, and nine other non-Danish entities and individuals affiliated with the Issuer and Investcorp. The seller of Target (the "**Seller**") claims that the Issuer and the other 11 defendants are liable for damages due to (contributory) negligence and/or breach of the "Share sale and purchase agreement" entered into between the Seller and the Issuer regarding the sale of Target. The Seller's total alleged loss has been claimed against all defendants under joint and several liability. No evidence has been produced by the Seller with respect to the loss and loss calculation. In the view of the Issuer, the Seller has not established any breach or negligence on the part of any of the defendants nor has the Seller substantiated the alleged claim and losses in fact or in law.

The second litigation involves the Issuer and its subsidiary, the Guarantor Georg Jensen Retail A/S. The Individual who owns the Seller and who was employed by the Issuer after the acquisition of the Target (the "**Individual**") has an alleged claim relating to a management equity programme. In the view of the Issuer, the Individual has not established any circumstances that could trigger a payment event under the management equity programme nor has the Individual substantiated the alleged claim in fact or in law.

Besides the aforementioned disputes, neither the Issuer nor the Group is, or has been over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

### **Credit rating**

No credit rating has been assigned to the Issuer or any Guarantor, nor any of their debt securities.

## MANAGEMENT

### BOARD OF DIRECTORS AND MANAGEMENT OF THE ISSUER

The board of directors of the Issuer currently consists of seven members of which five have been elected by the general meeting and two by the employees of the Issuer (employee representatives). The board of directors and the senior management can be contacted through the Issuer at its headquarters at Søndre Fasanvej 7, 2000 Frederiksberg, Denmark. Further information on the members of the board of directors and the senior management is set forth below.

The below members of the board of directors and management are not shareholders in the Issuer or any Guarantor.

#### Board of directors

##### ***Hazem Ben-Gacem, executive chairman and member of the board since 2012.***

**Education:** BA with honors in Economics from Harvard University.

**Current commitments:** Hazem serves on Investcorp's Operating Committee, Global Private Equity Committee, European Real Estate Investment Committee and Financial & Risk Management Committee and is the co-CEO of Investcorp. In addition to his position with Investcorp, Hazem is a board member of the Parent, chairman of the board of the Italian luxury menswear brand Corneliani, deputy chairman of the Italian protective gear maker Dainese and also serves on the board of the Swedish ski helmet maker POC.

##### ***Andrea Davis, member of the board since 2016.***

**Education:** BSc in Computer Science and Electronics and an MBA from the London Business School.

**Current commitments:** Andrea serves on the board of directors of the Parent, the Italian luxury menswear brand Corneliani, the cyber security infrastructure and managed services provider SecureLink, the Italian protective gear maker Dainese and the Swedish ski helmet maker POC.

##### ***David Chu, deputy chairman and member of the board since 2012.***

**Education:** Designer

**Current commitments:** David is the chairman of the board of Georg Jensen Investment ApS.

##### ***Sebastian Inger, member of the board since 2017.***

**Education:** BSc and MSc in Finance with a sub-degree in Japanese from the School of Business, Economics and Law in Gothenburg and Keio University in Tokyo.

**Current commitments:** Sebastian serves as a board director of the Parent, at the telematics service provider Abax and the Swedish electronic healthcare records provider Cambio.

##### ***Francesco Pesci, member of the board since 2017.***

**Education:** MSc in Economics and Business Administration LUISS Rome, Italy.

**Current commitments:** Chief Executive Officer of the Issuer and board member of the Issuer, the Parent and holds various management positions and serves as chairman and/or board member of a number of subsidiaries of the Issuer.

***Ida Heiberg Bøttiger, member of the board since 2019 (Elected by employees of Georg Jensen).***

**Education:** Product Manager Masterpieces

**Current commitments:** N/A

***Inge Andersen, member of the board since 2007 (Elected by employees of Georg Jensen).***

**Education:** Production Worker

**Current commitments:** N/A

## **Management**

***Francesco Pesci, Chief Executive Officer***

Francesco has been the CEO of Georg Jensen since November 2017. He is a seasoned business executive with comprehensive international experience in luxury fashion and consumer goods.

***Peter Thostrup, Chief Financial Officer***

Peter is a senior executive with 30 years' operational and managerial experience as well as an array of working chairman positions. Peter joined Georg Jensen as CFO in 2019.

***John Helms, Chief Operating Officer***

John is an international senior executive with more than 20 years' experience in operations and finance. John joined Georg Jensen in 2017.

***Casper Freddie, Chief Wholesale Officer***

Casper is an executive with extensive wholesale experience and employed at Georg Jensen in various positions from 2008 to 2013, his last role being that of VP Global Wholesale. Casper re-joined Georg Jensen in 2018.

***Philip Wegloop, Chief Marketing Officer***

Philip is an experienced marketer with profound focus on digital, sales and customer journey & experience. Philip joined Georg Jensen in 2017.

***Nicholas Manville, Chief Creative Officer***

Nicholas joined Georg Jensen in 2015. He is an executive with over 20 years of experience in luxury brands with expertise in product development, design and growing business concepts in global retail, wholesale and E-commerce environments.

***Pernilla Aadal Lund, Head of Global HR***

Pernilla is an educated Danish Business Psychologist and a strong HR Profile with substantial experience in organizational design, restructuring operations, leadership and cultural assessment. Pernilla joined Georg Jensen in 2018.

## BOARD OF DIRECTORS AND MANAGEMENT OF THE GUARANTORS

The entities providing unconditional and irrevocable guarantees for the obligations under the Terms and Conditions are detailed below. Each Guarantor may be contacted through the address of the Issuer.

The below members of the board of directors and management are not shareholders in the Issuer or any Guarantor.

### **Georg Jensen Investment ApS**

Georg Jensen Investment ApS, a Danish private limited company (Dk. *Anpartsselskab*) operating under the laws of Denmark with Danish reg. no. (CVR – No.) 34 72 08 19 with its registered office at Søndre Fasanvej 7, 2000 Frederiksberg, Denmark. In accordance with the articles of association of the Georg Jensen Investment ApS, adopted on 1 July 2017, the objects of the company is to own shares in other companies investment business and operations in relation thereto.

At the date of this Prospectus the paid share capital of Georg Jensen Investment ApS is DKK 317,044,100 represented by 3,170,441 shares.

Information on the members of the board of directors of Georg Jensen Investment ApS is set forth below.

#### ***David Chu, chairman and member of the board since 2012.***

**Education:** Designer

**Current commitments:** David is a board member of the Issuer.

#### ***Sebastian Inger, member of the board since 2017.***

**Education:** BSc and MSc in Finance with a sub-degree in Japanese from the School of Business, Economics and Law in Gothenburg and Keio University in Tokyo.

**Current commitments:** Sebastian serves as a board director of the Issuer, at the telematics service provider Abax and the Swedish electronic healthcare records provider Cambio.

#### ***Hazem Ben-Gacem, deputy chairman and member of the board since 2012.***

**Education:** BA with honors in Economics from Harvard University.

**Current commitments:** Hazem serves on Investcorp's Operating Committee, Global Private Equity Committee, European Real Estate Investment Committee and Financial & Risk Management Committee and is the co-CEO of Investcorp. In addition to his position with Investcorp, Hazem serves as chairman of the board of the Issuer, board member of the Italian luxury menswear brand Corneliani, deputy chairman of the Italian protective gear maker Dainese and also serves on the board of the Swedish ski helmet maker POC.

**Andrea Davis, member of the board since 2016.**

**Education:** BSc in Computer Science and Electronics and an MBA from the London Business School.

**Current commitments:** Andrea serves on the board of directors of the Issuer, the Italian luxury menswear brand Corneliani, the cyber security infrastructure and managed services provider SecureLink, the Italian protective gear maker Dainese and the Swedish ski helmet maker POC.

**Sebastian Inger, member of the board since 2017.**

**Education:** BSc and MSc in Finance with a sub-degree in Japanese from the School of Business, Economics and Law in Gothenburg and Keio University in Tokyo.

**Current commitments:** Sebastian serves as a board member of the Issuer, as board director at the telematics service provider Abax and the Swedish electronic healthcare records provider Cambio.

**Francesco Pesci, member of the board since 2017.**

**Education:** MSc in Economics and Business Administration LUISS Rome, Italy

**Current commitments:** Chief Executive Officer of the Issuer and board member of the Issuer, the Parent and holds various management positions and serves as chairman and/or board member of a number of subsidiaries of the Issuer.

**Management****Francesco Pesci, Chief Executive Officer**

Francesco has been the CEO of Georg Jensen since November 2017. He is a seasoned business executive with comprehensive international experience in luxury fashion and consumer goods.

**Georg Jensen Retail A/S**

Georg Jensen Retail A/S, a Danish limited company (Dk. *Aktieselskab*) operating under the laws of Denmark with Danish reg. no. (CVR – No.) 34 89 88 47 with its registered office at Søndre Fasanvej 7, 2000 Frederiksberg, Denmark. In accordance with the articles of association of the Georg Jensen Retail A/S, adopted on 26 August 2014, the objects of the company is manufacturing and trade, particularly within the jewellery, silver and gold industry, and any other business activities which in the opinion of the board of directors are related thereto.

At the date of this Prospectus the paid share capital of Georg Jensen Retail A/S is DKK 581,000 represented by 581 shares.

Information on the members of the board of directors of Georg Jensen Retail A/S is set forth below.

**Casper Freddie, chairman and member of the board since 2018.**

**Education:** Academy Profession Degree in International Business, Niels Brock Copenhagen School of International Business, Denmark

**Current commitments:** Chief Wholesale Officer of the Issuer, chairman of Georg Jensen Retail A/S, chairman/legal representative of Georg Jensen Beijing Trading Co. Ltd., board member of Georg Jensen Ltd. and Georg Jensen, Inc.

***Francesco Pesci, member of the board since 2017.***

**Education:** MSc in Economics and Business Administration LUISS Rome, Italy

**Current commitments:** Chief Executive Officer of the Issuer and board member of the Issuer, the Parent and holds various management positions and serves as chairman and/or board member of a number of subsidiaries of the Issuer.

***Nicholas Manville, member of the board since 2017.***

**Education:** BA in history from New York University, USA

**Current commitments:** SVP, Design & Product Development of the Issuer, board member of Georg Jensen Retail A/S, Georg Jensen Silver AB, Georg Jensen Taiwan Ltd. and Georg Jensen, Inc.

## **Management**

***Francesco Pesci, Chief Executive Officer***

Francesco has been the CEO of Georg Jensen since November 2017. He is a seasoned business executive with comprehensive international experience in luxury fashion and consumer goods.

## **Georg Jensen Pty. Ltd.**

Georg Jensen Pty. Ltd., an Australian limited proprietary company (limited by shares) operating under the laws of Australia with reg. no. (ABN) 78 000 773 633 with its registered office at Unit 18, 3 Vuko Place, Warriewood, NSW, 2102, Australia. In accordance with the articles of association of the Georg Jensen Pty. Ltd., adopted in 1970, the objects of the company are:

- (a) To import, market and deal with goods and equipment of all kinds, classes and descriptions manufactured, marketed and/or dealt in by AB KOSTA GLASBRUK and/or BODA BRUKS AB of Sweden, or by any subsidiary, related or associated company of the said companies or of either of them.
- (b) To carry on all or any of the trades or businesses of manufacturers of glass and glass products of all kinds, classes and descriptions.
- (c) To carry on the business or businesses of manufacturing, designing, selling, and dealing in equipment, apparatus, accessories and other goods, wares and merchandise of any kind, class or description.
- (d) To acquire, construct, erect, lay down, maintain, enlarge, alter, work and use all such lands, buildings, easements, gas and other works, machinery, plant, stock, pipes, lamps, motors, fittings, meters, apparatus, materials and things, and to supply all such materials, products and things as may be necessary, incident, or convenient in connection with the production, use, storage, regulation, measurement, supply and distribution of any of the products of the company.
- (e) To manufacture, buy, sell and deal in radio and/or television equipment (both receiving and transmitting) of any class, kind or description.

- (f) To manufacture, buy, sell, dispose of or deal in medical apparatus and equipment of any kind, class or description.
- (g) To carry on business as bankers, capitalists, financiers, concessionaires and merchants and to undertake and carry on and execute financial, commercial and trading transactions and operations of any kind, class or description.
- (h) To carry on the business of manufacturers' representatives mercantile agents, mercantile brokers, general agents, general merchants, importers, exporters, warehousemen, bonded warehousemen, free warehousemen, forwarding and general agents in all their respective branches and to execute and carry on all kinds of commercial trading financial and other operations or business whatsoever.

At the date of this Prospectus the paid share capital of Georg Jensen Pty. Ltd. is AUD 10,103,463.55 represented by 4,000 preferential shares and 192,471,727 ordinary shares.

Information on the members of the board of directors of Georg Jensen Pty. Ltd. is set forth below.

***Francesco Pesci, chairman and member of the board since 2018.***

**Education:** MSc in Economics and Business Administration LUISS Rome, Italy

**Current commitments:** Chief Executive Officer of the Issuer and board member of the Issuer, the Parent and holds various management positions and serves as chairman and/or board member of a number of subsidiaries of the Issuer.

***Anne Sullivan, member of the board since 2009.***

**Education:** HSC Certificate  
Retail Diploma RMIT

**Current commitments:** Director and board member of Georg Jensen Pty. Ltd., Ltd., board member of Georg Jensen (Thailand) Co. Ltd. and Georg Jensen Beijing Trading Co. Ltd., and chairman/legal representative of Georg Jensen Taiwan Limited.

## **Management**

***Anne Sullivan, Managing Director, Australia, and Head of APAC***

Anne is a consummate retail professional with over 30 years' experience in establishing and growing the business across local and regional channels. She has lead the Australian operation since 2009 prior to taking on the regional role in 2018.

***Lisa Canesta, Chief Financial Officer***

Lisa has extensive senior Finance experience working across multi-nationals for over 25 years. She joined the Georg Jensen Australian operation in 2012.

**Conflicts of interest within administrative, management and control bodies**

To the extent that can be reasonably verified by the Group, no conflict of interest exists regarding the private affairs, family relations, or any other kind, between members of the administrative and senior management bodies that might conflict with the Groups's interests or prevent the aforementioned to faithfully execute their duties to the Group.

Some members of the board of directors and management have private interests in the Issuer and the Guarantor's by their holding of shares in the Issuer's indirect parent company. The members of the board of directors and the management may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Issuer or the Guarantors may participate, the members of the board of directors or the management may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a board meeting of the Issuer or a Guarantor, a board member which has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. Other than the aforementioned, none of the board members or the management has any private interests which may conflict with the interests of the Issuer and the Guarantors.

**Interest of natural and legal persons involved in the issue**

The Sole Bookrunner and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Sole Bookrunner and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.



## HISTORICAL FINANCIAL INFORMATION

### Historical financial information

The Group's consolidated financial statements for the financial year ended 31 December 2018 and the consolidated financial statements for the financial year ended 31 December 2017 as set out below are incorporated into this Prospectus by reference as well as, the Guarantors annual reports for the financial year ended 31 December 2017 and the annual reports for the financial year ended 31 December 2016 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus.

The Group's consolidated financial statements for the financial year ended 31 December 2017 has been prepared in accordance with the Danish Generally Accepted Accounting Principles ("**Danish GAAP**"). The Group's consolidated financial statements for the financial year ended 31 December 2018 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU. The Parent and Georg Jensen Retail A/S's annual reports for the financial years ended 31 December 2017 and 31 December 2016 have been prepared in accordance with Danish GAAP. Georg Jensen Pty. Ltd. annual reports for the financial years ended 31 December 2017 and 31 December 2016 has been prepared in accordance with Australian Generally Accepted Accounting Principles.

Other than the auditing of the Group's consolidated financial statements for the financial year ended 31 December 2018 and for the financial year ended 31 December 2017, the Issuer's auditor has not audited or reviewed any part of this Prospectus.

The Group's consolidated financial statements for the financial year ended 31 December 2018 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 29;
- consolidated balance sheet, page 30-31;
- consolidated cash flow statement, page 35;
- consolidated statement of changes in equity, page 34;
- the audit report, page 26-28; and
- notes, page 36-86.

The specific information set out below (as also stated in section "*Other information*" subheading "*Documents incorporated by reference*" in this Prospectus) from the Group's consolidated financial statements for the financial year ended 31 December 2017 is incorporated into this Prospectus by reference. The other information set out in the consolidated financial statements for the financial year ended 31 December 2017 is deemed to not be relevant for the purpose of the Prospectus Regulation as corresponding up to date information is included in the consolidated financial statements for the financial year ended 31 December 2018.

- consolidated income statement, page 26;
- consolidated balance sheet, page 27-28;
- consolidated cash flow statement, page 30;
- consolidated statement of changes in equity, page 29;
- the audit report, page 24-25; and
- notes, page 34-54.

The Parent's annual report for the financial year ended 31 December 2017 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- income statement, page 17;
- balance sheet, page 18-19;
- cash flow statement, page 21;
- statement of changes in equity, page 20;
- the audit report, page 14-16; and
- notes, page 24-43.

The specific information set out below (as also stated in section "*Other information*" subheading "*Documents incorporated by reference*" in this Prospectus) from the Parent's annual report for the financial year ended 31 December 2016 is incorporated into this Prospectus by reference. The other information set out in the annual report for the financial year ended 31 December 2016 is deemed to not be relevant for the purpose of the Prospectus Regulation as corresponding up to date information is included in the annual report for the financial year ended 31 December 2017.

- income statement, page 16;
- balance sheet, page 17-18;
- cash flow statement, page 20;
- statement of changes in equity, page 19;
- the audit report, page 13-15; and
- notes, page 21-41.

Georg Jensen Retail A/S's annual report for the financial year ended 31 December 2017 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- income statement, page 8;
- balance sheet, page 17-18;
- cash flow statement, page 20;
- statement of changes in equity, page 19;
- the audit report, page 13-15; and
- notes, page 21-41.

The specific information set out below (as also stated in section "*Other information*" subheading "*Documents incorporated by reference*" in this Prospectus) from the Georg Jensen Retail A/S's annual report for the financial year ended 31 December 2016 is incorporated into this Prospectus by reference. The other information set out in the annual report for the financial year ended 31 December 2016 is deemed to not be relevant for the purpose of the Prospectus Regulation as corresponding up to date information is included in the annual report for the financial year ended 31 December 2017.

- income statement, page 11;
- balance sheet, page 12-13;
- cash flow statement, page n/a;
- statement of changes in equity, page 13 and 17;
- the audit report, page 6-7; and
- notes, page 14-18.

Georg Jensen Pty. Ltd's annual report for the financial year ended 31 December 2017 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- income statement, page 6;
- balance sheet, page 7;
- consolidated cash flow statement, page 9;
- statement of changes in equity, page 8;
- the audit report, page 25-27; and
- notes, page 10-23.

The specific information set out below (as also stated in section "*Other information*" subheading "*Documents incorporated by reference*" in this Prospectus) from the Georg Jensen Pty. Ltd's annual report for the financial year ended 31 December 2016 is incorporated into this Prospectus by reference. The other information set out in the annual report for the financial year ended 31 December 2016 is deemed to not be relevant for the purpose of the Prospectus Regulation as corresponding up to date information is included in the annual report for the financial year ended 31 December 2017.

- income statement, page 5;
- balance sheet, page 6;
- consolidated cash flow statement, page 8;
- statement of changes in equity, page 7;
- the audit report, page 25-27; and
- notes, page 10-23.

### **Factors affecting comparability of the historical financial information**

The Group's financial information for the financial year ended 31 December 2017 was prepared in accordance with Danish GAAP. The Group has since then changed its accounting principles and the consolidated financial statements for the financial year ended 31 December 2018 was prepared in accordance with IFRS. The comparative historical financial information for the financial year ended 31 December 2017 has been retrospectively presented and prepared in accordance with IFRS and is presented together with the financial information for the financial year ended 31 December 2018 to ensure the historical comparability between the financial periods.

### **Auditing of the annual historical financial information**

#### The Issuer

The Issuer's consolidated financial statements as at present and for the years 2017 to 2018 have been audited, as applicable, by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab, Strandvejen 44, DK 2900 Hellerup, Denmark ("**PwC Denmark**"). PwC Denmark has been the Issuer's auditor since 2009, and was re-elected for an additional year on the latest annual general meeting. Jacob F Christiansen and Kaare von Cappeln are the auditors who are responsible for the Issuer. Jacob F Christiansen and Kaare von Cappeln are authorised auditors and are a members of the professional body FSR, the professional institute for the accountancy sector in Denmark.

The Issuer's consolidated financial information for the financial year ended 31 December 2017 was prepared in accordance with Danish GAAP. The Issuer has since then changed its accounting principles and the consolidated financial statements for the financial year ended 31 December 2018 was

prepared in accordance with IFRS. The comparative historical financial information for the financial year ended 31 December 2017 has been retrospectively presented and prepared in accordance with IFRS and is presented together with the financial information for the financial year ended 31 December 2018 to ensure the historical comparability between the financial periods.

The auditing of the consolidated financial statements was conducted in accordance with international standards on auditing and the audit reports were submitted without comment.

### The Guarantors

The Parent's annual reports as at present and for the years 2016 to 2017 have been audited, as applicable, by PwC Denmark. PwC Denmark has been the Parent's auditor since 2012, and was re-elected for an additional year on the latest annual general meeting. Jacob F Christiansen and Kaare von Cappeln are the auditors who are responsible for the Parent. Jacob F Christiansen and Kaare von Cappeln are authorised auditors and are a members of the professional body FSR, the professional institute for the accountancy sector in Denmark.

The financial information for the financial year ended 31 December 2016 and 31 December 2017 was prepared in accordance with Danish GAAP.

Georg Jensen Retail A/S's annual reports as at present and for the years 2016 to 2017 have been audited, as applicable, by PwC Denmark. PwC Denmark has been the company's auditor since 2013, and was re-elected for an additional year on the latest annual general meeting. Jacob F Christiansen and Kaare von Cappeln are the auditors who are responsible for the Parent. Jacob F Christiansen and Kaare von Cappeln are authorised auditors and are a members of the professional body FSR, the professional institute for the accountancy sector in Denmark.

The financial information for the financial year ended 31 December 2016 and 31 December 2017 was prepared in accordance with Danish GAAP.

Georg Jensen Pty. Ltd's annual reports as at present and for the year 2016 have been audited, as applicable, by PwC Australia. PwC Australia was the company's auditor since 2009 until 2016. Sumanth Prakash was the auditor responsible for the company. Sumanth Prakash is an authorised auditor and is a members of the professional body Chartered Accountants, the professional institute for the accountancy sector in Australia.

Georg Jensen Pty. Ltd's annual reports as at present and for the years 2017 have been audited, as applicable, by Hall Chadwick. Hall Chadwick has been the company's auditor since 2017, and was re-elected for an additional year on the latest annual general meeting. Sandeep Kumar was the auditor responsible for the company. Sandeep Kumar is an authorised auditor and are a members of the professional body Chartered Accountants, the professional institute for the accountancy sector in Australia.

The financial information for the financial year ended 31 December 2016 and 31 December 2017 was prepared in accordance with Australian GAAP.

The auditing of the annual reports was conducted in accordance with international standards on auditing and the audit reports were submitted without comment.

**Age of the most recent financial information**

The most recent financial information in respect of the Group has been taken from the consolidated financial statements for the financial year ended 31 December 2018, which was published on 30 April 2019 on the Issuer's website [georgjensen.com](http://georgjensen.com). The most recent financial information in respect of each Guarantor has been taken from each Guarantor's annual report for the financial year ended 31 December 2017.

## OTHER INFORMATION

### Assurance regarding the Prospectus

Georg Jensen A/S is responsible for the content of the Prospectus and has taken all reasonable precautions to ensure that, as far as the Issuer is aware, the information in the Prospectus accords with the facts and contains no omission likely to affect its import. To the extent prescribed by law, the board of directors of the Issuer is also responsible for the content of the Prospectus. The board of directors has taken all reasonable care to ensure that the information in the Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

### Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of EUR 40,000,000 and the Issuer may, subject to certain conditions set out in the Terms and Conditions, issue additional Bonds in a maximum aggregate amount of EUR 60,000,000. Each Bond has a nominal amount of EUR 100,000. The ISIN for the Bonds is SE0011167204.

The Bonds have been issued in accordance with Danish law. The Bonds are connected to the account-based system of Euroclear Sweden AB. No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.

### Representation of the Bondholders

The Terms and Conditions stipulates the provisions for the Agent's representation of the Bondholders.

### The Guarantors

Information with respect to each Guarantor is set out below. Each Guarantor may be contacted through the address of the Issuer.

- Georg Jensen Investment ApS is a limited liability company incorporated in Denmark with Danish reg. no. (CVR – No.) 34 72 08 19. Its registered address is Søndre Fasanvej 7, 2000 Frederiksberg, Denmark.
- Georg Jensen Retail A/S is a limited liability company incorporated in Denmark with Danish reg. no. (CVR – No.) 34 89 88 47. Its registered address is Søndre Fasanvej 7, 2000 Frederiksberg, Denmark.
- Georg Jensen Pty. Ltd is a limited proprietary company incorporated in Australia with Australian reg. no. (ABN) 78 000 773 633. Its registered address is at Unit 18, 3 Vuko Place, Warriewood, NSW, 2102.

### Material contracts

Other than as described under the section entitled "*Description of Material Agreements*" herein, the Group has not entered into any material contracts not in the ordinary course of its business and which may affect the Group's ability to fulfil its obligations under the Bonds.

## Documents incorporated by reference

This Prospectus is, in addition to this document, comprised of information from the following documents which are incorporated by reference and available in electronic format on the Issuer's website at [www.georgjensen.com](http://www.georgjensen.com):

- the Issuer's consolidated financial statements and audit report for the financial year ended 31 December 2018;
- page 24 – 54 from the Issuer's consolidated financial statements for the financial year ended 31 December 2017, including the audit report for the financial year ended 31 December 2017;
- the Parent's consolidated financial statements and audit report for the financial year ended 31 December 2017;
- page 13 – 41 from the Parent's annual report for the financial year ended 31 December 2016, including the audit report for the financial year ended 31 December 2016;
- Georg Jensen Retail A/S's annual report and audit report for the financial year ended 31 December 2017;
- page 6 – 18 from Georg Jensen Retail A/S's annual report for the financial year ended 31 December 2016, including the audit report for the financial year ended 31 December 2016;
- Georg Jensen Pty. Ltd's annual report and audit report for the financial year ended 31 December 2017;
- page 5 – 27 from Georg Jensen Pty. Ltd's annual report for the financial year ended 31 December 2016, including the audit report for the financial year ended 31 December 2016.

## Documents available for inspection

The following documents are available at the Issuer's headquarters at Søndre Fasanvej 7, DK-2000 Frederiksberg, Denmark, on weekdays during the Issuer's regular office hours throughout the period of validity of this Prospectus.

- the Issuer's, and each Guarantor's, articles of association;
- the Issuer's, and each Guarantor's, certificate of registration;
- the Issuer's consolidated financial statements and audit report for the financial year ended 31 December 2018 and for the financial year ended 31 December 2017;
- this Prospectus;
- the Intercreditor Agreement; and
- the Guarantee Agreement.

The following documents are also available in electronic form on the Issuer's website [georgjensen.com](http://georgjensen.com):

- the Issuer's consolidated financial statements and audit report for the financial year ended 31 December 2018 and for the financial year ended 31 December 2017;
- the financial statements and audit reports for the financial year ended 31 December 2017 and for the financial year ended 31 December 2016 for each company within the Group (to the extent such members of the Group were incorporated during 2017 or 2016 and have issued financial statements and audit reports for such financial years); and
- this Prospectus.

**Listing costs**

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 300,000.



## TERMS AND CONDITIONS OF THE BONDS

### 1. Definitions and Construction

#### 1.1 Definitions

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

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

"**Accounting Principles**" means (i) until conversion to IFRS, the generally accepted accounting principles, standards and practices in Denmark as applied by the Issuer in preparing its annual consolidated financial statements, and (ii) following conversion, international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

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

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services 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 agency agreement entered into on or before the First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent.

"**Agent**" means Nordic Trustee A/S, Danish company registration no. (CVR-No.): 34 70 57 20, Bredgade 30, DK-1260 Copenhagen K, Denmark, (or any of its Affiliates) or another party replacing it, as Agent, in accordance with these Terms and Conditions.

"**Bond**" means a debt instrument for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which is governed by and issued under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

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

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 17 (*Bondholders' Meeting*).

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

**"Business Day"** means a day in Sweden or Denmark other than a Sunday or other public holiday. Saturdays, Midsummer Eve, Christmas Eve and New Year's Eve shall for the purpose of this definition be deemed to be public holidays.

**"Change of Control Event"** means:

- (a) prior to an Equity Listing Event, 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 (i) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), or (ii) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer; and
- (b) on or after an Equity Listing Event, 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 (i) acquiring or controlling, directly or indirectly, more than 30 per cent. of the voting shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), or (ii) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

**"Completion Date"** means the date of the Agent's approval of the disbursements of the proceeds from the Proceeds Account.

**"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):

- (c) if the Compliance Certificate is provided in connection with an Incurrence Test, 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;
- (d) 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); and
- (e) if the Compliance Certificate is provided in connection with the publication or other distribution of the audited annual financial statements, the Material Group Companies.

**"Conditions Subsequent Guarantors"** means Georg Jensen (Thailand) Co. and Georg Jensen Pty. Ltd.

**"CSD"** means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden.

**"CSD Business Day"** means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve, Christmas Eve and New Year's Eve shall for the purpose of this definition be deemed to be public holidays.

"**Danish Bankruptcy Act**" means the Danish act on bankruptcy etc. (Dk: *konkursloven*) Consolidated Act No. 11 of 6 January 2014 as amended and/or replaced from time to time.

"**Danish Capital Markets Act**" means the Danish Act on capital markets (in Danish: *Lov om kapitalmarkeder*) Consolidated Act No. 12 of 8 January 2018 as amended and/or replaced from time to time.

"**Danish Kroner**" and "**DKK**" means Danish kroner, the legal currency of Denmark.

"**Danish Limitations Act**" means the Danish act on limitation of claims (Dk: *forældelsesloven*), Consolidated Act No. 1238 of 9 November 2015 as amended and/or replaced from time to time.

"**Delisting**" means, following an Equity Listing Event, the delisting of the shares in the Issuer from a Regulated Market.

"**EBITDA**" means, in respect of the Reference Period, the consolidated profit of the Group from ordinary continuing activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) before deducting any Net Finance Charges;
- (c) before taking into account any one-off, non-recurring, extraordinary or sundry item or exceptional item (including without limitation, any non-cash adjustment required under the Accounting Principles) provided that such items are not in excess of an amount equal to ten (10) per cent. of EBITDA in the Reference Period;
- (d) before taking into account any financial item relating to the discontinuing of operations;
- (e) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (f) not including any accrued interest owing to any Group Company;
- (g) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (h) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (j) plus or minus the Group's share of the profits or losses of entities which are not part of the Group;

- (k) after adding any amounts claimed under loss of profit, business interruption or equivalent insurance, provided that it is reasonably likely (determined in good faith by the management of the Issuer after its best assessment) that the Group will be entitled to receive insurance proceeds under such insurance claims; and
- (l) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

**"Equity Listing Event"** means an offering of shares in the Issuer or any of its holding companies whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

**"EURIBOR"** means:

- (a) the applicable percentage rate *per annum* displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or
- (b) if no screen rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Issuing Agent at its request quoted by banks reasonably selected by the Issuing Agent, for deposits of EUR 10,000,000 for the relevant period; or
- (c) if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Euro offered for the relevant period; and

if any such rate is below zero, EURIBOR will be deemed to be zero.

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

**"Event of Default"** means an event or circumstance specified in any of the Clauses 14.1 (*Non-Payment*) to and including Clause 14.8 (*Continuation of the Business*).

**"Final Maturity Date"** means 15 May 2023.

**"Finance Charges"** means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction Costs, capitalised interest in respect of any loan owing to any member of the Group or any Shareholder Loans and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

**"Finance Documents"** means:

- (a) the Terms and Conditions;
- (b) the Agency Agreement;

- (c) the Proceeds Account Pledge Agreement;
- (d) the Security Documents;
- (e) the Guarantee and Adherence Agreement;
- (f) the Intercreditor Agreement; and
- (g) any other document designated to be a Finance Document by the Issuer and the Agent.

**"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 paragraphs (a)-(f).

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

**"Financial Instruments Accounts Act"** means the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*).

**"Financial Report"** means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according to Clauses 11.1(a)(i) and 11.1(a)(ii).

**"First Call Amount"** means an amount equal to:

- (a) 103.00 per cent. of the Nominal Amount; and
- (b) the remaining coupon payments (assuming that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the interpolated EUR mid-swap rate for the remaining term from the redemption date until the First Call Date plus the applicable Floating Rate Margin), less any accrued but unpaid interest, through and including the First Call Date, and where "relevant record date" shall mean a date agreed upon between the Agent, the CSD and the Issuer in connection with such repayment.

**"First Call Date"** means the date falling 24 months after the First Issue Date.

**"First Issue Date"** means 15 May 2018.

**"Floating Rate Margin"** means 6.00 per cent. *per annum*.

**"Force Majeure Event"** has the meaning set forth in Clause 25(a).

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

**"Guarantee"** means the guarantee provided by the Guarantors under the Guarantee and Adherence Agreement.

**"Guarantee and Adherence Agreement"** means the guarantee and adherence agreement pursuant to which the Guarantors shall, amongst other, (a) guarantee all amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, (b) agree to subordinate all subrogation claims, and (c) undertake to adhere to the terms of the Finance Documents.

**"Guarantors"** means each Original Guarantor, each Condition Subsequent Guarantor and any Material Group Company (other than Georg Jensen Taiwan Ltd.).

**"Hedging Agreement"** shall have the meaning given to such term in the Intercreditor Agreement.

**"Incurrence Test"** means the incurrence test set out in Clause 12.1 (*Incurrence Test*).

**"Initial Nominal Amount"** has the meaning set forth in Clause 2(c).

**"Initial Bond Issue"** means the issuance of the Initial Bonds.

**"Initial Bonds"** means the Bonds issued on the First Issue Date.

**"Insolvent"** means, in respect of a relevant person, that it is deemed to be insolvent or admits inability to pay its debts as they fall due, in each case within the meaning of the Danish Bankruptcy Act (or its equivalent in any other jurisdiction), suspends or declares that it will suspend making payments on any of its debts or, by reason of actual financial difficulties, commences negotiations with all or substantially all of its known creditors with a view to rescheduling any of its indebtedness or is subject to involuntary winding-up, dissolution, reconstruction (in Danish: *rekonstruktion*) or liquidation.

**"Intercreditor Agreement"** means the intercreditor agreement entered into between, amongst other, the Issuer, the super senior RCF creditors under the Super Senior RCF, the facility agent under the Super Senior RCF, certain hedging counterparties and the Agent (representing the Bondholders).

**"Interest"** means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

**"Interest Coverage Ratio"** means the ratio of EBITDA to Net Finance Charges.

**"Interest Payment Date"** means 15 February, 15 May, 15 August and 15 November each year. The first Interest Payment Date shall be 15 August 2018. 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 CSD Business Day, the first following day that is a CSD Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a CSD Business Day.

**"Interest Period"** means:

- (a) in respect of the first Interest Period, the period from (but excluding) the First Issue Date to (and including) the first Interest Payment Date; and
- (b) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

**"Interest Rate"** means EURIBOR plus the Floating Rate Margin.

**"Issuer"** means Georg Jensen A/S, a limited liability company incorporated in Denmark with Danish company registration no. (CVR-No.): 26 57 36 45 and having its registered address at Søndre Fasanvej 7, DK-2000 Frederiksberg, Denmark.

**"Issuing Agent"** means DNB Bank ASA, Sweden Branch, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**"Legal Reservations"** means the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors.

**"Leverage Ratio"** means the ratio of Net Interest Bearing Debt to EBITDA.

**"Listing Failure Event"** means:

- (a) that the Bonds have not been admitted to listing on Nasdaq Stockholm (or another Regulated Market) within 12 months after the First Issue Date;
- (b) any Subsequent Bonds issued later than 12 months after the First Issue Date have not been admitted to listing on Nasdaq Stockholm (or another Regulated Market) within 20 days after the issuance of such Subsequent Bonds; or
- (c) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on Nasdaq Stockholm (or another Regulated Market) without being admitted to trading on another Regulated Market.

**"Local Facilities"** means a loan facility, guarantee facility, overdraft or other credit arrangements made available on normal commercial terms to a member of the Group by a bank or other financial institution in the country in which that member of the Group is incorporated or operates, provided that no guarantee or other support in respect of financial loss is given in respect of that facility by any other member of the Group.

**"Main Shareholders"** means GJ Holdings Limited (and/or any other investment vehicles owned or managed directly or indirectly by the Sponsor).

**"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 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 taken as a whole;
- (b) the ability of the Issuer and the Guarantors taken as whole to comply with their obligations under the Finance Documents; or
- (c) subject to the Legal Reservations, the validity or enforceability of the Finance Documents.

**"Material Group Company"** means, at any time:

- (a) the Issuer; or
- (b) any wholly-owned Group Company which is nominated as such by the Issuer in accordance with Clause 13.11 (*Nomination of Material Group Companies*).

**"Material Intercompany Loan"** means any intercompany loans provided by the Issuer/any Group Company to any other Group Company where:

- (a) the term of the intercompany loan is at least 12 months (the term to be determined by the Issuer); and
- (b) the principal amount thereof is at least in an amount exceeding EUR 1,000,000.

For the avoidance of doubt, intercompany balances arising in the ordinary course of business between the Group Companies shall not be treated as a Material Intercompany Loan.

**"Net Finance Charges"** means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any member of the Group and any interest income relating to cash or cash equivalent investment (and excluding any interest capitalised on Shareholder Loans).

**"Net Interest Bearing Debt"** means the aggregate interest bearing Financial Indebtedness less cash and cash equivalents of the Group in accordance with the applicable Accounting Principles of the Group from time to time (for the avoidance of doubt, excluding guarantees,



bank guarantees, Shareholder Loans, any claims subordinated pursuant to the Intercreditor Agreement and interest bearing Financial Indebtedness borrowed from any Group Company).

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

"**New Debt**" shall have the meaning given to such term in the Intercreditor Agreement.

"**Nominal Amount**" means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which that Bond has been redeemed in part pursuant to Clause 9.4 (*Voluntary partial redemption upon an Equity Claw Back (call option)*).

"**Obligor**" means the Issuer and each Guarantor.

"**Original Guarantors**" means the Parent and Georg Jensen Retail A/S.

"**Parent**" means Georg Jensen Investment ApS, a limited liability company incorporated in Denmark with reg. no. 34 72 08 19.

"**Payment Block Event**" shall have the meaning given to such term in the Intercreditor Agreement.

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

- (a) incurred under the Bonds (other than Subsequent Bonds);
- (b) incurred under a Super Senior RCF in an amount not exceeding the Super Senior Headroom (as defined in the Intercreditor Agreement);
- (c) to the extent covered by a letter of credit, guarantee or indemnity issued under the Super Senior RCF or any ancillary facility relating thereto;
- (d) incurred under any Super Senior Hedges;
- (e) incurred by any Group Company under any Local Facilities up to an aggregate maximum amount of DKK 20,000,000 (or its equivalent in local currencies);
- (f) incurred under the Refinancing Debt until the Completion Date;
- (g) of the Group incurred pursuant to any Finance Leases incurred in the ordinary course of the Group's business in a maximum amount of EUR 100,000;
- (h) of the Group under any guarantee issued by a Group Company in the ordinary course of business;
- (i) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions or the Super Senior RCF, but not any transaction for investment or speculative purposes;

- (j) incurred by a Group Company from another Group Company (including any cash pool arrangements);
- (k) incurred by a Group Company towards Investeringsfonden for Udviklingslande (IFU) up to an aggregate maximum amount of DKK 10,000,000;
- (l) arising under the export VAT scheme with the Danish tax authorities (Dk. *eksportmomsordningen*);
- (m) incurred under any Shareholder Loans;
- (n) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence, and
  - (i) is incurred as a result of a Subsequent Bond Issue; or
  - (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date;
- (o) incurred as a result of any Group Company acquiring another entity after the First Issue Date which entity already had incurred Financial Indebtedness but not incurred or increased or having its maturity date extended in contemplation of, or since that acquisition, provided that:
  - (iii) the Incurrence Test is met on a *pro forma* basis if tested immediately after the making of that acquisition, and
  - (iv) such Financial Indebtedness is:
    - (A) repaid in full within six (6) months of completion of such acquisition; or
    - (B) refinanced in full within six (6) months of completion of such acquisition with the Issuer as the new borrower;
- (p) incurred under Advance Purchase Agreements;
- (q) incurred under any pension and tax liabilities in the ordinary course of business by any Group Company;
- (r) arising under any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (s) 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

- (t) not covered under paragraphs (a)-(s) above in an aggregate maximum amount of DKK 10,000,000 (or its equivalent in local currencies).

**"Permitted Merger"** means a merger between Group Companies provided that:

- (a) the transferee Group Company shall be or become a Guarantor if the transferor Group Company is a Guarantor;
- (b) any transferor Group Company which shares are subject to the Transaction Security may only be merged (or involved in analogous proceedings having a similar effect) with a transferee Group Company which shares are, or will be, subject to Security in favour of the Secured Parties; and
- (c) following the merger the Transaction Security granted to the Secured Parties is the same or equivalent following the merger, except if such Transaction Security constitutes Security over intra-group loans granted between the Group Companies that are to be merged in which case the merger shall be permitted notwithstanding that such Transaction Security will not remain following the merger provided that the Agent (acting in its sole discretion) have given its consent thereto.

**"Permitted Security"** means any security:

- (a) provided under the Finance Documents and otherwise permitted pursuant to the Intercreditor Agreement;
- (b) under the Refinancing Debt, up until the Completion Date;
- (c) 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);
- (d) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;
- (e) provided in relation to any lease agreement entered into by a Group Company in the ordinary course of business and on normal commercial terms;
- (f) provided over any assets being subject to a Financial Lease, permitted pursuant to paragraph (g) of the definition of "Permitted Debt";
- (g) subsisting as a result of any Group Company acquiring another entity after the First Issue Date which entity already had provided security for Financial Indebtedness permitted under paragraph (o) of the definition of "Permitted Debt", provided that such security is discharged and released in full upon the refinancing or repayment of such Financial Indebtedness as set out therein;
- (h) affecting any asset acquired by any Group Company after the First Issue Date, provided that such security is discharged and released in full within 90 days of such acquisition;

- (i) any Security created for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full (other than with respect to an escrow account (if applicable) which may be perfected in connection with the incurrence of such debt);
- (j) provided for any guarantees issued by a Group Company in the ordinary course of business;
- (k) any Security created for the benefit of the financing providers in respect of any Local Facilities;
- (l) any security provided by or over a Group Company to secure any Permitted Debt referred to in paragraphs (b), (c), (d) and (i) of the definition "Permitted Debt"; or
- (m) not covered under (a)-(l) above securing an aggregate maximum amount of DKK 10,000,000.

**"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.

**"Proceeds Account"** means a bank account of the Issuer, into which the Net Proceeds will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Proceeds Account Pledge Agreement.

**"Proceeds Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Agent on or prior to the First Issue Date in respect of a first priority pledge over the Proceeds Account and all funds held on the Proceeds Account from time to time, granted in favour of the Agent and the Bondholders (represented by the Agent).

**"Quotation Day"** means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

**"Record Date"** means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 15 (*Distribution of Proceeds*), (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**"Reference Date"** means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding.

**"Reference Period"** means each period of 12 consecutive calendar months.

**"Refinancing Debt"** means a multicurrency facility agreement dated 28 April 2015 between, amongst others, Moonlight II B.V. as parent and original guarantor, the Parent as company and original guarantor, the Issuer as original guarantor and original borrower and Nordea Danmark, filial af Nordea Bank AB (publ), Sverige (previously Nordea Bank Danmark A/S) as lender.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).

**"Regulated Market"** means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).

**"Secured Obligations"** shall have the meaning given to such term in the Intercreditor Agreement.

**"Secured Parties"** shall have the meaning given to such term in the Intercreditor Agreement.

**"Securities Account"** means the account for dematerialised securities maintained by the CSD pursuant to the Financial Instruments Accounts Act in which (i) an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

**"Security"** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

**"Security Agent"** means the security agent holding the Transaction Security on behalf of the Secured Parties, being Nordic Trustee A/S on the First Issue Date.

**"Security Documents"** means:

- (a) the Danish law governed pledge agreement in respect of all the shares in the Issuer granted by the Parent;
- (b) the Danish law governed pledge agreement in respect of all the shares in Georg Jensen Retail A/S granted by the Issuer;
- (c) the Danish law governed business mortgage agreement in respect of the assets in the Issuer in the amount of DKK 200,000,000;
- (d) the Danish law governed owner's mortgage deed pledge agreement in respect of a DKK 10,000,000 owner's mortgage deed over real estate granted by the Issuer;
- (e) pledge agreements in respect of all the shares in Material Group Companies (except Georg Jensen Taiwan Ltd.);
- (f) pledge agreements in respect of any current (if any) and future Material Intercompany Loans; and
- (g) any other document designated as a Security Document by the Issuer and the Agent.

**"Shareholder Loans"** means any shareholder loan made to the Issuer as debtor, if such loan:

- (a) according to the Intercreditor 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 unless a Restricted Payment is permitted under the Finance Documents.

"**Sole Bookrunner**" means DNB Bank ASA, Sweden Branch.

"**Sponsor**" means Investcorp S.A.

"**Subsequent Bonds**" means any Bonds issued after the First Issue Date on one or more occasions.

"**Subsequent Bond Issue**" has the meaning set forth in Clause 2(e).

"**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.

"**Super Senior Debt**" shall have the meaning given to such term in the Intercreditor Agreement.

"**Super Senior Hedges**" means hedging transactions entered into by a Group Company in respect of payments to be made under the Bonds or for hedging exposures (including hedging exposures in relation to fluctuation in currency rates) arising in the ordinary course of business, but not for speculative or investment purposes, to the extent the hedging counterparty has acceded to the Intercreditor Agreement.

"**Super Senior RCF**" shall have the meaning given to such term in the Intercreditor Agreement.

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

"**Transaction Costs**" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) a Bond Issue, (ii) the Super Senior RCF, and (iii) the listing of the Bonds.

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

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18 (*Written Procedure*).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (i) "assets" includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (iv) an Event of Default is continuing if it has not been remedied or waived;
  - (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in Euro has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Euro for the previous Business Day, as published by the European Central Bank ([ecb.europa.eu](http://ecb.europa.eu)). If no such rate is available, the most recently published rate shall be used instead.
  - (c) When ascertaining whether a limit or threshold specified in Danish Kroner has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Danish Kroner for the previous Business Day, as published by Danmarks Nationalbank on its website ([nationalbanken.dk](http://nationalbanken.dk)). If no such rate is available, the most recently published rate shall be used instead.
  - (d) A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
  - (e) No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The Bonds are denominated in Euro and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Initial Bond is EUR 100,000 (the "**Initial Nominal Amount**"). The maximum total nominal amount of the Initial Bonds is EUR 40,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Initial Nominal Amount.

- (d) The minimum permissible investment in a Bond Issue is EUR 100,000.
- (e) Provided that the Incurrence Test (calculated *pro forma* including such issue) is met, the Issuer may, at one or several occasions after the First Issue Date, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed EUR 60,000,000. Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (f) Subject to the terms of the Intercreditor Agreement, 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 (A) those obligations which are mandatorily preferred by law and (B) the super senior ranking of the Super Senior Debt in accordance with the Intercreditor Agreement. The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (g) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### 3. Use of Proceeds

- (a) The Issuer shall use the Net Proceeds from the Initial Bond Issue, towards (i) refinancing the Refinancing Debt, (ii) financing general corporate purposes of the Group, and (iii) financing the Transaction Costs.
- (b) The Issuer shall use the Net Proceeds from any Subsequent Bond Issue, towards (i) financing general corporate purposes of the Group (including potential acquisitions), and (ii) financing the Transaction Costs.

### 4. Conditions Precedent

#### 4.1 Conditions Precedent Initial Bond Issue

- (a) The payment of the Net Proceeds to the Proceeds Account is subject to the Agent being satisfied it has received documents and evidence of the Proceeds Account Pledge Agreement being duly executed and perfected.
- (b) The Issuer shall provide, or procure the provision of, to the Agent, in form and substance satisfactory to the Agent (acting reasonably):



- (i) 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 Original Guarantor, together constituting evidence that the Finance Documents have been duly executed;
  - (ii) copies of the Finance Documents, duly executed (other than as set out in Clause 4.2 (*Conditions Subsequent Initial Bond Issue*));
  - (iii) evidence by way of a release letter that the security existing in favour of the Refinancing Debt will be released and discharged upon repayment of the Refinancing Debt;
  - (iv) copies of the following Security Documents, duly executed:
    - (A) share pledge agreement in respect of the shares in each of the Issuer and Georg Jensen Retail A/S (provided that such share pledges shall be perfected immediately following disbursement of the Net Proceeds from the Proceeds Account);
    - (B) business mortgage agreement in respect of the assets in the Issuer in the amount of DKK 200,000,000 (provided that such business mortgage shall be perfected as soon as possible following disbursement of the Net Proceeds from the Proceeds Account but in any event no later than 20 Business Days following such disbursement); and
    - (C) mortgage deed pledge in respect of a DKK 10,000,000 owner's mortgage deed over real estate granted by the Issuer (provided that such mortgage shall be perfected as soon as possible following disbursement of the Net Proceeds from the Proceeds Account but in any event no later than 20 Business Days following such disbursement);
  - (v) an agreed form Compliance Certificate;
  - (vi) a list of the Material Group Companies as per the First Issue Date;
  - (vii) legal opinion(s) on the capacity and due execution, in respect of the Issuer and each Original Guarantor issued by a reputable law firm (other than as set out in Clause 4.2 (*Conditions Subsequent Initial Bond Issue*)); and
  - (viii) legal opinion(s) on the validity and enforceability of any Danish law Finance Document issued by a reputable law firm (other than as set out in Clause 4.2 (*Conditions Subsequent Initial Bond Issue*)).
- (c) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.1(b) 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 Agent does not have any obligation to review the documentation and evidence referred to in Clause 4.1(b) above from a legal or commercial perspective of the Bondholders.

- (d) When the conditions precedent for disbursement set out in Clause 4.1(b) have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Proceeds Account) to transfer the funds from the Proceeds Account for the purpose of repayment of the Refinance Debt and in accordance with Clause 3 (*Use of Proceeds*), and the Agent shall thereafter or in connection therewith release the pledge over the Proceeds Account.
- (e) If the conditions precedent for disbursement set out in Clause 4.1(b) 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. Any funds distributed by the Agent to the Bondholders in accordance with the Proceeds Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4.1(e). The repurchase date shall fall no later than thirty (30) Business Days after the ending of the sixty (60) Business Days period referred to above.

#### **4.2 Conditions Subsequent Initial Bond Issue**

- (a) The Issuer shall, no later than 60 Business Days following disbursement from the Proceeds Account in accordance with Clause 4.1(d) above, provide the Agent with the following:
  - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Conditions Subsequent Guarantors, together constituting evidence that the Finance Documents have been duly executed;
  - (ii) copies of the relevant Security Documents not governed by Danish law, duly executed and evidence that such Transaction Security either has been or will be perfected in accordance with the terms of the Finance Documents;
  - (iii) duly executed accession letters to the Guarantee and Adherence Agreement and the Intercreditor Agreement in respect of the Conditions Subsequent Guarantors;
  - (iv) legal opinion(s) on the capacity and due execution, in respect of any entity being party to any conditions subsequent Finance Document issued by a reputable law firm; and
  - (v) legal opinion(s) on the validity and enforceability of any conditions subsequent Finance 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.
- (b) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.2(a) 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 Agent does not have any obligation to review the document and evidence referred to in Clause 4.2(a) above from a legal or commercial perspective of the Bondholders.

- (c) Notwithstanding paragraph (a) above, if additional time is required for any registration measures or similar required under local law in order to grant the conditions subsequent security and guarantees the Issuer shall provide to the Agent confirmation from a reputable local legal counsel that such registrations are required and the Agent shall in such case grant the Issuer sufficient time to carry out the necessary registrations. The conditions subsequent in relation to such jurisdiction shall then be granted no later than 60 Business Days following the registration. Notwithstanding the foregoing, the Issuer shall use its best efforts to ensure that the conditions subsequent security and guarantees are granted as soon as possible.
- (d) If the conditions subsequent have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within (i) 60 Business Days following disbursement from the Proceeds Account or (ii) 60 Business Days following any necessary registrations (if applicable), the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. The repurchase date shall fall no later than thirty (30) Business Days after the ending of the sixty (60) Business Days period referred to above.

## 5. Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register kept (*Sw. Skuldbok*) by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

## 6. Right to Act on Behalf of a Bondholder

- (a) If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.

- (b) A Bondholder may issue one or several powers of attorney or provide proof of authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **7. Payments in Respect of the Bonds**

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Bondholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8(a)-8(c) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.

## **8. Interest**

- (a) Each Initial Bond carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.

- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) 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.
- (e) Pursuant to the terms of the Intercreditor Agreement, following the occurrence of a Payment Block Event and for as long as it is continuing, no payment of principal or Interest in respect of the Bonds shall be made to the Bondholders. However, Interest shall continue to accrue during such period and any overdue amounts shall carry default interest pursuant to Clause 8(d). For the avoidance of doubt, the failure to repay principal or pay Interest on a due date shall constitute an Event of Default under these Terms and Conditions.

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

### **9.1 Redemption at maturity**

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

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

- (a) The Issuer may redeem all, but not some only, of the outstanding Bonds in full:
  - (i) any time prior to the First Call Date, at an amount per Bond equal to the First Call Amount together with accrued but unpaid Interest;
  - (ii) any time from and including the First Call Date to, but excluding, the first CSD Business Day falling thirty-six (36) months after the First Issue Date at an amount per Bond equal to 103.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iii) any time from and including the first CSD Business Day falling thirty-six (36) months after the First Issue Date to, but excluding, the first CSD Business Day falling forty-eight (48) months after the First Issue Date at an amount per Bond equal to 101.50 per cent. of the Nominal Amount, together with accrued but unpaid interest;

- (iv) any time from and including the first CSD Business Day falling forty-eight (48) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.75 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
  - (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 CSD Business Day falling fifty-seven (57) months after the First Issue Date to, but excluding, the Final Maturity Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. 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.

#### **9.4 Voluntary partial redemption upon an Equity Claw Back (call option)**

- (a) The Issuer may at one occasion, in connection with an Equity Listing Event, repay up to EUR 35,000 per each Bond, in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond *pro rata*. The repayment must occur on an Interest Payment Date within 180 days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event). The repayment per Bond shall equal the repaid percentage of the Nominal Amount (rounded down to the nearest EUR 1.00) plus (i) a premium on the repaid amount as specified in Clause 9.3 (*Voluntary total redemption (call option)*) for the relevant period and, shall for the non-call period (until the First Call Date) be the price set out in Clause 9.3(a)(ii) and (ii) accrued but unpaid interest on the repaid amount.
- (b) Partial repayment accordance with Clause 9.4(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent 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 part and the repayment shall be made on the immediately following Interest Payment Date at the applicable amounts. The applicable amount shall be an even amount in Euro and paid to the person who is registered as a Bondholder on the Record Date prior to the relevant Redemption Date.

#### **9.5 Early redemption due to illegality (call option)**

- (a) The Issuer may redeem all, but not some only, 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.

- (b) The Issuer shall give notice of any redemption pursuant to Clause 7 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).
- (c) A notice of redemption in accordance with Clause 7 is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Bonds in full at the applicable amounts.

#### **9.6 Mandatory repurchase due to a Change of Control Event, Listing Failure Event or Delisting (put option)**

- (a) Upon the occurrence of a Change of Control Event, Listing Failure Event or Delisting, 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 twenty (20) Business Days following a notice from the Issuer of the Change of Control Event, Listing Failure Event or Delisting (as applicable) pursuant to Clause 11.1(b) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event, Listing Failure Event or Delisting (as applicable).
- (b) The notice from the Issuer pursuant to Clause 11.1(b) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1(b). The repurchase date must fall no later than forty-five (45) Business Days after the end of the period referred to in Clause 9.6(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 7, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 7 by virtue of the conflict.
- (d) Any Bonds repurchased by the Issuer pursuant to this Clause 7 may at the Issuer's discretion be retained or sold, but not cancelled.

#### **10. Transaction Security and Guarantees**

- (a) Subject to the Intercreditor Agreement and applicable corporate law limitations, as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer and the relevant Group Companies grants the Transaction Security to the Bondholders (as represented by the Agent), the Agent and the other Secured Parties.
- (b) Subject to the Intercreditor Agreement and applicable corporate law limitations, each Guarantor will irrevocably and unconditionally, jointly and severally, as principal obligor, pursuant to a Guarantee and Adherence Agreement guarantee the punctual performance of any Group Company's obligations under the Finance Documents.

- (c) The Security Agent shall hold the Transaction Security and the Guarantees on behalf of the Secured Parties in accordance with the Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement.
- (d) The Agent shall be entitled to give instructions (on behalf of the Bondholders) relating to the Transaction Security and the Guarantees to the Security Agent in accordance with the Intercreditor Agreement.
- (e) Unless and until the Security Agent has received instructions from the Bondholders in accordance with the Intercreditor Agreement, the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders', the super senior RCF creditors' under the Super Senior RCF, the creditors' under any New Debt, the hedge counterparties' under the Hedging Agreement or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interests of the Bondholders.
- (f) Subject to the Intercreditor Agreement, the Security Agent may, acting on instructions of the Secured Parties, or if in accordance with the Intercreditor Agreement, the Instructing Party (as defined in the Intercreditor Agreement), release Transaction Security and Guarantees in accordance with the terms of these Terms and Conditions, the Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement. For the avoidance of doubt, any Transaction Security or Guarantee will always be released in such way which does not affect the sharing between the Bondholders, the super senior RCF creditors under the Super Senior RCF, the creditors under any New Debt, and the hedge counterparties under the Hedging Agreement of the remaining Transaction Security and Guarantee and/or the ranking and priority of the Bondholders, the super senior RCF creditors under the Super Senior RCF, the creditors under any New Debt and the hedge counterparties under the Hedging Agreement as specified in the Intercreditor Agreement.

## **11. Information to Bondholders**

### **11.1 Information from the Issuer**

- (a) The Issuer shall make the following information available in the English language by publication on the website of the Issuer:
  - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, its audited consolidated financial statements for that financial year of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors prepared in accordance with the Accounting Principles;
  - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, its interim quarterly unaudited consolidated reports or the year-end report (as applicable) of the Issuer for such period, including a profit and loss account, a balance sheet, a



cash flow statement and management commentary or report from the Issuer's board of directors prepared in accordance with the Accounting Principles;

- (iii) any other information required by the Danish Capital Markets Act and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- (b) The Issuer shall immediately notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event, Listing Failure Event or Delisting, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice.
- (c) When the financial statements and other information are made available to the Bondholders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- (d) The Issuer shall submit a Compliance Certificate to the Agent in connection with:
  - (i) the testing of the Incurrence Test; and
  - (ii) the delivery of the annual financial statements.
- (d) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered to it pursuant to Clause (d) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
- (e) The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (f) The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.

## **11.2 Information from the Agent**

Subject to the restrictions of any applicable law and regulation, the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to

the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

### **11.3 Publication of Finance Documents**

- (a) The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.
- (b) The latest versions of the Finance Documents shall be available to the Bondholders at the office of the Agent during normal business hours.

## **12. Financial Undertakings**

### **12.1 Incurrence Test**

The Incurrence Test is met if:

- (a) the Leverage Ratio is not greater than:
  - (i) 3:00:1, in connection with the incurrence of Financial Indebtedness in accordance with paragraphs (n) and (o) of the definition of "Permitted Debt"; or
  - (ii) 2:00:1 in connection with a Restricted Payment,
- (b) the Interest Coverage Ratio is at least 3:50:1; and
- (c) no Event of Default is continuing or would occur upon the incurrence or distribution (as applicable).

### **12.2 Calculation of the Leverage Ratio**

The Leverage Ratio shall be calculated as follows:

- (a) the calculation shall be made as per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness or the distribution (as applicable); and
- (b) the amount of Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include any new Financial Indebtedness, but exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred (however, any cash balance resulting from the incurrence of any new Financial Indebtedness shall not reduce the Net Interest Bearing Debt).

### **12.3 Calculation of Interest Coverage Ratio**

The calculation of Interest Coverage Ratio shall be made for a Reference Period ending on the last day of the period covered by the Financial Report as of the most recent Reference Date for which a Financial Report has been published.

### **12.4 Adjustments to EBITDA**

The figures for EBITDA, Finance Charges and Net Finance Charges for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:

- (a) entities acquired or disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period; and
- (b) any entity to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period.

## 12.5 Adjustments to Net Finance Charges

The figures for Net Finance Charges set out in the Financial Report as of the most recent quarter date (including when necessary, financial statements published before the First Issue Date), shall be used, but adjusted so that Net Finance Charges for such Reference Period shall be:

- (a) reduced to reflect any Net Finance Charges attributable to a disposed entity or which has been repaid, repurchased, defeased or otherwise discharged as a result of or in connection with a disposal of an entity (to the extent such Net Finance Charges is included in the relevant Financial Report);
- (b) increased on a *pro forma* basis by an amount equal to the Net Finance Charges directly attributable to (i) any Financial Indebtedness owed by acquired entities and (ii) any Financial Indebtedness incurred to finance the acquisition of entities, in each case calculated as if all such debt had been incurred at the beginning of the relevant Reference Period; and
- (c) increased on a *pro forma* basis by an amount equal to the Net Finance Charges directly attributable to any Financial Indebtedness permitted pursuant to paragraph (o) of the definition of "Permitted Debt", calculated as if such debt had been incurred at the beginning of the relevant Reference Period.

## 13. General Undertakings

### 13.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Obligor and Subsidiary will) comply with the undertakings set out in this Clause 13 for as long as any Bonds remain outstanding.

### 13.2 Distributions

- (a) The Issuer shall not, and shall procure that none of the Obligors or any of their Subsidiaries will:
  - (i) pay any dividend in respect of its shares;
  - (ii) repurchase or redeem any of its own shares;
  - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
  - (iv) repay any Shareholder Loans or pay any interest thereon;
  - (v) make any prepayments or repayments under any long-term debt ranking junior with the Bonds;

- (vi) make any payments of management fees in excess of USD 250,000 in each financial year to any direct or indirect shareholder of the Issuer;
- (vii) make distributions to any direct or indirect holding company of the Issuer in excess of USD 500,000 for the financial year 2018 and in excess of USD 300,000 for subsequent financial years, provided that such payments are made to cover the administrative costs and costs to management and board of directors of such direct or indirect holding company of the Issuer;
- (viii) grant any loans except in the ordinary course of business; or
- (ix) make any other similar distribution or transfers of value to the Issuer's, or the Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders,

(paragraphs (i)-(ix) above are together and individually referred to as a "**Restricted Payment**").

- (b) Notwithstanding the above, a Restricted Payment may be made:
  - (i) 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, is made on a *pro rata* basis; and/or
  - (ii) if:
    - (A) the Incurrence Test is met (calculated on a *pro forma* basis including the relevant Restricted Payment); and
    - (B) if, at the time of the payment, the aggregate amount of all Restricted Payments of the Group (other than payments permitted under paragraph (i) above) in any fiscal year (including the Restricted Payment in question) does not exceed 50 per cent. of the Group's consolidated net profit for the previous financial year adjusted for any payment to any minority shareholder.

### 13.3 Nature of Business

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

### 13.4 Financial Indebtedness

The Issuer shall not, and shall procure that none of the Obligor or their Subsidiaries will, incur any Financial Indebtedness, other than Permitted Debt.

### 13.5 Disposal of Assets

- (a) Subject to the terms of the Intercreditor Agreement, no Obligor shall, and shall procure that no Subsidiary will, sell or otherwise dispose of shares in any Material Group Company or of all or substantially all of its or that Material Group Company's

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.

- (b) No asset that is subject to Transaction Security may be disposed of other than in accordance with the terms of the Intercreditor Agreement. Any asset subject to floating charge security may for the avoidance of doubt be disposed of in the ordinary course of business.

### **13.6 Dealings at arm's length terms**

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

### **13.7 Negative Pledge**

The Issuer shall not, and shall procure that none of the Obligors or their Subsidiaries will, provide, prolong or renew any security over any of its/their assets (present or future), other than any Permitted Security.

### **13.8 Loans out**

The Issuer shall not, and shall procure that none of the Obligors or their Subsidiaries will, extend any loans in any form to any other party than (a) as permitted under Clause 13.2 (*Distributions*) above, (b) in the ordinary course of trading, and (c) any other loan in an aggregate outstanding amount not exceeding EUR 1,000,000.

### **13.9 Mergers and demergers**

- (a) The Issuer shall not enter into a merger where the Issuer is not the surviving entity and the Issuer shall not enter into a demerger.
- (b) Subject to the paragraph (a) above, the Issuer shall not, and shall procure that none of the Obligors or their Subsidiaries will, enter into a merger or demerger unless:
  - (i) such merger or demerger constitutes a Permitted Merger; or
  - (ii) such merger or demerger is not likely to have a Material Adverse Effect.

### **13.10 Compliance with laws and authorisations**

The Issuer shall, and shall make sure that the Obligors and their Subsidiaries will:

- (a) comply with all laws and regulations applicable from time to time; and
- (b) 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,

in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

### 13.11 Nomination of Material Group Companies

At:

- (a) the First Issue Date and thereafter once every year (starting 2019) (simultaneously with the publication by the Issuer of the audited annual financial statements of the Group); and
- (b) the date of acquisition of any assets by a Group Company for a consideration in excess of 5 per cent. of EBITDA of the Group (calculated on a consolidated basis) (simultaneously with the delivery by the Issuer of the Compliance Certificate related the incurrence of such Permitted Debt),

the Issuer shall ensure that:

- (b) each Group Company which (on a consolidated basis in the case of a Group Company which itself has Subsidiaries) has EBITDA representing 5 per cent. or more of EBITDA of the Group (calculated on a consolidated basis); and
- (c) such Group Companies as are necessary to ensure that the Issuer and the Material Group Companies (calculated on an unconsolidated basis and excluding all intra-Group items and investments in Subsidiaries of any Group Company) in aggregate account for at least 80 per cent. of EBITDA of the Group (calculated on a consolidated basis), in each case, determined by reference to the most recent audited annual financial statements from and including the calendar year ending 2018,

are listed as Material Group Companies in the relevant Compliance Certificate delivered in connection thereto.

### 13.12 Additional Security over Material Group Companies

The Issuer shall, and shall procure that each other Obligor will, procure that Security over the shares of each Material Group Company (except Georg Jensen Taiwan Ltd.) is granted no later than 60 Business Days after its nomination in accordance with Clause 13.11 (*Nomination of Material Group Companies*) and in connection therewith provide to the Agent:

- (a) constitutional documents and corporate resolutions (approving the relevant Security Document and authorising a signatory/-ies to execute that Security Document) for the relevant security provider and each other party to that Security Document (other than the Agent);
- (b) copies of the register of shareholders (or similar) (in each case) with respect to that Material Group Company;
- (c) any legal opinion on the capacity and due execution in respect of any entity being party to the relevant Security Document, issued by a reputable law firm; and
- (d) any 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 (other than such documents governed by Danish law) and no need to deposit funds), issued by a reputable law firm.

### 13.13 Additional Guarantors

Each Obligor shall procure that each Material Group Company (except Georg Jensen Taiwan Ltd.) accedes to the Guarantee and Adherence Agreement no later than 60 Business Days after its nomination in accordance with Clause 13.11 (*Nomination of Material Group Companies*) and in connection therewith provides to the Agent:

- (a) Security pursuant to the terms hereof and the Intercreditor Agreement;
- (b) duly executed accession letters to the Intercreditor Agreement and the Guarantee and Adherence Agreement;
- (c) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for it and each other party to a Finance Document (other than the Agent);
- (d) any legal opinion on the capacity and due execution, issued by a reputable law firm; and
- (e) any legal opinion on the validity and enforceability in respect of any Finance Documents 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 (other than such documents governed by Danish law) and no need to deposit funds), issued by a reputable law firm.

### 13.14 Additional Security Material Intercompany Loans

- (a) The Issuer shall and shall procure that each Group Company (except Georg Jensen Taiwan Ltd.) will, upon the incurrence of a Material Intercompany Loan, grant a pledge over that Material Intercompany Loan as security for all amounts outstanding under the Finance Documents and simultaneously therewith deliver to the Agent (unless previously provided):
  - (i) constitutional documents and corporate resolutions (approving the relevant Security Documents and authorising a signatory/-ies to execute the relevant Security Document) for the relevant security provider, and each other party to that Security Document (other than the Agent);
  - (ii) a legal opinion on the capacity and due execution, in respect of any entity being party to the relevant Security Document, issued by a reputable law firm; and
  - (iii) any 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 (other than such documents governed by Danish law) and no need to deposit funds), issued by a reputable law firm.
- (b) The security shall be subject to customary financial assistance and corporate benefit limitations. Provided that no Event of Default has occurred and is continuing (i) payment of principal under Material Intercompany Loans made for the purpose of

making payments under the Bonds and (ii) payment of interest under Material Intercompany Loans shall be permitted.

## **14. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.9 (*Acceleration of the Bonds*)) is an Event of Default.

### **14.1 Non-Payment**

The Issuer or a Guarantor fails to pay an amount on the date it is due in accordance with the Finance Documents unless:

- (a) its failure to pay is caused by administrative or technical error; and
- (b) payment is made within five (5) Business Days of the due date.

### **14.2 Other Obligations**

A party (other than the Agent, the Super Senior RCF Creditor, the Hedge Counterparty, the Facility Agent and any New Debt Creditor, each as defined in the Intercreditor Agreement) fails to comply with the Finance Documents to which it is a party, in any other way than as set out under Clause 14.1 (*Non-Payment*) 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).

### **14.3 Cross Payment Default and Cross-Acceleration**

Any Financial Indebtedness of a Group Company is:

- (a) not paid when due as extended by any originally applicable grace period (if there is one); or
- (b) 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 Clause 14.3 (*Cross Payment Default and Cross-Acceleration*) if (i) the aggregate amount of Financial Indebtedness that has fallen due is less than EUR 2,000,000 or (ii) it is owed to a Group Company.

### **14.4 Insolvency**

- (a) Any Material Group Company 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 and the creditors under the Super Senior Debt) with a view to rescheduling its Financial Indebtedness; or
- (b) moratorium is declared in respect of the Financial Indebtedness of any Material Group Company



## **14.5 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 90 days of commencement or, if earlier, the date on which it is advertised, and (ii) in relation to Subsidiaries, solvent liquidations) in relation to:

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

## **14.6 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 having an aggregate value of an amount equal to or exceeding EUR 2,000,000 and is not discharged within 60 days.

## **14.7 Impossibility or Illegality**

It is or becomes impossible or unlawful for the Issuer 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 (subject to the Legal Reservations).

## **14.8 Continuation of the Business**

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

## **14.9 Acceleration of the Bonds**

- (a) Upon the occurrence of an Event of Default which is continuing but subject to the terms of the Intercreditor Agreement, the Agent is entitled to, and shall following an instruction given pursuant to Clause 14.9(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 14.9(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of

Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- (d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) In the event of an acceleration of the Bonds in accordance with this Clause 14.9, up to, but excluding, the First Call Date the Issuer shall redeem all Bonds at an amount per Bond equal to the redemption amount specified in Clause 9.3(a)(ii) and thereafter, as applicable considering when the acceleration occurs, the redemption amount specified in Clause 9.3 (*Voluntary total redemption (call option)*).

## **15. Distribution of Proceeds**

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security (in the case of proceeds from the Guarantee to the extent such proceeds can be applied towards satisfaction of the Secured Obligations) shall be distributed in accordance with the Intercreditor Agreement.
- (b) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security constitute escrow funds and must be promptly turned over to the Security Agent to be applied in accordance with the Intercreditor Agreement.
- (c) If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply and for any partial redemption in accordance with Clause 9.4 (*Voluntary partial redemption upon an Equity Claw Back (call option)*) due but not made, the Record Date specified in Clause 9.4(b) shall apply.

## **16. Decisions by Bondholders**

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

- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a person who is, or who has been provided with a power of attorney or other proof of authorization pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:
- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) on the Business Day specified in the communication pursuant to Clause 18(c), in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of "Adjusted Nominal Amount".
- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c):
- (i) the issue of any Subsequent Bonds if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, EUR 60,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
  - (i) a change to the terms of any of Clause 2(a), and Clauses 2(f) to 2(g);
  - (ii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);
  - (iii) a change to the Interest Rate or the Nominal Amount (other than as a result of an application of Clause 9.4 (*Voluntary partial redemption upon an Equity Claw Back (call option)*));

- (iv) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of Proceeds*);
  - (v) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16;
  - (vi) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
  - (vii) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
  - (viii) a mandatory exchange of the Bonds for other securities; and
  - (ix) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- (f) Any matter not covered by Clause 16(e) shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19(a)(i) or (19(a)(ii))), an acceleration of the Bonds or the enforcement of any Transaction Security.
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **17. Bondholders' Meeting**

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 20.4(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17(a).
- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **18. Written Procedure**

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically in a manner determined by the Agent) no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 18(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 18(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16(e) and 1.1.1(b)(i) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(e) or 1.1.1(b)(i), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **19. Amendments and Waivers**

- (a) The Issuer and the Agent (acting on behalf of the Bondholders) may (subject to the terms of the Intercreditor Agreement) agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) the Agent is satisfied that such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
  - (iii) such amendment will not negatively affect the Bondholders or the Agent and is necessary for the purpose of listing of the Bonds; or

- (iv) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible in accordance with the rules of the relevant CSD.
- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## 20. Appointment and Replacement of the Agent

### 20.1 Appointment of Agent

- (a) The Issuer appoints the Agent to act as representative (Dk. *fuldmægtig og repræsentant*) on behalf of and for the benefit of the Bondholders pursuant to Chapter 4 of the Danish Capital Markets Act and in accordance with the terms of the Intercreditor Agreement. The Agent accepts such appointment. The Agent shall be registered with the Danish Financial Supervisory Authority (Dk. *finanstilsynet*) in accordance with the Danish Capital Markets Act and the Issuer and the Agent shall provide all information required by the Danish Financial Supervisory Authority.
- (b) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, each Bondholder is bound by these Terms and Conditions and any other Finance Document, without any further action required to be taken or formalities to be complied with. The Agent has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Terms and Conditions, the Security Documents and the Guarantee and Adherence Agreement, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others. By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation of the Agent to act on its behalf, as set forth in this Clause 20.1 (*Appointment of Agent*).
- (c) Each Bondholder shall immediately upon request provide the Agent and the Security Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. Neither the Agent nor the Security Agent is under any obligation to represent a Bondholder which does not comply with such request.

- (d) The Issuer shall promptly upon request provide the Agent and the Security Agent with any documents and other assistance (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent, as applicable deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) The Agent may act as agent, trustee or representative for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **20.2 Duties of the Agent**

- (a) The Agent shall represent the Bondholders in accordance with the Finance Documents, and, where relevant, enforcing the Transaction Security and/or Guarantees on behalf of the Bondholders. The Agent is not responsible for the content, valid execution, perfection, legal validity or enforceability of the Finance Documents.
- (b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) The Agent's duties under this Agreement are solely mechanical and administrative in nature and the Agent only acts in accordance with these Terms and Conditions and upon instructions from the Bondholders, unless otherwise set out in these Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other person.
- (d) The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in these Terms and Conditions and the other Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) The Agent is entitled to delegate its duties to other professional parties (without having to first obtain any consent from the Issuer or the Bondholders), but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- (f) The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.



- (g) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents and/or related documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer, the Bonds or the Transaction Security which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Issuer and the Agent. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (j) Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2(i).

### **20.3 Limited liability for the Agent**

- (a) The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

- (d) The Agent shall have no liability to the Bondholders or the Issuer for damage caused by the Agent when acting in accordance with instructions of the Bondholders given to the Agent in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other person.

#### **20.4 Replacement of the Agent**

- (a) Subject to Clause 20.4(f), the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 20.4(f), if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- (d) If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (f) The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent which shall be registered with the Danish Financial Supervisory Authority (Dk: *finanstilsynet*) in accordance with the Danish Capital Markets Act, and (ii) acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- (g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents

in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.

- (h) In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **21. Appointment and Replacement of the Issuing Agent**

- (a) The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the Danish Capital Markets Act and any other legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **22. No Direct Actions by Bondholders**

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security or the Guarantee to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 22(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason, or is unable to take such actions (however, any action taken by a Bondholder must always be permitted under the Intercreditor Agreement) (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 20.2(i), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2(k) before a Bondholder may take any action referred to in Clause 22(a).
- (c) The provisions of Clause 22(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 7 (Mandatory repurchase due to a Change of Control Event, Listing Failure Event or Delisting (put

option)) or other payments which are due by the Issuer to some but not all Bondholders.

## 23. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- (b) If a limitation period is duly interrupted in accordance with the Danish Limitations Act, a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Danish Limitations Act.

## 24. Notices and Press Releases

### 24.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Agent, shall be given at the address registered in the register of representatives with the Danish Financial Supervisory Authority on its website [finanstilsynet.dk](http://finanstilsynet.dk) or any successor website on the Business Day prior to dispatch, or, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
  - (ii) if to the Issuer, to the following address
    - (A) Georg Jensen A/S  
Søndre Fasanvej 7  
DK-2000 Frederiksberg  
Denmark; or
    - (B) if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time.
  - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the CSD Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A Notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- (b) Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1(a) or, in case of letter,

three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1(a).

- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.
- (d) If an Event of Default is continuing, any notice or other communication made by the Agent to the Issuer under or in connection with the Finance Documents may, provided that the Agent deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Agent), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Agent to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Agent.

## 24.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Voluntary partial redemption upon an Equity Claw Back (call option)*), 9.5 (*Early redemption due to illegality (call option)*), 11.1(b), 14.9(c), 16(o), 17(a), 18(a) and 19(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause 24.2(a), if any information relating to the Bonds or the Issuer contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## 25. Force Majeure and Limitation of Liability

- (a) Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

- (d) The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the applicable securities registration legislation which provisions shall take precedence.

## **26. Governing Law and Jurisdiction**

- (a) These Terms and Conditions shall be governed by and construed in accordance with the laws of Denmark, without regard to its conflict of law provisions.
- (b) The Agent, the Issuer and the Guarantors agree for the benefit of the Agent and the Bondholders that the City Court of Copenhagen shall have jurisdiction with respect to any dispute arising out of or in connection with these Terms and Conditions. The Issuer and the Guarantors agree for the benefit of the Agent and the Bondholders that any legal action or proceedings arising out of or in connection with these Terms and Conditions against the Issuer, the Guarantors or any of its or their respective assets may be brought in such court.
- (c) Paragraph (b) is for the exclusive benefit of the Agent and the Bondholders and the Agent have the right:
  - (i) to commence proceedings against the Issuer or any Guarantor or its/their respective assets in any court in any jurisdiction; and
  - (ii) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

**ADDRESSES****ISSUER**

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