Investor Presentation

1 December 2022

Important information (I/II)

This investor presentation (this "**Presentation**") has been produced by PHM Group Holding Oyj (the "**Issuer**", and together with its direct and indirect subsidiaries from time to time, the "**Group**") solely for use in connection with the contemplated offering of floating rate notes (the "**Notes**") by the Issuer on substantially the same terms as the Issuer's 2021/2026 Senior Secured Callable Fixed Rate Notes (the "**Transaction**") and may not be reproduced or redistributed in whole or in part to any other person. The joint bookrunners for the Transaction are Nordea Bank Abp and Pareto Securities AS (the "**Joint Bookrunners**"). This Presentation is for information purposes only and does not in itself constitute an offer to sell or a solicitation of an offer to buy any of the Notes. By attending a meeting where this Presentation is presented or by reading this Presentation slides, you agree to be bound by the following terms, conditions and limitations.

All information provided in this Presentation has been obtained from the Group or publicly available material. Although the Joint Bookrunners have endeavoured to contribute towards giving a correct and complete picture of the Group, none of the Joint Bookrunners nor any of their parents or subsidiaries or any such company's directors, officers, employees, advisors or representatives (collectively the "**Representatives**") shall have any liability whatsoever arising directly or indirectly from the use of this Presentation. Moreover, the information contained in this Presentation has not been independently verified, only a management interview has been carried out, and none of the Joint Bookrunners assume any responsibility for, and no warranty (expressly or implied) or representation is made as to, the accuracy, completeness or verification of the information contained in this Presentation. This Presentation is dated 1 December 2022. Neither the delivery of this Presentation nor any further discussions of the Group or the Joint Bookrunners with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since such date. The Group does not undertake any obligations to review or confirm, or to release publicly or otherwise to investors or any other person, any revisions to the information contained in this Presentation to reflect events that occur or circumstances that arise after the date of this Presentation.

Only a limited legal due diligence has been carried out with respect to the Group, by way of a management interview. Thus, there may be risks related to the Group which are not included in this Presentation and which could have a negative effect on the Group's operations, financial position, earnings and result.

An investment in the Notes involves a high level of risk. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are described in more detail in the section "*Risk Factors*" appended to this Presentation. Factors possibly affecting the investment decision are also discussed elsewhere in this Presentation. Several factors could cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this Presentation, including, among others, risk or uncertainties associated with the Group's business, segments, developments, growth, management, financing and market acceptance, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, fluctuations in currency exchange rate and interest rates and other factors. By attending a meeting where this Presentation is presented or by reading this Presentation, you acknowledge that you will be solely responsible for and rely on your own assessment of the market and the market position of the Group and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Group, its business and the Notes and other securities. The content of this Presentation is not to be construed as legal, credit, business, investment or tax advice. Each recipient should consult with its own legal, credit, business, investment and tax advisers to receive legal, credit, business, investment and tax advice. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this document or any applicable supplement;

b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact other bonds will have on its overall investment portfolio;

c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;

d) understand thoroughly the final terms and conditions for the Notes; and

e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the relevant risks.

The distribution of this Presentation and any purchase of or application/subscription for Notes or other securities of the Group is restricted by law in certain jurisdictions, and persons into whose possession this Presentation comes should inform themselves about, and observe, any such restriction. Any failure to comply with such restrictions may constitute a violation of the applicable securities laws of any such jurisdiction. None of the Joint Bookrunners or any of their Representatives shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this Presentation or its contents or otherwise arising in connection with this Presentation. This Presentation does not constitute an offer to sell or a solicitation of an offer to buy or subscribe any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. Neither the Group nor the Joint Bookrunners or any of their Representatives have taken any actions to allow the distribution of this Presentation in any jurisdiction where any action would be required for such purposes. Neither the Group nor any of the Joint Bookrunners has authorised any offer to the public of securities, or has undertaken or plans to undertake any action to make an offer of securities to the public requiring the publication of an offering prospectus, in any member state of the European Economic Area and this Presentation is not a prospectus for purposes of the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by or registered with the Finnish Financial Supervisory Authority or any other authority for the use of offering of any securities to the public or for listing of securities.

In the event that this Presentation is distributed in the United Kingdom, it shall be directed only at persons who are either (a) "investment professionals" for the purposes of Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (b) high net worth companies, unincorporated associations and other persons to whom it may lawfully be communicated in accordance with Article 49(2)(a) to (d) of the Order, or (c) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). Any investment or investment activity to which this Presentation relates will be available only to Relevant Persons and will be engaged in only with Relevant Persons. This Presentation is not a prospectus for the purposes of Section 85(1) of the UK Financial Services and Markets Act 2000, as amended. Accordingly, this Presentation has not been approved as a prospectus by the Financial Conduct Authority (the "**FCA**") under Section 87A of the Financial Services and Markets Act 2000 and has not been filed with the FCA pursuant to the UK Prospectus Rules nor has it been approved by a person authorised under the Financial Services and Markets Act 2000.

This Presentation does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. In the event that this Presentation is distributed in the United States, it shall be directed only at persons who are "qualified institutional buyers" as defined in Rule 144A promulgated under the Securities Act ("**Rule 144A**") ("**QIBs**") in reliance upon Rule 144A under the Securities Act. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction in the United States. Accordingly, the Notes may not be offered, sold (directly or indirectly), delivered or otherwise transferred within or into the United States or to, or for the account or benefit of, U.S. Persons, absent registration or under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold only (i) outside the United States to persons other than U.S. persons ("**non-U.S. purchasers**", which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust)) in reliance upon Regulation S under the Securities Act ("**Regulation S**") and (ii) in the United States to QIBs in reliance upon Rule 144A under the Securities Act. As used herein, the terms "United States" and "U.S. person" have the meanings as given to them in Rule 902 of Regulation S under the Securities Act. By accepting receipt of this Presentation, you warrant and represent that (i) if you are located within the United States and/or a U.S. person or in the United States, you are a QIB, (ii) if you are a non-U.S. person, you are a Qualified Investor (as defined in the Prospectus Regulation (with cross-references therein)), or a Relevant Person (as defined above).

Important information (II/II)

Nordea Bank Abp's ability to engage in U.S. securities dealings is limited under the U.S. Bank Holding Company Act and it may not underwrite, offer or sell securities that are offered or sold in the United States. Nordea Bank Abp will only underwrite, offer and sell the securities that are part of its allotment solely outside the United States.

The Joint Bookrunners and/or their Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Joint Bookrunners may have other financial interests in transactions involving these securities or the Group.

The Issuer and any other member of the Group may, subject to applicable laws, purchase Notes. It should be noted that the Group may have interests that conflict with other noteholders particularly if the Group encounters difficulties or is unable to pay its debts as they fall due.

Solely for the purposes of the product governance requirements set forth in Directive 2014/65/EU (as amended, "**MiFID II**"), the Joint Bookrunners (as used herein, "**Manufacturers**" refers to the Joint Bookrunners) have made a target market assessment in respect of the Notes, and have concluded that the target group for the Notes is:

Type of client: Clients that are eligible counterparties, professional clients and retail clients, each as defined in MiFID II.

Knowledge and experience: Clients that are (i) informed investors, having one or more of the following characteristics: (a) average knowledge of the relevant financial products (an informed investor can make an informed investment decision based on the offering documentation, together with knowledge and understanding of the specific risk factors/risks highlighted with them only), or (b) some financial industry experience, or (ii) advanced investors, having one, or more of the following characteristics: (x) good knowledge of the relevant financial products and transactions, or (y) financial industry experience or accompanied by professional investment advice or included in a discretionary portfolio service.

Financial situation with a focus on the ability to bear losses: Clients that have the ability to tie money up for the term of the Notes (the final maturity date of which will be 19 June 2026) and bear losses of up to 100% of the capital invested in the Notes.

Risk tolerance: Financial ability and willingness to put the entire capital invested at risk. Clients investing in the Notes are willing to take more risk than deposit savings and do not require a fully guaranteed income or return profile.

Investment objective: Clients whose investment objective is to generate growth of the invested capital and have an investment horizon corresponding to the term of the Notes (the final maturity date of which will be 19 June 2026).

Furthermore, the Manufacturers have made an assessment as to the negative target market and concluded that the negative target market for the Notes is clients that seek full capital protection or full repayment of the amount invested, are fully risk averse/have no risk tolerance or need a fully guaranteed income or fully predictable return profile.

The Manufacturers have made an assessment as to the distribution strategy for the Notes, and have concluded that (i) all channels for distribution to eligible counterparties and professional clients are appropriate; and (ii) the following channels for distribution of the Notes to retail clients are appropriate – investment advice, portfolio management, non-advised sales and pure execution services, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the Manufacturers' target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the Manufacturers' target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

For the avoidance of doubt, the target market assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Notes.

As the Notes are not deemed to fall within the scope of regulation (EU) 1286/2014 (as amended, the "**PRIIPs Regulation**"), no PRIIPs key information document (KID) has been prepared.

The Joint Bookrunners will be paid a fee by the Issuer in respect of the placement of the Transaction.

Certain information contained in this Presentation, including any information on the Group's plans or future financial or operating performance and other statements that express the Group's management's expectations or estimates of future performance, constitute forward-looking statements (when used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Group or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Group cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Group to be materially different from the Group's estimated future results, performance or achievements expressed or implied by those forward-looking statements.

Certain financial information contained in this Presentation has not been reviewed by the Group's auditor or any other auditor or financial expert. Hence, such financial information might not have been produced in accordance with applicable or recommended accounting principles and may furthermore contain errors and/or miscalculations. The Group is the source of the financial information, and none of the Joint Bookrunners or any of their Representatives shall have any liability (in negligence or otherwise) for any inaccuracy of the financial information set forth in this Presentation.

Claims or legal action may in the future be made or initiated against the Group which may have significant unfavourable effects on the Group's financial position, performance and market position or on the pricing of the Notes.

Any potential investor investing in the Notes is bound by the terms and conditions of the Notes which the investor acknowledges having accepted by subscribing for such Notes.

This Presentation is subject to Finnish law, and any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of Finnish courts.

Issuer characteristics and confirmation/verification processes

Background

Business Overview

- PHM Group Holding Oyj (the "Issuer" and together with its direct and indirect subsidiaries from time to time, "PHM", the "Company", or the "Group")) is a leading residential property maintenance company.

Ownership

- The Issuer is a privately held company, currently owned by Norvestor & Limited Partners (~68.3%)[1], Intera Partners (~7.8%)[1], and advisors, management, key personnel, and founders (~23.8%)[1].

Listing Status

- The Group's outstanding notes are publicly listed on Frankfurt Open Market and on Nasdaq Helsinki.
- The New Notes will be sought listed on Frankfurt Open Market and Nasdaq Helsinki within 60 days and 6 months after the issue date, respectively.

Previous Capital Market Experience

- Both management and the main shareholder have previously been involved in capital market activities.

Other Issuer Characteristics

- Country of registry: Finland.
- Headquarter: Helsinki, Finland.
- Country of operations: Finland, Sweden, Norway, Denmark, and Germany.

Verification work

- The Issuer signed a "Dealer Agreement" and concluded a "Bring down due diligence call", confirming to the Joint Bookrunners, amongst other things that the marketing material in all aspects is complete, and that all matters relevant for evaluating the Issuer and the New Notes are properly disclosed in all the marketing material.
- A commercial due diligence was conducted in January 2020 by a top tier strategy consultancy firm with the scope of assessing the market dynamics and outlook, competitive landscape, company overview, and business plan validation in relation to the acquisition of Kotikatu.
- PWC completed a commercial due diligence report in March 2020 in relation to Norvestor's acquisition of PHM Group.
- KPMG conducted a financial review with the scope of producing Like-for-Like ("LfL") financials for PHM Group for the periods FY'19, FY'20, Q1'21, and LTM March '21. The basis of preparation of LfL financials for Q2'21, Q3'21, Q4'21, Q1'22, Q2'22, and Q3'22 remains unchanged, but the financials have not been reviewed by any third-party advisor.
- The Joint Bookrunners have conducted several interviews with management during the preparation phase to gain a better understanding of the relevant risks related to the business model, the market, and the financials.
- The main risks are described further in the Risk Factors section.

Overview of advisors

- The law firm White & Case acts as legal counsel to the Joint Bookrunners.
- The law firm Borenius acts as legal counsel to the Issuer.
- KPMG is the auditor of the Issuer. The most recent audited annual report available for the Group covers the financial year of 2021.
- Nordea Bank Abp and Pareto Securities AS act as Joint Bookrunners.

Source: Company information. Note: (1) The percentages reflect the respective voting rights.

Table of Contents

phm Nordic all-stars in local property service.

Transaction summary

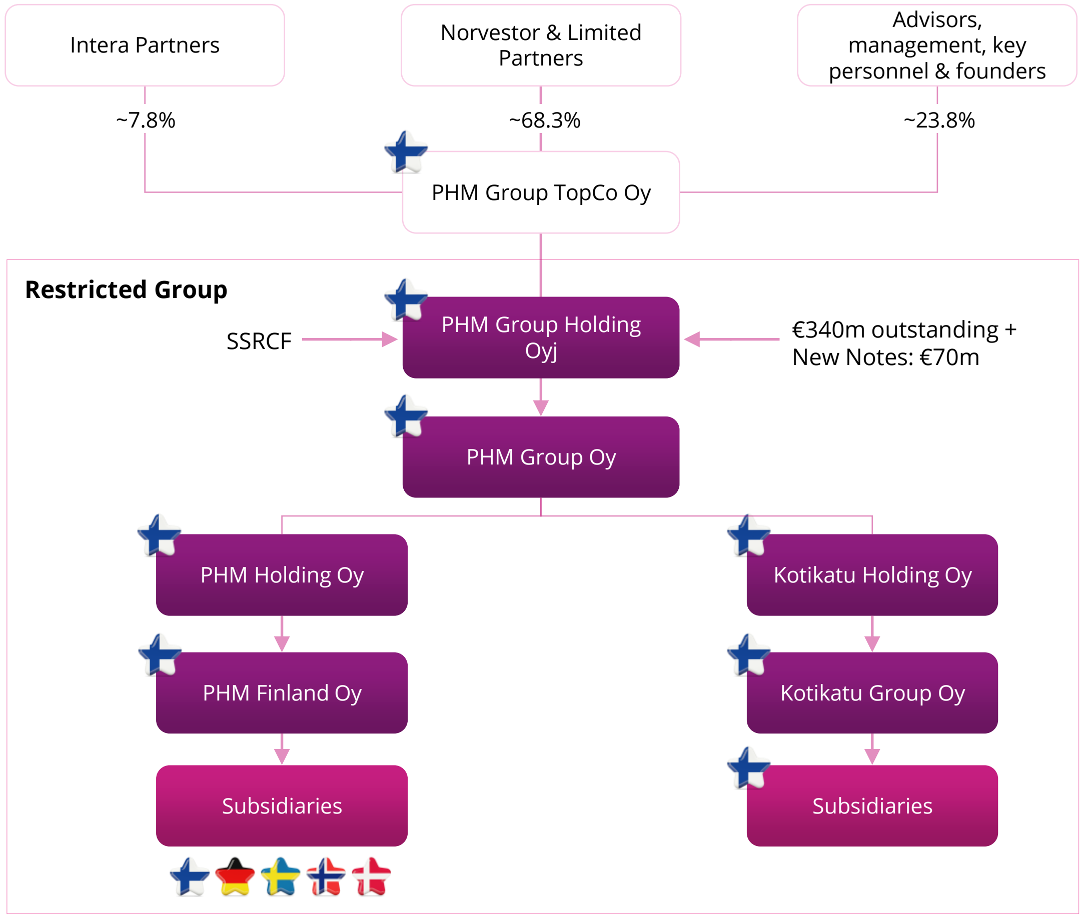
Background

- PHM Group, majority-owned by Norvestor & Limited Partners (the "Main Sponsor"), is contemplating a floating rate note issuance of €70m under a framework of €200m (the "New Notes" or the "New Notes Issue").
- The New Notes will be governed by substantially the same terms as PHM's 2021/2026 Senior Secured Callable Fixed Rate Notes (the "2021/2026 Notes") of which €340m is outstanding under a total framework of €450m. There will be some changes to the terms, including the conversion to a floating rate note and the voluntary early redemption schedule. The key terms of the New Notes are outlined on page 8.
- The rationale of placing New Notes relates to original issue discount concerns affecting the fungibility of a tap issue due to the distribution of the 2021/2026 Notes.
- Net proceeds from the New Notes Issue will be applied towards (i) the refinancing of drawings under the Super Senior RCF (provided by Nordea); (ii) general corporate purposes including M&A; and (iii) finance transaction-related costs.
- The New Notes are intended to secure a more flexible capital structure to cater for the opportunities that PHM sees in the market.

Incurrence test

- The gross and net leverage figures as of Q3'22 stand at 4.87x and 4.71x, respectively, according to bond terms.
- The Leverage Ratio pro-forma for the New Notes Issue is expected to stand at 5.26x[2].

Simplified legal structure[1]



Source: Company information. Notes: (1) As of 2 November 2022. Ownership percentages are based on voting rights. Please see page 29 for a more detailed overview; (2) Based on the test date 30 September 2022, which includes the pro-forma EBITDA impact from acquisition signed and closed in Q3'22. Net debt is calculated as per the test date. Please see page 28 for further information.

Sources & uses and pro-forma capitalization structure

Sources & uses and pro-forma new capital structure

Sources and uses

Sources	€m	Uses	€m
New Notes	70.0[1]	Repayment of Super Senior RCF[1]	25.0
		Overfunding[1]	44.2
		Transaction costs[2]	0.8
Total sources	**70.0**	**Total uses**	**70.0**

Illustrative pro-forma capitalization table

€m	Current structure		Δ[1]	PF Capital structure[1]	
	Q3'22	X adj. EBITDA Q3'22	*Q3'22*	Q3'22	X adj. EBITDA Q3'22
Senior Secured Notes	340.0	4.17x	-	340.0	4.17x
New Notes	-	-	*70.0*	70.0	0.86x
RCF (drawn)	25.0	0.31x	*(25.0)*	-	-
Other interest-bearing debt	32.5	0.40x	-	32.5	0.40x
Interest-bearing debt	**397.5**	**4.87x**	***45.0***	**442.5**	**5.42x**
Other net-debt items	8.5	0.10x	-	8.5	0.10x
Cash on balance	(21.9)	(0.27x)	*(44.2)*	(66.1)	(0.81x)
Net interest-bearing debt	**384.0**	**4.71x**	***0.8***	**384.8**	**4.72x**
LTM Like-for-Like Adjusted EBITDA[3]	**81.6**			**81.6**	

Source: Company information. Notes: (1) Overfunding will be applied towards cleaning down the RCF which has been drawn after 30 September 2022. The transaction is expected to be leverage neutral; (2) Estimate based on contemplated issue volume; (3) Includes 12 months preceding 30 September 2022. Figure includes €1.0m in unrealized synergies.

Key terms of the New Notes

Issuer	PHM Group Holding Oyj ("PHM Group", "PHM", or the "Issuer")
Issue Amount	€70,000,000
Frame Amount	€200,000,000
Status	Senior Secured
Use of proceeds	(i) Repayment of Super Senior RCF; (ii) general corporate purposes including M&A; and (iii) finance transaction costs
Issue Date	15 December 2022
Maturity Date	19 June 2026, 1 day after the 2021/2026 Notes
Coupon	3mE + 7.50%, quarterly interest payments in arrears. Interest Payment Dates to be aligned with Maturity Date
EURIBOR Floor	0.00%
Issue price	100%
Security and guarantees	Shared security with the 2021/2026 Notes and Super Senior RCF, including pledges of the shares and business mortgages in the Issuer and in the material subsidiaries, and relevant intercompany loans and guarantees from material subsidiaries
Amortizations	Bullet
Incurrence test	• Incurrence test of net debt/EBITDA <5.5x for acquisitions and general corporate purposes
General undertakings and other key terms	• Negative pledge: Not provide security for any indebtedness other than Permitted Security • Information undertakings: Standard reporting requirements • Annual nomination of material subsidiaries, each representing minimum 5%, and in aggregate minimum 80%, of the total EBITDA/Total Assets of the Group
Permitted debt	Carve out for, inter alia, 2021/2026 Notes, hedging obligations, leases, factoring, Super Senior RCF of the higher of €50m(1) and 100% EBITDA, general basket of the higher of €5m and 10% of EBITDA
Call structure	Make-whole until and including 18 June 2024, thereafter 100% + 50/25/10/0% of the Margin from 19 June 2024 / 19 December 2024 / 19 April 2025 / 19 June 2025 (subject to the 2021/2026 Notes being redeemed in full)
Change of control	Investor put @ 101
Equity clawback	40% at first call price in connection with an initial public offering (subject to the 2021/2026 Notes being redeemed in full)
Preliminary ratings	• Moody's: B2/Stable • S&P: B/Stable
Listing	Listing on Frankfurt Open Market within 60 days and Nasdaq Helsinki within 6 months after the First Issue Date, respectively
Agents	Nordic Trustee (Bond Agent) and Intertrust (Security Agent)
Governing law	Finnish law
Joint Bookrunners	Nordea Bank Abp and Pareto Securities AS

Note: Please see Term Sheet for further details; (1) The Super Senior RCF has been increased by €12.5m to €62.5m. The increase is agreed for 12 months and is in-line with the terms set out in the current financing agreements

Today's presenters

Ville Rantala

Chief Executive Officer

Petri Pellonmaa

Chief Financial Officer

Source: Company information.

PHM is a leading provider of local property services

A Nordic leader with an emerging European foothold

Key facts

1989
Founded

#1
Market leader in Finland

>6,000
Professionals(2)

104
Locally operating companies(3)

€493.9m
LTM LfL 9'22 LfL revenue(1)

€80.6m
LTM 9'22 LfL adj. EBITDA(1)

>20,000
Customers

33
Acquisitions in 1-11/2022

Broad service offering

- Property maintenance
- Cleaning
- Landscaping & outdoor maintenance
- Snow plowing & transport
- Property management
- Smaller renovations and construction work
- Electricity, HVAC, plumbing
- Transport and sewage work

Strong Nordic presence – recent diversification into Germany

Companies(4)	% of revenue(5)
54	57%
30	27%
12	8%
8	7%

Source: Company information. Note: (1) As of 30 September 2022. LTM LfL adj. EBITDA excluding synergies of €1.0m; (2) Including acquisitions signed after 30 September 2022; (3) As of 30 September 2022; (4) Figures are based on companies that operate under one management; (5) Based on LTM Q3'22 Like-for-Like net sales for all companies owned as of 30 September 2022. Germany is not included in the figures as the Schultz Gruppe acquisition was closed in October 2022.

PHM offers a broad and diverse range of essential services

>90% of revenues stem from contract customers

48%

Contractual services

Property maintenance tasks

- Performed on a recurring basis
- Included in customer's annual budget

34%

Add-on services

Seasonal and supplementary work

- Performed on a re-occurring basis
- Partially included in customer's annual budget

18%

Technical services

Services for building technology

- Sold to contracted customer base as well as to other customers on an ad-hoc basis

Example tasks

Contractual services	Add-on services	Technical services
Contractual maintenance	Conveyance system & window cleaning	HVAC(1)
Facility cleaning	Ad-hoc repairs	Plumbing
Ground Management	Snow removal & sand gravelling	Small-scale renovation

Source: Company information. ◆ Share of 2021 LfL net sales. Note: (1) HVAC stands for heating, ventilation, and air conditioning.

Key credit highlights

Providing essential and non-cyclical services
- >90% of revenues stem from contract customers
- No reliance on a single customer and >90% retention rates
- Non-cyclical market growing at ~3-5% per annum

Recurring revenue business model
- >80% of revenues are of a recurring or re-occurring nature
- >80% of PHM's revenues are included in the customers' budgets
- High share of long-term contracts with low-churn

Nordic champion with a local operating model
- Clear market leader in Finland, several times larger than the closest competitor
- Successfully established a leading position in Sweden
- Platform acquisitions executed in Norway, Denmark, and Germany

Low-risk consolidation strategy
- Highly fragmented market with many smaller companies
- Average EV/EBITDA acquisition multiple of ~5.0x[1]
- Strong ability to elevate performance of acquired entities

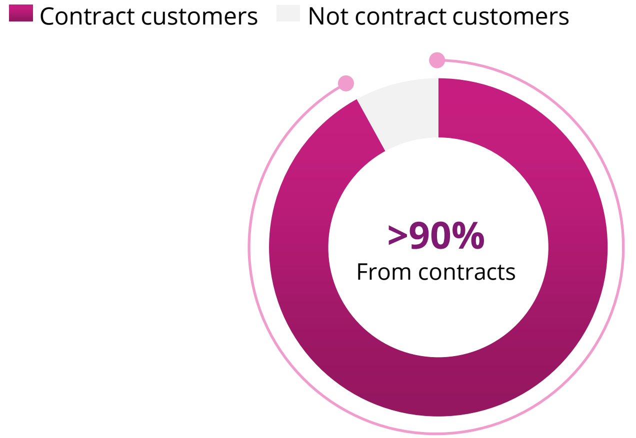
Attractive cash flow metrics
- Industry leading EBITDA margin
- Low maintenance capex: ~3-4% of sales
- Asset light operating model enabling strong cash conversion

Source: Company information. Note: (1) Between 2015 and 2022 YTD. Please see page 16 for further details.

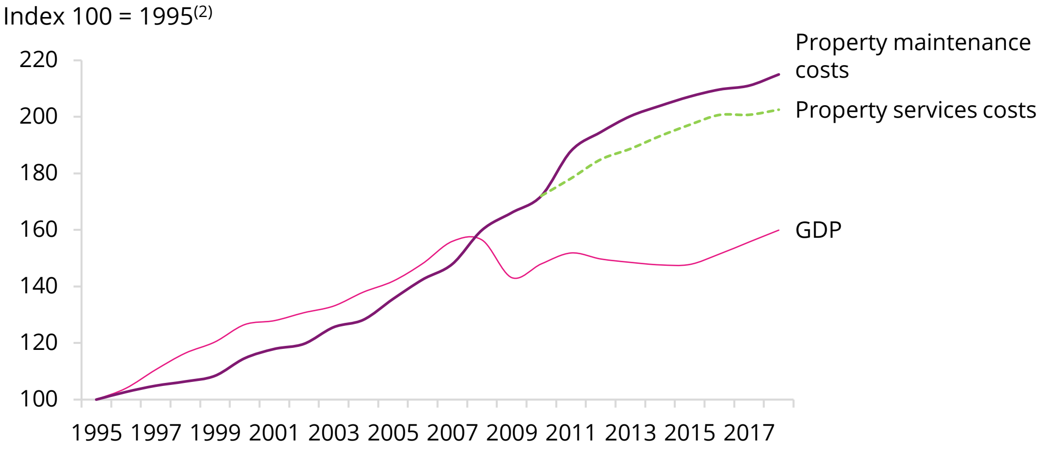
Providing essential and non-cyclical services

Market has proven to be resilient over economic cycles

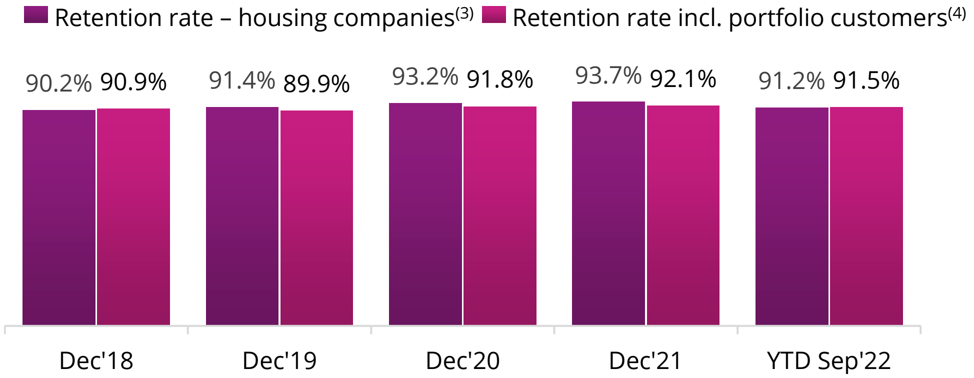
>90% of revenues stem from contract customers(1)



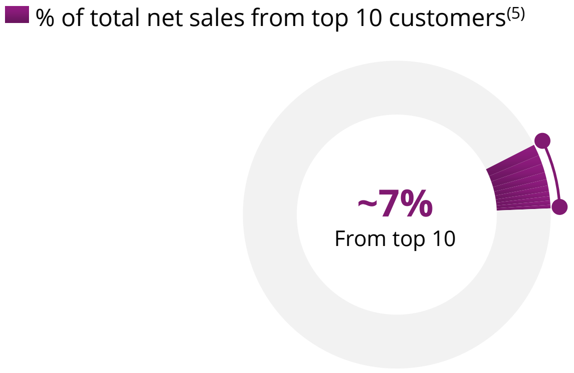
Resilient market through economic cycles



Strong retention rates



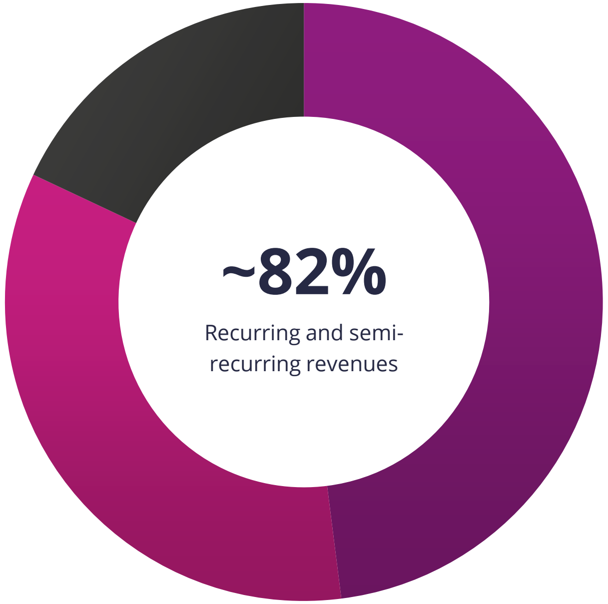
No customer concentration



Source: Company information; PwC; KPMG analysis. Notes: (1) Share of 2021 LfL net sales; (2) Index is comprised of the average general maintenance / repairs, facility cleaning, and ground maintenance costs; (3) Figures are only for Kotikatu which has higher churn than PHM; (4) Retention figure is based on number of customers that have churned; (5) Based on 2020 LfL figures. Management believes that the same percentages hold today.

Recurring revenue business model

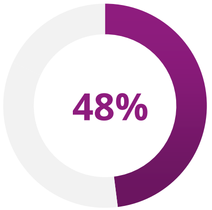
The large majority of PHM's revenues are recurring or semi-recurring



Recurring

Contractual services

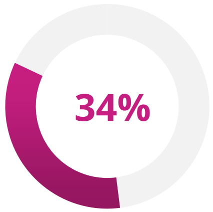
- Fixed amount invoiced on a monthly basis
- Standardized set of activities, such as weekly property check and minor repairs
- Included in the customers' annual budgets
- Long-term contracts with low churn



Semi-recurring

Add-on services

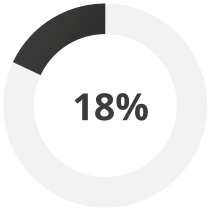
- Add-on work outside the contractual scope done regularly
- Activities include small repair tasks, seasonal works, and materials
- Included in housing budgets



Non-recurring

Technical services

- Performed on a "need-to-do" basis, i.e. when something breaks or to maintain property value
- Necessary to perform in the long-run, but the exact timing is difficult to predict and/or to some extent discretionary
- Example activities include sauna renovations, landscaping and repairs of outdoor areas, maintenance painting, and damage repairs
- ~58% of revenues in this category stem from contract customers of PHM



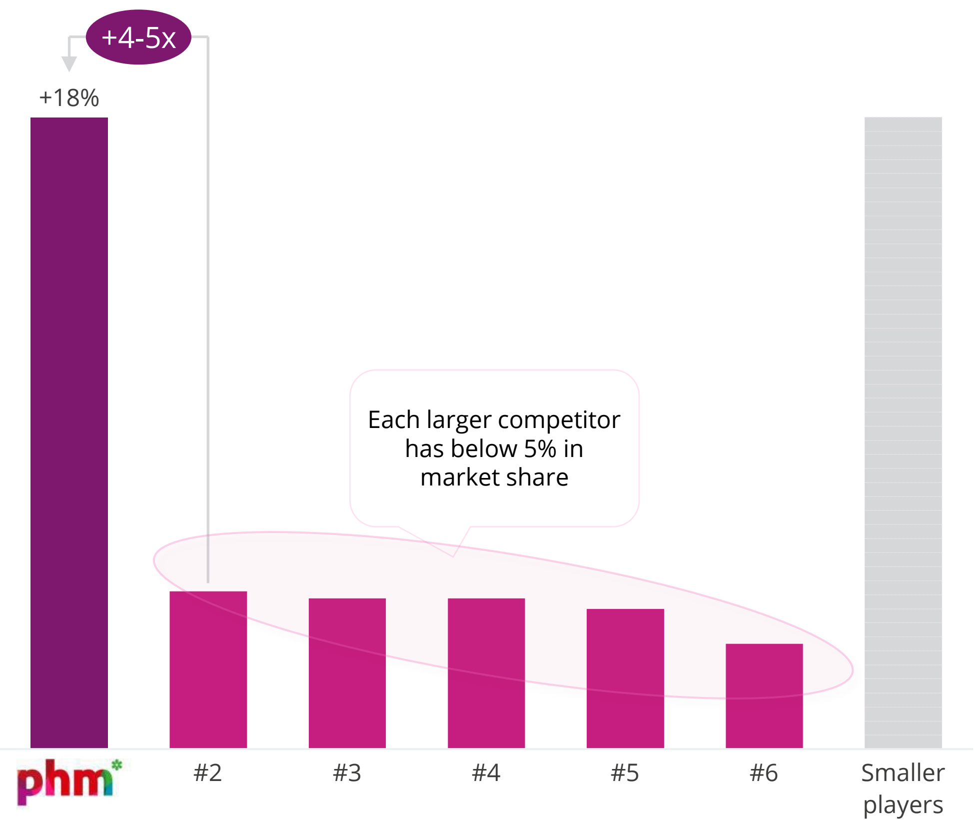
Source: Company information; KPMG. Note: Percentages are based on 2021 LfL net sales.

Nordic champion with a local operating model

Clear market leader in Finland and swiftly gaining share in other markets

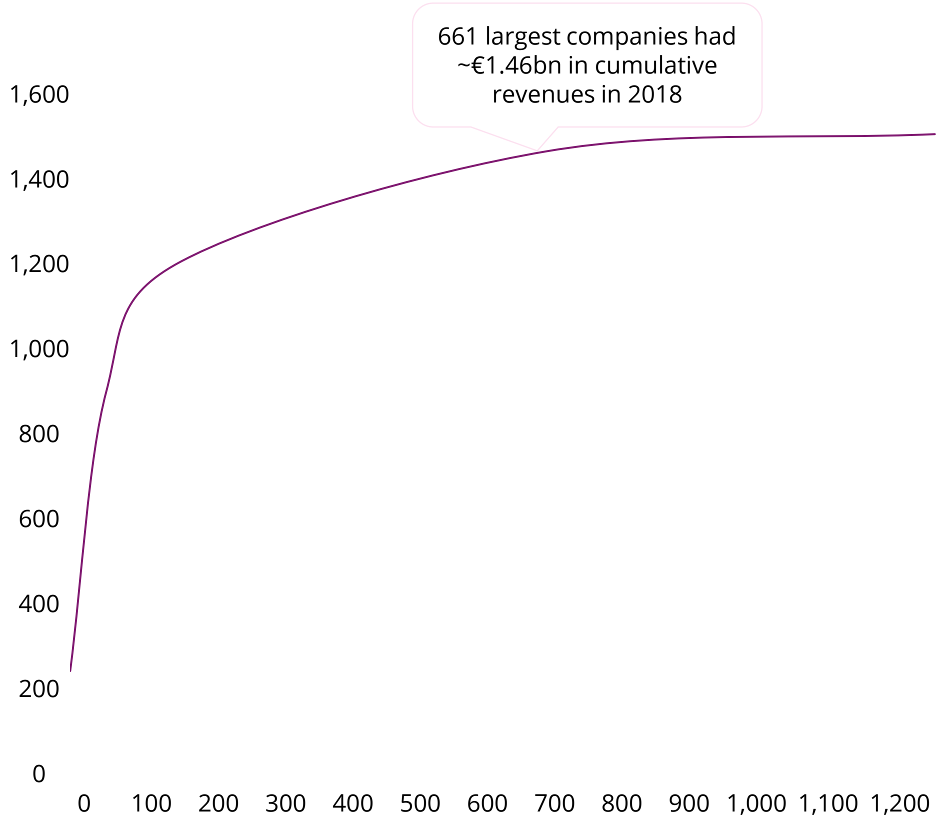
Dominating market share in Finland

Pureplay residential property services market share – as of 2020[1]



Highly fragmented industry – Finland example

Cumulative revenue by # of companies, 2018 (in € millions)



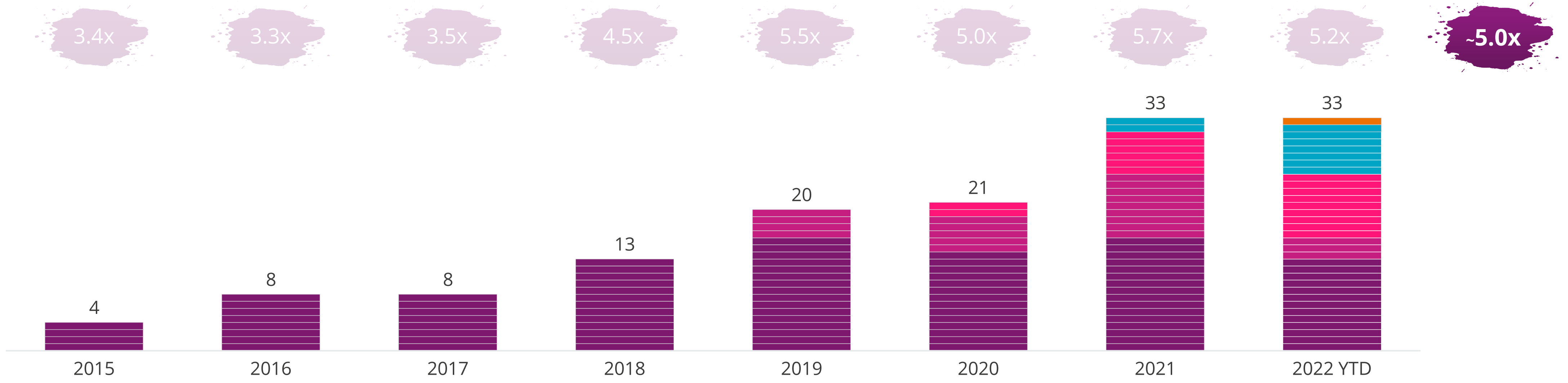
Source: Company information. Note: (1) Only includes companies with a pureplay focus on the residential property services market.

Low-risk consolidation strategy

Continuing according to strategy of acquiring companies at attractive multiples

Number of acquisitions and average EV/EBITDA multiples

of acquisitions and average EV/EBITDA acquisition multiple per annum[1]



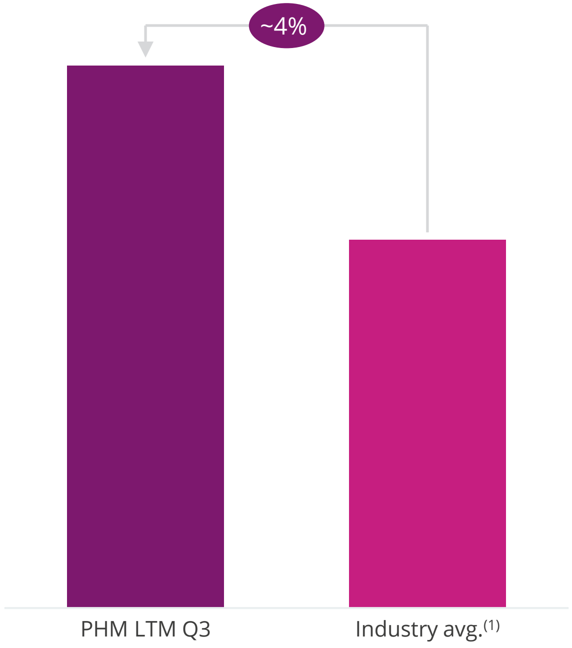
	4	8	8	13	16	14	16	13	**92**
	-	-	-	-	4	5	9	3	**21**
	-	-	-	-	-	2	6	9	**17**
	-	-	-	-	-	-	2	7	**9**
	-	-	-	-	-	-	-	1	**1**

Source: Company information. Notes: Figures relate to the closing years of the transaction; Multiples do not account for reinvestments; (1) Based on related enterprise value and latest available LTM EBITDA before the time of closing. There are a few transactions in which no LTM data is available. In such instances, a forward-looking EBITDA has been employed. The 2022 figures include all acquisitions closed until 12 October 2022.

Attractive cash flow metrics

Industry-leading margins paired with low maintenance capex and negative NWC

Industry leading EBITDA margins



Low maintenance capex

- Asset light business model
- Maintenance capex typically ~3-4% of net sales per annum

Negative net working capital

- Low share of short-term assets
- Efficient net working capital management enabling strong cash conversion

Source: Company information; Reputable third-party consultant. Note: (1) Industry profitability was calculated by a reputable third-party consultant based on a selection of companies in the same industry as PHM for 2016, 2017, and 2018.

Acquisitions and disposals in 2022

Company	Country	Region	Closing	Currency	Revenue(1)	EBITDA(1)
Acquisitions						
Hagen Hageservice AS	Norway	Oslo	January	NOKm	12.8	2.4
Princip Redovisning Ab	Sweden	Stockholm	January	SEKm	5.5	1.4
Sundby Rengørings Service Aps	Denmark	Copenhagen	February	DKKm	11.3	2.1
Daseko Aps	Denmark	Copenhagen	March	DKKm	11.4	1.0
Vaktmester-Gruppen AS	Norway	Oslo	March	NOKm	12.1	(0.2)
Vammalan Talonmies ja Siivouspalvelu Oy	Finland	Vammala	March	EURm	0.9	0.1
Turun Sähköhuolto Oy	Finland	Turku	March	EURm	0.8	0.0
Parkkompaniet i Boden Ab	Sweden	Boden	April	SEKm	44.0	11.3
RenBolig Service og Omsorg As	Norway	Fredrikstad	April	NOKm	12.2	1.4
Sähköasennus Salminen Oy	Finland	Tampere	April	EURm	2.0	0.4
P. Kiinteistöpalvelut Oy	Finland	Uusimaa	April	EURm	1.1	0.2
Unce Oy	Finland	Helsinki	April	EURm	2.5	0.5
Lojonia Palvelut Oy	Finland	Lohja	April	EURm	0.8	0.1
Karkkilan Huolto Oy	Finland	Karkkila	April	EURm	1.1	0.0
Porvoon Talotiimi Oy	Finland	Porvoo	May	EURm	2.0	0.6
Siniservice Oy and Puhtaasti Mäkinen Oy	Finland	Seinäjoki	May	EURm	0.7	0.1
Altiren As and Altipolering ApS	Denmark	Copenhagen	June	DKKm	44.4	8.2
HuoneistoHait Oy	Finland	Helsinki	June	EURm	0.3	0.0
H.N. Service(2)	Denmark	Copenhagen	June	DKKm	5.8	2.3
International NordicLife Förvaltning AB	Sweden	Gothenburg	July	SEKm	34.3	(3.1)
OK Rengoring AS and KRS Service ApS	Denmark	Copenhagen	July	DKKm	46.5	6.0
Grindsted Vinduesservice ApS	Denmark	Copenhagen	July	DKKm	10.9	1.7
Kilderent As	Norway	Trondheim	July	NOKm	5.4	0.6
WA ApS	Denmark	Copenhagen	August	DKKm	18.5	0.9
Ren Service AS	Norway	Oslo	September	NOKm	83.9	7.6
Karsikon Talohuolto Oy	Finland	Joensuu	September	EURm	2.8	0.1
Pukinmäen Kiinteistöhuolto and PK Kuivaus Oy	Finland	Helsinki	September	EURm	3.8	0.3
Schultz Gruppe	Germany	Hamburg	October	EURm	32.8	4.4
Company A	Norway	Oslo	October	NOKm	11.4	1.8
Company B	Norway	Drammen	October	NOKm	11.4	3.6
Company C	Norway	Trondheim	October	NOKm	33.2	(0.7)
Company D	Finland	Lahti	October	EURm	1.6	0.5
Company E	Norway	Telemark & Oslo	November	NOKm	100.7	6.4
Disposals						
Berga Lås & Larm Ab	Sweden	Stockholm	June	SEKm	6.9	0.5

Country breakdown


13 Acquisitions


3 Acquisitions


9 Acquisitions


7 Acquisitions


1 Acquisition

Source: Company information. Notes: Companies acquired after 30 September 2022 have been anonymized except for Schultz Gruppe; (1) Presented financials are based on the latest available audited financial statements; (2) Asset-purchase.

Acquisition of Schultz Gruppe

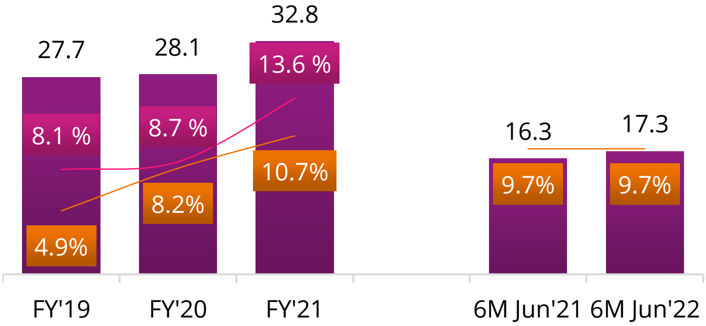
A leading German facility and property management player

Business description

- Schultz Gruppe was founded in 1904 and is based in Hamburg. The group offers its services mainly in the Hamburg area in Germany
- Schultz Gruppe is organized in four business lines (IGM, TGM, KGM, BGM[(1)]) through which they offer their services in facility and property management as well as in electrical engineering and building services
- The company serves a wide range of commercial and residential customers with the number of customers totaling ~600
- As of July 2022, the group employs 874 people of whom 708 work in the IGM line. More than 80% of Schultz Gruppe's employees work as cleaners, mechanics and workers

Financial development

Total output (in € millions) | Reported EBITDA margin (%) | Adj. EBITDA margin (%)



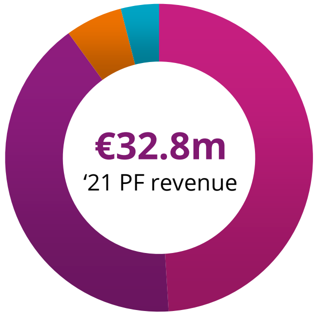
Key facts

~600	Customers
874	Employees
145	Vehicles in daily use
€32.8m	Reported revenue (FY'21)
+8.7%	Revenue growth p.a. (2019-'21)
€3.5m	Reported EBITDA (FY'21)
€4.4m	Adj. EBITDA (FY'21)

Service offering

- Tech. maintenance
- HVAC & Electricity
- Cleaning
- Renovation
- Outdoor works
- Econ. management

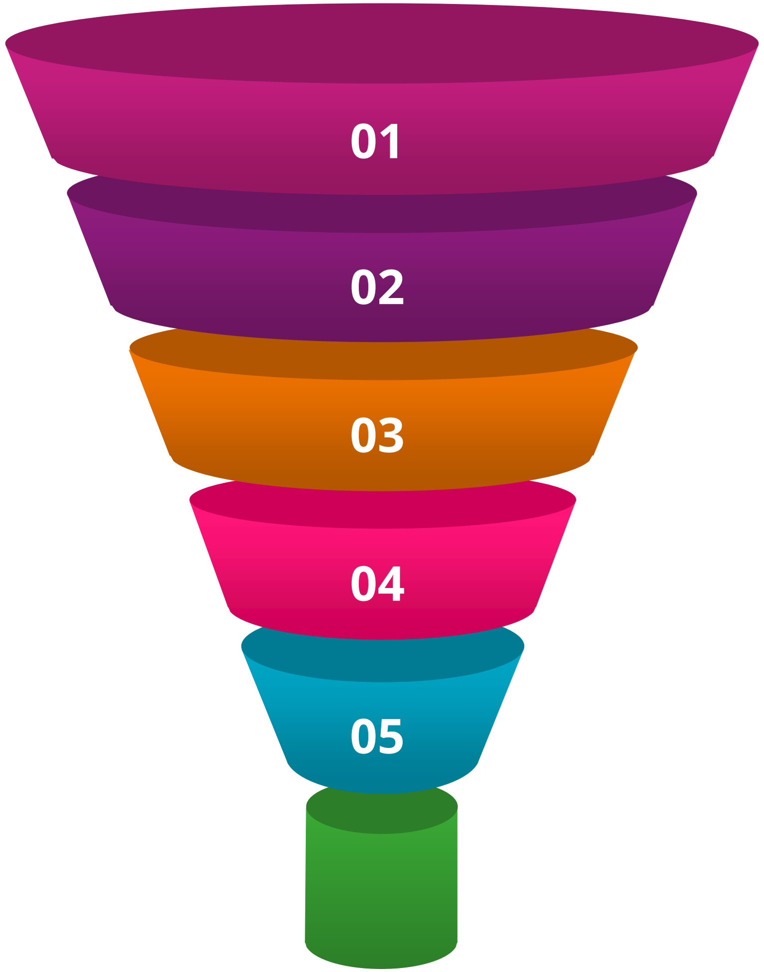
Total output breakdown



- 49% - Infrastructural management
- 41% - Technical service
- 6% - Property management
- 4% - Building refurbishment

Source: Company information. Note: (1) IGM = Infrastructural management; TGM = Technical service; KGM = Property management; BGM = Building refurbishment.

Current M&A pipeline of €50m



	Revenue	# of targets
Indicative bid	€44m	8
LOI signed / DD ongoing	€5m	4
SPA negotiations	€1m	1
Total	€50m	13
Closed after Q3'22	€52m	6

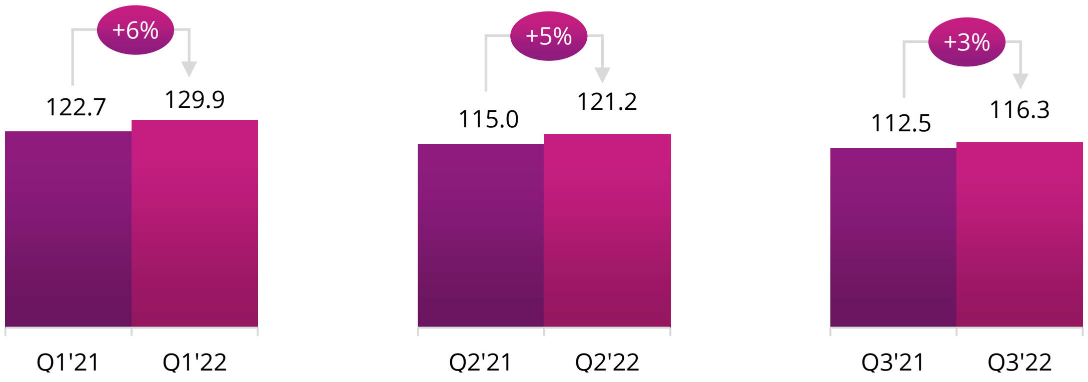
Source: Company information. Note: Pipeline is as of 9 November 2022 and only includes companies which PHM has at minimum submitted an indicative bid to.

Trading update (I/II)

Positive development in all countries

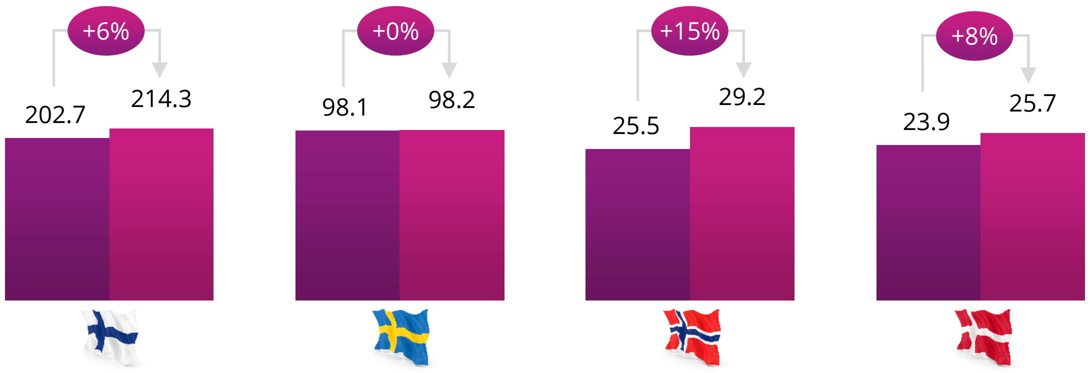
Quarterly Like-for-like revenue development

In € millions



YTD Q3’22 Like-for-like revenue development by country

In € millions



Commentary

- During the third quarter, PHM continued executing its strategy of growth both through M&A and organically, as well as improving the operational performance of the acquired businesses. Demand for services remains at a solid level and operations in general remain relatively mildly impacted by the war in Ukraine
- LFL revenue grew by 3% to €116.3m in Q3’22. The growth was driven by price increases and increased additional sales volume in Finland, Sweden, and Denmark as well as an increased contract base primarily in Sweden and Denmark. In Norway, revenue remained on a par with the previous year’s level supported by increased customer base but offset by lower additional sales volume
- Finland accounted for approximately 58% (58%) of YTD Q3’22 LFL revenue, Sweden for 27% (28%), Norway for 8% (7%), and Denmark for 7% (7%)
- LFL revenue increased in all countries despite the impact of exchange rate fluctuations of -€3.1m, of which the clearly biggest impact was from the weaking of the Swedish national currency
- The YTD Q3’22 growth in Finland was largely driven by an active winter season and successful price increases, underscoring the Group’s solid pricing power which enables it to pass on price inflation relatively effectively to customers
- The revenue growth in both Norway and Denmark is largely related to an increased customer base and higher add-on sales
- In Sweden, contract revenues continued to grow driven by price increases and new customer acquisitions, but revenues in total were impacted by a milder winter season

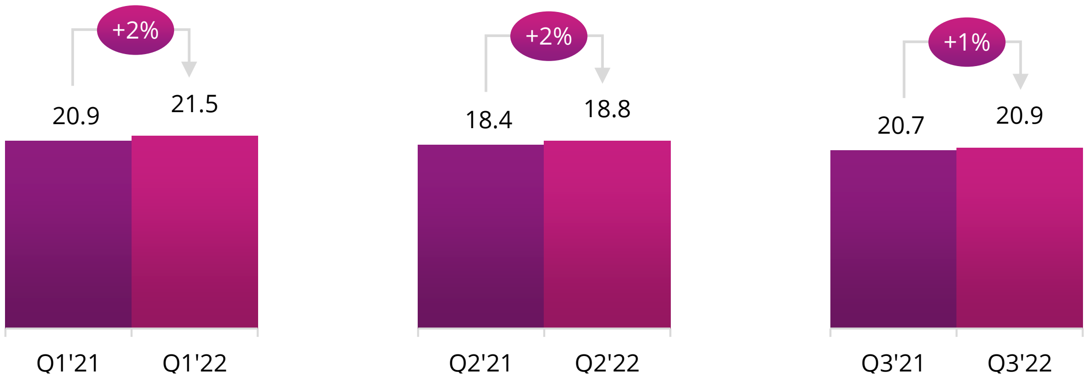
Source: Company information. 2021 2022

Trading update (II/II)

Resilient EBITDA margin driven by increased scale and price increases

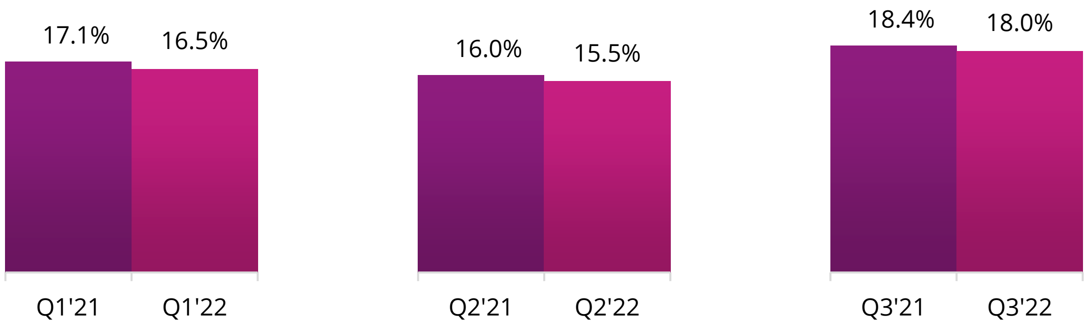
Quarterly Like-for-like Adj. EBITDA development

In € millions



Quarterly Like-for-like Adj. EBITDA margin development

In %(1)



Source: Company information. Note: (1) Based on IFRS 16 figures. 2021 2022

Commentary

- LFL adj. EBITDA increased by 1% to €20.9m in Q3'22. The growth was supported by the increased sales, improved operational efficiency, and improved profitability of the contract base in Sweden but weakened somewhat by both higher personnel costs and higher fuel and energy prices. The personnel cost increase is largely attributable to increase in COVID-19 related sick leaves resulting in higher overtime pay and subcontracting within fixed contracts. Consequently, LfL adj. EBITDA margin weakened by 0.4 pp. from the comparison period
- LFL adj. EBITDA grew with 2% to €61.2m in the YTD Q3'22 period. The growth was supported by the increased sales and price increases made, albeit with a slightly weaker margin primarily due to sales mix as resources were focused on lower-margin snow clearance and clean-up activities in the first half of the year instead of other additional sales. Additionally, LfL adj. EBITDA was adversely impacted by high sick leave rates resulting higher overtime and subcontracting within fixed contracts. Increased fuel and energy prices further impacted the Group's profitability. Consequently, LFL adj. EBITDA margin weakened by 0.5 pp. from the comparison period
- Finland, Sweden, and Denmark have experienced growth in like-for-like Adj. EBITDA over the previous year's YTD Adj. EBITDA. Of the three countries, Finland has experienced the strong growth rate, largely driven by increased scale and price increases
- PHM is also realizing synergies according to its integration project. As of the end of Q3'22, an estimated €1m of synergies is yet to be realized from actions taken to date. The realization of synergies is expected to positively influence EBITDA margins

Operating cash flow and investments

Strong uplift on operating cash flow before acquisitions

Commentary

- The Group's quarterly operating cash flow in Q3'22 before acquisitions and financial items increased clearly to €12.4m (€3.8m). Operating cash flow was supported by strong EBITDA but somewhat offset by an increase in working capital
- The increase in working capital is in line with normal seasonality and was driven by a payout of accrued holiday pay after the summer holiday season. Net working capital otherwise remained quite stable throughout the quarter
- Investments into tangible and intangible assets was €1.7m and comprised mainly of investments in machinery and equipment. Compared to the corresponding period of the previous year, both the negative cash flow impact of working capital and amount of investments were lower in Q3'22
- The continued successful implementation of the Company's low-risk M&A strategy has led to high CAPEX related to acquisitions. For Q3'22, acquisition-related CAPEX amounted to €17.9m – compared to €25.1m for the same quarter in 2021. Acquisition-related CAPEX for YTD Q3'22 total €51.6m compared to €78.1m for YTD Q3'21
- After the ending of Q3'22, the Company acquired Schultz Gruppe – a larger platform acquisition in Germany as well as one sizeable target in Norway. Given the size of the target, PHM has incurred notable M&A CAPEX after the ending of the period. In order to complete the acquisition, PHM Group increased its Senior Secured Revolving Credit Facility by €12.5m – thereby increasing the total facility from €50.0m to €62.5m. The increase is agreed for 12 months and is in-line with the terms set out in the current financing agreements

Operating cash flow and investments breakdown

Reported operating cash flow, €m	Q3'22	Q3'21	YTD Q3'22	YTD Q3'21
EBITDA	19.0	16.8	53.6	43.1
Change in net working capital[1]	(4.8)	(9.9)	(6.1)	(9.7)
Maintenance CAPEX	(1.7)	(3.0)	(8.3)	(8.0)
Operating cash flow before acquisitions[2]	**12.4**	**3.8**	**39.1**	**25.4**
Acquisitions and disposals of subsidiaries[3]	(18.2)	(25.1)	(51.1)	(78.1)
Operating cash flow after acquisitions	**(5.8)**	**(21.3)**	**(12.0)**	**(52.7)**

Cash conversion, in %	Q3'22	Q3'21	YTD Q3'22	YTD Q3'21
EBITDA	19.0	16.8	53.6	43.1
Operating cash flow before acquisitions[2]	12.4	3.8	39.1	25.4
Cash conversion before acquisitions[4]	**65%**	**23%**	**73%**	**59%**

Maintenance CAPEX, in %	Q3'22	Q3'21	YTD Q3'22	YTD Q3'21
Maintenance CAPEX	(1.7)	(3.0)	(8.3)	(8.0)
Reported revenue	112.5	92.2	339.2	257.5
Maintenance CAPEX % of revenue	**1.5%**	**3.3%**	**2.5%**	**3.1%**

Source: Company information. Notes: Please note that the operating cash flow figures do not include leasing payments; (1) Excluding intra-group liability to parent; (2) Defined as EBITDA + change in NWC (excluding intra group liability to ultimate parent) – CAPEX (excluding acquisition capex); (3) On a net of cash basis; (4) Operating cash flow before acquisitions / EBITDA.

Key information regarding the financial information

Basis of preparation

Accounting principles

- The Group's fiscal year begins on 1 January and ends on 31 December.
- The consolidated financial statements of PHM Group Holding Oyj have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC Interpretations as adopted by European Union as of 31.12.2021.
- The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in euros and all values are rounded to the nearest thousand, except when otherwise indicated. Therefore, the sum of individual numbers may deviate from the presented sum figure due to rounding differences.
- PHM previously used Finnish Accounting Standards but adopted to IFRS as part of the listing the Outstanding Notes on Nasdaq Helsinki.

Historical financials

- 2020 was the first fiscal year of the Issuer, constituting only eight months of operations since the acquisition of PHM in April 2020. Kotikatu was consolidated into the Group as of October 2020.
- Historically, Kotikatu and PHM have had diverging fiscal years, with Kotikatu from April to March and PHM from January to December. Furthermore, PHM and Kotikatu have both grown strongly through M&A; hence statutory financials presented in the Group's financial reports deviated significantly from the Group's underlying business.
- The latest audited annual accounts are for the full-year of 2021.
- Quarterly financial statements are unaudited. The last available historical financial information is for the period ending on 30 September 2022.
- Subsidiaries are included in the consolidated financial statements form the date of acquisition – i.e. part-year impact applies.

Like-for-like ("LfL") figures

- The LfL figures have been prepared by management(1) to show the impact of the acquisitions as if they were part of the Group for an entire period – i.e. full-period impact.
- Note that Q3'22 LfL does not include impact of acquisitions carried out after 30 September 2022.

Source: Company information. Note: (1) LfL figures followed by management on a monthly basis and have hence not been prepared for this exercise solely.

Consolidated Income Statement

EUR THOUSAND, IFRS	7-9 2022	7-9 2021	1-9 2022	1-9 2021	1-12 2021
Net sales	112,515	92,161	339,169	257,491	364,215
Other operating income	595	721	2,329	1,777	3,488
Materials and services	-27,355	-23,880	-87,162	-66,390	-96,480
Personnel expenses	-52,771	-42,382	-157,279	-119,242	-167,978
Other operating expenses	-14,007	-9,821	-43,496	-30,533	-46,260
EBITDA	18,977	16,800	53,561	43,103	56,985
% of revenue	*16.9%*	*18.2%*	*15.8%*	*16.7%*	*15.6%*
Depreciation	-7,411	-6,779	-20,530	-20,083	-26,715
EBITA	11,565	10,021	33,031	23,020	30,270
% of revenue	*10.3%*	*10.9%*	*9.7%*	*8.9%*	*8.3%*
Amortization and impairment	-2,951	-2,985	-9,395	-8,552	-11,612
Operating result	8,615	7,036	23,636	14,468	18,658
% of revenue	*7.7%*	*7.6%*	*7.0%*	*5.6%*	*5.1%*
Net financial expenses	-2,280	-5,865	-15,975	-14,039	-22,740
Result before taxes	6,334	1,171	7,660	429	-4,082
Income taxes	152	1,189	-2,518	2,345	-680
Result for the financial period	6,486	2,360	5,143	2,773	-4,762

Source: Company information.

Consolidated Balance Sheet

Assets			
EUR THOUSAND, IFRS	**9 2022**	**9 2021**	**12 2021**
Goodwill	387,317	337,767	350,561
Intangible assets – other than goodwill	121,987	125,852	122,758
Tangible assets	44,682	42,876	45,295
Right-of-use assets	22,887	22,455	22,285
Other shares	3,090	2,889	2,965
Other receivables	343	244	273
Deferred tax assets	2,446	1,644	2,202
Total non-current assets	582,752	533,728	546,338
Trade receivables	40,329	33,365	37,086
Inventories	1,403	1,233	1,112
Other current financial assets	-	-	15,086
Other current assets	14,490	11,187	10,174
Cash and cash equivalents	21,935	15,765	18,331
Total current assets	78,158	61,550	81,789
Total assets	660,909	595,278	628,127

Equity and Liabilities			
EUR THOUSAND, IFRS	**9 2022**	**9 2021**	**12 2021**
Translation differences	-6,234	251	343
Fund for unrestricted equity	160,318	143,318	158,318
Subordinated loan	-	-	-
Retained earnings	-8,102	-5,660	-13,219
Total equity	145,983	137,910	145,442
Interest-bearing loans and borrowings	345,001	304,335	303,971
Other non-current liabilities	4,487	14,443	18,453
Lease liabilities	12,080	13,694	13,494
Deferred tax liabilities	28,118	27,402	27,982
Total non-current liabilities	389,686	359,875	363,901
Trade payables and other payables	81,445	62,201	73,557
Interest-bearing loans and borrowings	28,950	25,461	33,584
Lease liabilities	11,422	9,236	9,362
Income tax payable	3,423	596	2,281
Total current liabilities	125,241	97,494	118,784
Total liabilities	514,927	457,368	482,685
Total equity and liabilities	660,909	595,278	628,127

Source: Company information.

Consolidated Cash Flow Statement

EUR THOUSAND, IFRS	7-9 2022	7-9 2021	1-9 2022	1-9 2021	1-12 2021
Profit before tax	6,334	1,171	7,660	429	-4,082
Adjustments to reconcile profit before tax to net cash flows					
Depreciation and impairment	10,362	9,763	29,925	28,635	38,327
Finance income and expenses	2,282	5,865	15,978	14,039	22,740
Other adjustments	-20	-75	-726	-323	-695
Change in working capital	-3,447	-4,568	-19,373	3,025	14,923
Other adjustments without payment	1,744	226	2,264	-482	-
Income tax paid	-1,415	-58	-3,436	-1,809	-2,569
Net cash flow from operating activities	15,840	12,325	32,294	43,514	68,644
Acquisition of tangible and intangible assets	-1,734	-3,040	-8,336	-7,999	-13,052
Acquisition of subsidiaries, net of cash acquired	-17,936	-25,099	-51,590	-78,100	-85,999
Proceeds from sale of subisidiaries	-301	-	466	-	-
Net cash flow from investing activities	-19,971	-28,139	-59,460	-86,099	-99,050
Equity refund	-	-	-	-68,524	-68,524
Increase in fund for unrestricted equity for consideration	-	-	16,331	-	-
Net change in borrowings	13,643	17,024	35,694	127,531	132,630
Net interests and finance costs paid	-1,383	-784	-11,075	-10,478	-22,489
Payment of lease liabilities	-3,683	-2,927	-9,699	-7,674	-10,409
Net cash from financing activities	8,577	13,313	31,251	40,855	31,208
Net increase in cash and cash equivalents	4,446	-2,501	4,084	-1,730	801
Cash and cash equivalents at the beginning of period	17,722	18,304	18,331	17,530	17,530
Effects of exchange rate changes on cash and cash equivalents	-233	-38	-480	-34	-
Cash and cash equivalents at the reporting period end	21,935	15,765	21,935	15,765	18,331

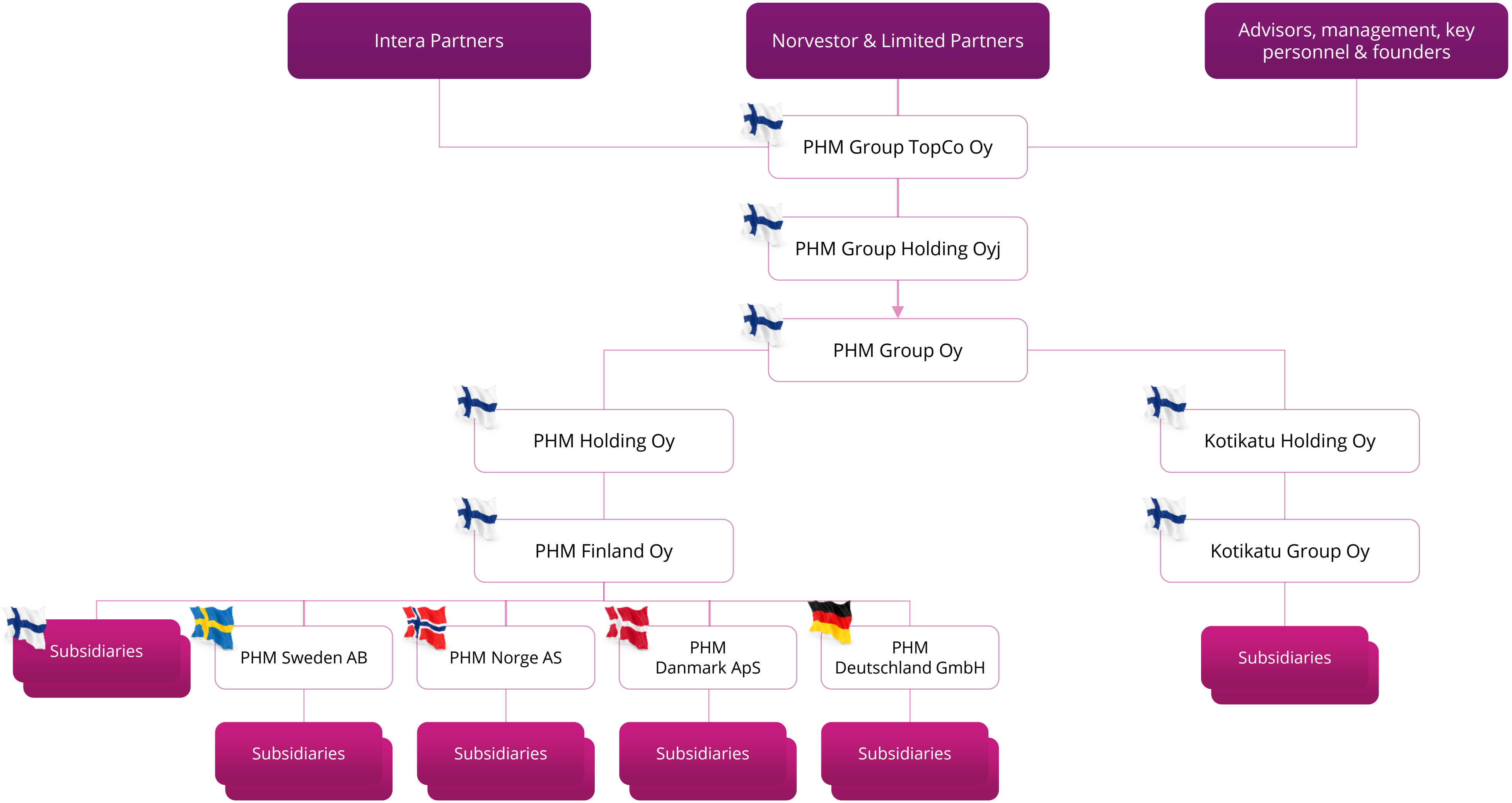
Source: Company information.

Incurrence test calculation

Item	€m	Comments
LTM EBITDA Q3'22 (reported)	67.4	
Like-for-like adjustments	7.8	To consider the full-year EBITDA effect of all companies acquired until 30 September 2022
Current one-off adjustments to Q3'22 LTM EBITDA	5.3	
Unrealized synergies	1.0	
Synergy-adjusted EBITDA	**81.6**	Used as a basis for the incurrence test
Net Interest-Bearing Debt per 30 September 2022		
Senior Secured Bond	340.0	
RCF drawn	25.0	
Other Interest-Bearing Debt	32.5	
Interest-Bearing Debt	**397.5**	
Other net-debt items	8.5	
Cash and cash equivalents	21.9	
Net Interest-Bearing Debt	**384.0**	
New Notes Issue	70.0	
Clean-down of RCF	(25.0)	
PF Net-Interest Bearing Debt	**429.0**	
PF Net leverage (according to bond terms)	**5.26x**	Incurrence test of 5.5x net leverage. Actual net leverage will not change as a result of the transaction

Source: Company information.

Group structure



Source: Company information. Note: As of 2 November 2022.

ESG questionnaire (I/II)

General industry	• In the residential property services sector, the ESG industry risk can be considered as medium. • From an external perspective (based on materiality assessment frameworks including SASB and MSCI), companies operating in the residential property services sector are primarily exposed to risks relating to occupational health & safety (H&S), labour conditions, and regulatory adherence & corporate governance. • PHM has implemented a Responsibility Programme that aims to be an overarching governance policy, which includes statements related to sustainability, H&S, business ethics, gifts, and diversity. • The average accident rate has been above the industry average, but the Company is in process of harmonising H&S procedures across the Group. In Q2 2019, a groupwide risk assessment was performed, stating corrective actions. • Since Norvestor's investment, PHM Group participates in an annual ESG review assisted by an external ESG consultant and a Norvestor ESG manager, which will result in an ESG report as well as stated annual improvement goals and actions.
E **Environment**	• PHM has a large fleet of vehicles, resulting in a relatively large carbon footprint (compared to other Norvestor portfolio companies). The fleet is relatively new, however it does not contain any EVs, which is seen as a possible future climate-related investment. PHM has implemented company-wide purchasing guidelines for fleet investments (incl. brand, model, cost ceilings). • Information on energy consumption of (leased) warehouses and premises is not monitored at this point in time. • Residential property service companies can optimize the use of operational resources (e.g. energy & water), which can potentially result in greater resource efficiency. They can also minimize the impact of waste in the local environment and contribute to improved quality of living in residential areas, all while lowering costs for building owners, operators and municipalities. PHM is exploring potential business opportunities that align with sustainable trends (e.g. enabling the energy transition through the installation of solar PV, heat pumps, and thermal insulation). • PHM's primary risk related to climate change is related to the snow removal services it provides (possibly lower amounts of snow due to warming of the planet). • The Company does not rely on any scarce resources for its operations. It does not anticipate any risks or major opportunities in the transition to a carbon neutral society.

Source: Company information.

ESG questionnaire (II/II)

S **Social**	• The average accident rate[1] has been above the industry average, but the Company is in a process of harmonising H&S procedures across the Group. In Q2 2019 a groupwide risk assessment was performed, stating corrective actions. In addition, a H&S policy and an employee handbook are in place. • Employee satisfaction surveys are conducted on an annual basis. • Due to the nature of the business (services), PHM's operations are not very material-intensive. However, the Company aims at reducing waste and recycling as much as possible.
G **Governance**	• The Company has an understanding of the material risks related to regulatory adherence, and monitors regulations updates constantly. Certain business units have an operating license and certain employees hold certificates in a range of qualifications (e.g. for trafficking goods, business security, handling refrigerants). In addition, several environmental permits are in place • The firm's business tax residence (i.e. where the firm pays tax) is where its operations are. i.e. Finland, Sweden, Norway, Denmark, and Germany. • Two out of five members on the Board of Directors are independent. • The Company has no transactions with related parties. • The remuneration of the CEO and other members of the management team is in line with industry peers and is assessed annually by the Board of Directors. • The share of women is approximately 30% at the Company level, 4% in middle management 12.5% in top management, and 20% in the Board of Directors. • The person responsible for sustainability is a member of the management team, and reports to the CEO. • The Company has the following policies or agreements in place: (i) Union agreement; (ii) Code of Conduct; (iii) Diversity policy; (iv) Anti-corruption policy. • An internal and external whistle-blower function has been implemented in the largest group entities. Further roll-outs to smaller group entities will continue throughout 2022.

Source: Company information. Note: (1) Defined as accidents per 1,000 FTEs.

Intercreditor agreement principles

Parties	The Issuer, PHM Group TopCo Oy, the Guarantors and Group Companies having granted a Material Intercompany Loan (together the "ICA Group Companies"), Intertrust (Finland) Oy as original Security Agent (on behalf of the Secured Parties), Nordic Trustee Oy as original Senior Notes Agent (on behalf of the Noteholders) and Nordea Bank Abp as original Super Senior RCF Agent and original Super Senior RCF Creditor, and to which Nordic Trustee Oy shall accede as Agent for the New Debt Creditors
Date	18 June 2021
Ranking and Priority	Debt owed by the ICA Group Companies to the Secured Parties and the other relevant parties rank in right and priority of payment in the following order: i. first, indebtedness owed to the creditors under the Super Senior RCF and the Hedge Counterparties (the "Super Senior Debt") and pari passu with the indebtedness owed to the creditors under the Existing Notes, the Notes and the New Debt (pari passu between all indebtedness under the Existing Notes, the Notes and any New Debt) (the "Senior Debt"); ii. secondly, any liabilities under intercompany loans between the ICA Group Companies (the "Intercompany Debt"); and iii. thirdly, any liabilities owed to any direct or indirect shareholder of the Issuer, which has acceded to the Intercreditor Agreement as a Shareholder Creditor (the "Shareholder Debt"). The Intercompany Debt and Shareholder Debt are subordinated in accordance with the Intercreditor Agreement.
Order of Application	Amounts received or recovered by the Security Agent in connection with, among others, any direct or indirect realisation or sale by the Security Agent of any assets being subject to Transaction Security and payments under any guarantees or proceeds received in connection with bankruptcy or other insolvency proceedings, shall be applied in the following order: i. first, in or towards payment, on a pro rata basis, of any unpaid fees, costs, expenses, liabilities and indemnities payable by the Obligors to the Security Agent (or its delegate); ii. secondly, in or towards payment, on a pro rata basis, of unpaid fees, costs, expenses and indemnities payable by the Obligors to the Issuing Agent, the Super Senior RCF Agent, the Agent and any New Debt Agent; iii. thirdly, in or towards payment, on a pro rata basis (and with no preference among them), to Super Senior RCF Creditors in respect of indebtedness under the Super Senior RCF and to any Hedge Counterparties; iv. fourthly, in or towards payment, on a pro rata basis (and with no preference among them), to the Noteholders in respect of the Existing Notes, the Notes and to any New Debt Creditor in respect of any New Debt; v. fifthly, if none of the Obligors are under any further actual or contingent liability towards the Secured Parties, towards payment to any person to whom the Security Agent is obliged to pay in priority to any Obligors; vi. sixthly, subject to the irrevocable discharge of all the Secured Obligations having occurred, towards payment, on a pro rata basis, of accrued interest unpaid and principal under the Intercompany Debt; vii. seventhly, subject to the irrevocable discharge of all the Secured Obligations having occurred, towards payment pro rata of accrued interest unpaid and principal under the Shareholder Debt; and viii. eighthly, subject to the irrevocable discharge of all Secured Obligations having occurred, the balance, if any, shall be paid to the relevant ICA Group Company or other person entitled to it.
Enforcement and consultation	The Intercreditor Agreement contains provisions regulating the Secured Parties' respective rights to instruct the Security Agent to enforce the Transaction Security. Each of the Senior Representative (as defined in the Intercreditor Agreement) and the Super Senior Representative (as defined in the Intercreditor Agreement) (each a "Representative") may, under certain circumstances, propose enforcement actions to be taken by the Security Agent. Unless the Representatives agree on the proposed enforcement actions or an insolvency event has occurred, the Representatives shall consult for a period no less than thirty (30) days (or such shorter period as the Representatives may agree) with a view on agreeing on enforcement instructions. After the end of the consultation period and provided that no agreement has been reached, the Senior Representative shall be entitled to give enforcement instructions to the Security Agent. However, if the Senior Representative has not given any instructions to the Security Agent within three (3) months from the end of the consultation period or the date when the enforcement instructions were delivered, or the Super Senior RCF Discharge Date (as defined in the Intercreditor Agreement) has not occurred within six (6) months from the end of the consultation period or the date when the enforcement instructions were delivered, then the Super Senior RCF Agent shall instead become entitled to give enforcement instructions. The Senior Representative shall act on the instructions of the Senior Debt creditors representing more than 50 per cent. of the Senior Debt. Accordingly, while the Existing Notes remain outstanding such instructions will be given by the agent for the Existing Notes. A Secured Party, which considers that the Security Agent does not fulfil its obligations with respect to the Security Enforcement Objective (as defined in the Intercreditor Agreement), may request that the Security Agent and the Representatives consult with a view on agreeing on the manner of enforcement.
Payment Block Event	Following certain material breaches under the Super Senior RCF like non-payment, breach of financial covenants, non-compliance with any major obligations or major misrepresentation as well as insolvency events being a Payment Block Event (as defined in the Intercreditor Agreement), the Super Senior RCF Agent (as defined in the Intercreditor Agreement) may serve a notice to the Issuer and various creditors or their representatives and after the delivery, the Issuer or a Group Company shall not make and the Noteholders shall not receive from the Issuer any payments of principal or interest in respect of the Notes. However, in respect of any amounts under the Notes, interest shall continue to accrue during such period and any overdue amounts shall carry default interest pursuant to the Terms and Conditions.
Other terms	Provisions regulating, among others, (i) turnover of funds in the event of a creditor receiving payment in conflict with the terms of the Intercreditor Agreement and (ii) replacement of debt, allowing the Issuer, from time to time and subject to certain conditions set out in the Intercreditor Agreement, to replace the Super Senior RCF in full with one or several new debt facilities for general corporate purposes and/or working capital purposes and/or replace the Existing Notes and/or the Notes with new bonds or debt facilities.
Security Agent under the Intercreditor Agreement	Intertrust (Finland) Oy
Governing law	Finnish law

Source: Company information.

Risk factors (I/XI)

Investors considering investing in the Notes should carefully review the information contained in the investor presentation (the "Investor Presentation") and, in particular, the risk factors described below. Should one or more of the risks described herein, or any other risk, materialise, it may have a material adverse effect on the Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. As a result, investors in the Notes may lose part or all of their investments.

The following description is a summary of certain risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes or that are considered by the Issuer to be material in order to assess the market risk associated with the Notes. This description is based on the information known and assessed by the Issuer at the time of preparing the Investor Presentation, and, therefore, the description of the risk factors is not necessarily exhaustive. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate. Most of these factors are contingencies which may or may not occur. All prospective investors should make their own evaluations of the risks associated with an investment in the Notes and consult with their own professional advisers if they consider it necessary.

The risk factors presented herein have been divided into six (6) risk categories based on their nature. These categories are:

- risks relating to the Group's business operations;
- risks relating to the Group's financing;
- legal, regulatory and compliance risks;
- risks relating to the Group's operating environment;
- risks relating to the Notes; and
- risks relating to the Transaction Security, the Guarantees and the Intercreditor Agreement.

Within each category, the risk factor estimated to be the most material on the basis of an overall evaluation is presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialisation. The order of the risk categories does not represent any evaluation of the materiality of the risk factors within that category, when compared to the risk factors in another category.

The capitalised words and expressions used in the risk factors presented herein but not defined shall have the meanings defined in the draft terms and conditions (the "Terms and Conditions") of PHM Group Holding Oyj's (the "Issuer" or the "Company") senior secured callable floating rate notes due 2026 (ISIN: FI4000541685).

Risks Relating to the Group's Business Operations

Intensifying competition may have an adverse effect on the Group's net sales and profit margins and the Group may fail to maintain or increase its market share

The Group operates in the property maintenance and management services industry and is organised in five (5) geographical areas – Finland, Sweden, Norway, Denmark (together referred to as the "Nordics") and Northern Germany. The Nordic and German markets have very similar market characteristics and the markets for property maintenance services are competitive. The Group's ability to compete depends to a significant extent on its ability to respond to its competitors' actions and to distinguish itself as a provider of high-quality property maintenance services. Both German and Nordic property maintenance services markets are fragmented, characterised by a large number of individual customers and relatively low barriers to entry, and the Group has several regional, national and international competitors within the Nordics and in Northern Germany.

The Group competes with the other market participants on a variety of factors, including service quality and reliability, the depth and breadth of its services, and its technical expertise. In addition, pricing is a factor for securing renewal of contracts, particularly for commercial customers. The Group's core market is the market for residential property maintenance services and the Group focuses on providing services to residential and small commercial property customers located in residential areas. Competition in these core markets may intensify if larger national and international competitors, who have traditionally focused on serving commercial, industrial and municipal customers, begin to offer services to the Group's core customers to a greater extent than before. There can be no assurance that new competitors will not enter the Group's current markets or that the Group will be able to successfully compete against its current or future competitors. It is possible that competitors previously operating locally will expand the geographical reach of their services to areas where the Group operates. Competition in the Group's core markets may also intensify as a result of customer consolidation or increased pooling of maintenance contracts. If larger property management companies begin to pool maintenance contracts to a greater extent than before, this may attract larger competitors who have traditionally not focused on the residential property maintenance services market due to the small individual contract size. Larger property management companies may also be able to increase their bargaining power and negotiate more favourable maintenance contracts for their end-customers, which may have a negative impact on the Group's net sales and profit margins.

Furthermore, there can be no assurance that the Group's existing competitors or new domestic or international competitors in the market will not introduce services or solutions that are better or more widely accepted in the market than the services provided by the Group. Such competitors may also offer service concepts that the Group is not currently offering or they may have greater development, marketing, personnel, technological, financial and/or other resources than the Group. Consequently, the Group's competitors may be able to adopt new technologies and technological advancements into their businesses or respond more rapidly to new technologies and changes in customers' needs and preferences, or they may allocate more extensive resources to developing and selling their services. Such competitors may also be able to sell their services at lower prices, which may decrease the Group's profit margins by forcing the Group to lower its prices and/or causing a loss of customers, or decrease the general profitability of the industry.

There can be no assurance that the Group will be able to successfully compete against its existing or future competitors, increase its market share or maintain its current market position in any of its present markets. The materialisation of any of the aforementioned risks could have a material adverse effect on the Group's net sales, results of operations and future prospects, and thereby also on the Issuer's ability to fulfil its obligations under the Notes and the market price and value of the Notes.

The Group may not be able to implement its growth strategy and may fail to find acquisition targets

Mergers and acquisitions form an inherent part of both the development of the Group's business and the increasing of its market share and successful acquisitions are, therefore, essential for the Group to reach its growth strategy targets. In 2020, the Group completed ten (10) acquisitions, the most notable acquisition being the acquisition of Kotikatu in September 2020 and in 2021, the Group completed a total of 33 acquisitions, including the strategic acquisition of one of its main competitors in Sweden, Flow Fastighetsvärden AB. Between 1 January 2022 and 30 September 2022, the Group has completed 27 acquisitions. After the third quarter of 2022, the Group has completed six acquisitions, of which the most significant is the purchase of German Shultz Gruppe by which the Group entered the German market. At the date of the Investor Presentation, the Group has completed a total of 33 acquisitions in 2022.

Although the Group has been able to grow significantly during the past years though successful acquisitions, the Group will not necessarily be able to find acquisition targets that support its growth strategy or are otherwise suitable for its operations, or the Group may not be able to complete such acquisitions on commercially acceptable terms in the future. Particularly in the Swedish, Norwegian, Danish and German markets, where the Group's market position and brand recognition are not yet as strong as in the Finnish market, successful acquisitions are imperative for the Group to reach its future growth targets. Further, implementing the growth strategy in Germany may be challenging compared to the Nordics, due to, for example, geographical distances and additional investments that may be required and which may differ from the Group's past investments in the Nordics. The regulation of acquisition activity by competition authorities may also limit the Group's ability to make future acquisitions, should the market position of the Group grow significantly in any of its current markets or should there be a significant consolidation of the market in the future, although currently, the markets are still very fragmented even in Finland where, according to the Group's management's estimates, the Group has the largest market share of its geographical markets.

Risk factors (II/XI)

On 19 September 2022, the Finnish Government submitted a parliamentary proposal (HE 172/2022) containing significantly lower merger control notification thresholds in Finland, compared to the thresholds currently in force, and the new notification thresholds would likely enter into force as early as at the beginning of 2023. If the parliamentary proposal is approved in its current form, the lower merger control notification thresholds may delay the implementation of the Group's acquisitions and may reduce the number of attractive acquisition targets. Failure to find suitable acquisition opportunities or to successfully complete acquisitions on commercially acceptable terms could negatively impact the implementation of the Group's growth strategy and may have a material adverse effect on the Group's business, result of operations and future prospects.

Acquisitions involve operational and financial risks and acquisitions may result in unforeseen risks and hidden liabilities for the Group

Acquisitions involve a number of inherent operational and financial risks. For example, some or all of the expected benefits and synergies of the Group's past and/or future acquisitions may not be realised, and there can be no assurance that any future acquisition will achieve the Group's net sales targets or other estimated benefits. The Group may fail in the valuation of any new acquisition targets, lose its customers or employees as a result of unsuccessful consolidation of acquired companies and businesses and the Group may not be successful in introducing and implementing Group-wide policies and control and information technology systems into the acquired targets (see also "Risk Factors – The Group may fail in integrating the acquired businesses into its existing organisation in a manner that supports the Group's business strategy").

Corporate acquisitions also involve risks relating to obligations and liabilities of the acquired entities. The Group has carried and will carry out financial, legal and commercial due diligence reviews of potential target companies if and to the extent deemed appropriate by the Group's management on a case-by-case basis, however, there is a risk that such reviews will fail to detect potential or actual exposures, which could cause future losses for the target company and thereby adversely affect the Group's result and financial position after such an acquisition has been completed. In addition, there is a risk that purchase agreement indemnities are unenforceable, limited or expired. The Group may not be able to obtain compensation from a seller of a business if a risk relating to the operation of the business prior to an acquisition were to materialise. Carrying out acquisitions is often an extensive and complicated process that includes various costs, such as financing costs as well as costs for financial, legal and other advisers. A large part of such costs is charged to the Group even if an acquisition, is not or cannot be completed. If identifying and examining potential acquisition targets and subsequent acquisitions prove significantly more expensive or take up a greater amount of management resources than expected, it may temporarily disrupt the Group's existing business operations. In addition, the acquisition of less profitable businesses or resource-intensive expansions of the Group's existing business operations, particularly abroad and in connection with potential new market entries, could adversely affect the Group's short- and long-term profitability.

The Group may fail in integrating the acquired businesses into its existing organisation in a manner that supports the Group's business strategy

For any acquisition to generate the targeted synergy benefits for the Group, it is essential that the Group succeeds in integrating the acquired businesses into its existing organisation in a manner that supports the Group's overall business strategy. The Group focuses on the long-term development of the acquired businesses using a highly decentralised management model with several independent subsidiaries, many of which have retained their existing management, brand and customer base following the acquisition and consolidation into the Group (this is particularly the case with the subsidiaries currently operating under PHM Holding Oy, see also "Risk factors – Risks associated with the Group's decentralised organisational structure"). As most of the acquired businesses are not fully integrated into the Group, the Group has not, in the view of the management, been exposed to notable integration or similar risks in relation to its past acquisitions. However, in some cases, where deemed strategically viable, the acquired businesses are subsequently merged into the Group's existing organisation and there can be no assurance that the Group will be successful in any such integration efforts.

Any level of integration takes time, requires management attention and entails costs. Integration may prove unsuccessful due to various reasons, including difficulties in integrating employees from different business cultures, failure to retain management and other personnel, maintain customer relationships, and conform the operating models of the former entrepreneur-led businesses to the Group's operating model, as well as difficulties in integrating and harmonising control procedures and other technologies within the Group. If the Group is not able to successfully integrate the acquired business operations, its ability to grow and operate efficiently may weaken, which may, in turn, adversely affect its business, financial position and results of operations.

The Group's ability to meet the requirements of its existing or prospective customers may deteriorate

The Group operates in a competitive market, and any inability to meet the changing requirements of customers or deliver services at competitive prices may result in the Group losing customer contracts and/or losing customers to competitors, which may have a material adverse effect on the Group's business, result of operations and financial position. Maintaining the Group's competitiveness and its ability to meet customer requirements require, among others, investments in new technology, training personnel and the continuous development of the Group's service offering. In particular, increasing digitalisation and the possible increase of demand for new technologies and technological advancements among the Group's existing and prospective customers have required and will in the future require investments by the Group in the development and implementation of end-user friendly digital platforms and solutions to complement its service offering and in order to meet its customers' high expectations. Such investments may also require external financing, and the availability and terms and conditions of such financing depend on the prevailing market conditions at any given time (see also "Risk Factors – The Group may not be able to obtain financing on competitive terms or at all, it may become in breach of covenants and its cost for financing may increase").

The market for residential property maintenance services is characterised by a highly fragmented customer base and the Group serves as at the date of the Investor Presentation more than 20,000 unique contracted customers. Although the Group as a whole is not dependent on any specific customer or group of customers, a loss by any of the Issuer's individual group companies (each a "Group Company" and jointly the "Group Companies") of one or some of their most significant customers could have a have an adverse effect on the Group's results of operations, if not replaced on similar terms.

The Group implements its growth strategy, among others, by acquiring local privately held property maintenance businesses and while most of the acquired businesses are consolidated to the Group as independent businesses, some of the acquired businesses are subsequently merged into the Group's existing organisation (see also "Risk Factors – The Group may fail in integrating the acquired businesses into its existing organisation in a manner that supports the Group's business strategy"). While the sellers and previous entrepreneurs in many cases remain at the service of the Group following the acquisition, the change in ownership and the potential loss of the local brand may adversely affect customer loyalty among existing and potential customers. If the Group is unable to meet its customers' requirements and maintain its competitiveness and customer relationships, or if it fails to attract new customers and/or conclude new customer contracts, it could have a material adverse effect on the Group's business, results of operations and future prospects.

Risks associated with the Group's decentralised organisational structure

The Group's decentralised organisational structure contains an element of operational and compliance risk as considerable operational autonomy and responsibility are delegated to the Group's subsidiaries. The Group's international expansion and growth strategy involve the retention of local managers to serve as a link between the local market and the Group, and local managers therefore retain autonomy with respect to the management of the Group's operations in their respective markets. The Group's business model also emphasises local decision-making and responsibility at a local level. While the Group has common control and reporting procedures, and the Group has made significant investments in the development and implementation of common IT systems, the Group is highly dependent on the managerial and strategic expertise of its regional and local managers. If such managers do not have the required expertise, the Group may be unable to provide its services efficiently and profitably, and the Group could experience increased contract execution costs or incur losses.

Risk factors (III/XI)

The Group has not been made aware of any breaches of Group policies by the Group's regional or local managers or other personnel or subcontractors nor circumvention of control procedures in any Group Companies following their consolidation into the Group. However, there can be no assurance that the Group will not experience incidents of the Group's regional or local managers or other personnel or subcontractors not complying with the Group's policies, accounting irregularities, accounting misstatements or breaches of local legislation or that compliance policies, control procedures and IT systems will be successfully implemented or maintained in the future.

The Group's business is dependent on competent personnel and management

The foundation of the Group's business is its personnel. The Group's success in terms of its ability to remain competitive in the markets in which it operates greatly depends on its ability to recruit, motivate and retain competent employees at all organisational levels. The Group's organisational structure is highly decentralised, and the Group's continued success depends on an effective decentralised organisational structure in which regional and local managers retain autonomy and accountability regarding the management of local operations, and the maintaining of local customer relations (see also "Risk Factors – Risks associated with the Group's decentralised organisational structure"). In addition to qualified managers, the Group is dependent on the availability and commitment of competent employees and, to some extent, subcontractors. The Group's business operations are labour-intensive and as most property maintenance work is conducted manually, the employees working for the Group cannot be replaced by computers or machines, but are needed for their specific skills.

Maintaining successful customer relations is essential to the Group's business. The Group's services are predominantly provided in the premises of the customers, which highlights the importance of customer relationship management. The property maintenance service market has also traditionally been characterised by high employee turnover and the Group has identified a potential increase in employee turnover and the unavailability of competent workforce as a strategic risk. Future fluctuations in the labour market in the Nordics and in Germany may increase employee turnover, which could increase the Group's costs for recruitment, decrease the availability of skilled personnel and lead to the loss of important customer relations.

If the Group loses too many of its employees, fails to maintain their professional skills, or if the employees it recruits turn out to be incompetent or otherwise unsuitable for their positions, this may cause the Group to incur costs and negatively affect the Group's competitiveness and ability to provide services to its customers. High employee turnover may also cause interruptions in the Group's business operations and adversely affect customer relationships, potentially leading to contractual breaches, and thereby cause the Group to incur financial losses. However, if one or more key employees decided to join one of the Group's competitors or establish a business that competes with the Group, current or prospective customers might use the services provided by such competitors instead of using the Group's services, which could lead to the loss of important customers and have a material adverse effect on the Group's business, results of operations and future prospects.

Mistakes due to human error or negligence by the employees of the Group or its suppliers and subcontractors may cause damage and incur costs

The Group has a large workforce and uses the services of various suppliers and subcontractors on a regular basis for, among others, seasonal work and tasks requiring special expertise or certification. The Group's business operations are labour-intensive and as most property maintenance work is conducted manually, the Group's business operations are susceptible to the risk of human error. The Group may, for example, incur financial losses due to both sudden and unpredictable damages, such as water damage, fire or other damage affecting the environment or the customers' premises or assets, and physical injuries suffered by individuals as a result of mistakes caused by human error made by the Group's employees or its suppliers' and subcontractors' employees. Such employees, suppliers and subcontractors may also fail to comply with instructions or regulations pertaining to them, or misuse confidential information or their position in the organisation or otherwise engage in dishonest or criminal conduct.

The Group cannot exclude the possibility of misuse or human error in the Group's operations even if it seeks to manage this risk by focusing on recruitment, providing instructions for the work of its employees, suppliers and subcontractors and by monitoring their work and implementing corrective measures, if necessary. If the Group, individual employees, suppliers or subcontractors are unable to comply with the applicable policies, laws and regulations, or if deficiencies in service quality cause liabilities in relation to customers or third parties, this may cause financial losses for the Group, significantly weaken its business opportunities and damage the Group's reputation.

The materialisation of risks relating to occupational health and safety may have an adverse effect on the Group

The Group is exposed to risks relating to occupational health and safety. A significant part of the Group's employees carries out physically strenuous work, operates vehicles and various machinery and/or processes potentially harmful substances, such as cleaning chemicals, as a part of their day-to-day work. Although the Group aims to comply with all of the applicable regulations that serve to protect employees and emphasises the importance of occupational safety throughout its operations, accidents may occur in the Group's operations that involve the Group's employees or its subcontractors' employees.

Accidents could have various adverse effects on the Group. Investigations of accidents in cooperation with authorities may generate costs and disrupt the Group's business operations, and accidents may cause criminal or civil liabilities for the Group and its managers and employees, based on applicable laws. In addition, the Group's insurance premiums could increase if its accident frequency rate increases, the Group's insurance coverage might prove to be insufficient and accidents may also harm the Group's reputation.

The Group's business is dependent on reliable IT systems and new, advanced technology

The Group's business operations are dependent on information technology ("IT") and the Group's ability to efficiently manage and plan its business operations and logistics, respond to its customers' needs and sales enquiries in a timely manner, optimise contract pricing and invoicing and maintain the overall cost efficiency of its operations. The efficient planning and management of the Group's business operations is dependent on the management, reporting and monitoring systems it uses. In 2020, the Group began the development and implementation of a common IT infrastructure for all of its units across the Nordics and will continue the implementation process throughout the strategy period in all of its geographical areas. The integration and development of the Group's digital solutions are based on an enterprise architecture plan that guides system choices in conjunction with local business processes, providing an agile way of expanding the Group's IT infrastructure and business application set for local business functions and gathering data from the operations and customers of the Group. There can be no assurance that the deployment and implementation process of the common IT infrastructure will be completed within the expected timeframe or that the expected synergy benefits from the new IT systems will materialise, or that the Group will be able to successfully introduce and implement its common IT infrastructure in any future Group Companies.

The services offered by the Group and the Group's competitiveness on the markets in which it operates are, also, to a certain extent, dependent on new, advanced technology. For the Group's services to remain attractive, profitable and competitive, the Group's services must be continuously developed and must adapt to changes as regards demand, quality, function, customer preferences. regulations and new technological advances, the costs of which may be difficult to predict. The Group is, therefore, dependent on its ability to identify and predict new trends and technological developments and its ability to adapt to such new trends and developments in a timely and cost-efficient manner (see also "Risk Factors – Intensifying competition may have an adverse effect on the Group's net sales and profit margins and the Group may fail to maintain or increase its market share").

The operation of the Group's IT systems may be interrupted, or the Group may lose critical data relating to its business operations for numerous reasons. With regards to some of its operations, the Group is dependent on IT systems and software developed by third parties and it is not certain that these third parties will continue to develop and maintain such IT systems or software, which may cause interruptions in the Group's critical operations and a need to find alternative IT systems and software. System failures and service interruptions can also be caused by, for example, computer viruses, information security breaches, power outages, natural disasters, equipment or software malfunction, connection failures, or the Group's inability or failure to appropriately protect, repair or maintain its communication and information systems. Any failures and interruptions in the Group's IT systems could disrupt the Group's business operations, negatively affect the Group's reputation and customer relations and cause the Group to incur losses and liabilities against third parties.

Risk factors (IV/XI)

The Group's reputation may be damaged

The Group's reputation as a reliable and local provider of high-quality property maintenance services is an important competitive factor for the Group. The Group's ability to maintain the loyalty of its existing customers and attract new customers may suffer if the Group fails to provide high-quality services or if the Group's reputation is compromised. The Group may be exposed to reputation risk as a result of, for example, dissatisfied customers, failure to provide and implement high quality services, sanctions imposed by authorities, legal proceedings, negligence regarding occupational safety, failures related to acquisitions and the expansion of business operations, breaches of information security or other failure to comply with laws and regulations. The Group may also suffer reputational damage due to employee or subcontractor misconduct, accidents or damages caused by the Group's employees or subcontractors. Such reputational damage may have an adverse effect on customer behaviour and the public perception of the Group. In addition, the Group's ability to recruit and retain employees may suffer if the Group suffers significant reputational damage. The Group's image and reputation may be compromised as a result of unfavourable publicity for reasons beyond the Group's control.

The Group is exposed to risks associated with changes in the level of personnel costs

As at the date of the Investor Presentation, the Group has over 6,000 employees and a significant part of the Group's costs are either directly or indirectly related to personnel costs. The Group's competitiveness in the market may be adversely affected by an increase in personnel costs if such increase in personnel costs does not affect the Group's competitors to a similar extent and if the Group is not able to pass on these cost changes to its customer prices or to streamline its operations. To this effect, the Group also depends on political decisions in the general labour market policy as well as on the outcome of any renegotiations of existing collective bargaining agreements. While increases in personnel costs resulting from renegotiated collective bargaining agreements have historically been moderate, a general increase in salaries as a result of new or revised collective bargaining agreements or increases in non-wage labour costs, such as pensions, social security and insurance contributions, may also significantly increase the Group's personnel costs. Moreover, increased inflation may increase the Group's cost of service production, through, among others, increasing its personnel costs and other operating costs, and there can be no assurance that the Group will be able to embed such cost increases in its customer prices, should the resulting cost increases be significant.

Labour disputes and adverse employee relations could interfere with the Group's operations

The Group is subject to the risk of labour disputes and other adverse employee relations. For example, many of the Group's employees are members of labour unions and covered by collective labour agreements, and labour organisations may not be able to negotiate new collective agreements before the expiration of effective agreements, and any prolonged collective agreements negotiations may result in labour disputes, strikes and other industrial actions. If the Group experiences a material labour dispute, strike, or other material disputes with individual employees or labour unions, the Group may not be able to provide its services in a cost effective or timely manner, or at all. This may restrict the Group's ability to provide its standard level of customer care, lead to interruptions in the Group's business operations, compromise the Group's reputation and result in the Group incurring material additional costs.

Seasonal variation may have an adverse effect on the Group's business operations

The Group's business is, to some extent, seasonal. The customer demand for the Group's services has historically increased during the winter months, as a portion of the Group's business and, therefore, its profits, is based on snow removal, including services such as ploughing, snow-related road maintenance, snow removal and sanding. In the recent years, there have been winters with barely any snow – especially in the southern parts of Finland and Sweden, where a significant portion of the Group's business is located. The decrease in the demand for services related to snow removal during such winters have typically led to a moderate decrease in the Group's annual net sales. The Group manages the risks relating to seasonal variation by continuously assessing its service offering and the terms of its customer contracts and by actively managing the level of fixed costs, for example by leasing equipment for snow removal and using seasonal workforce on a subcontracting basis where necessary. Although the Group's management believes that the Group is not particularly vulnerable to seasonal variation, a failure by the Group to adapt to these or similar future developments in the Group's operating environment may cause the Group to lose income and may lead to reduced cash flow, which could have a material adverse effect on the Group's business, financial position and results of operations.

Risks Relating to the Group's Financing

The Group may not be able to obtain financing on competitive terms or at all, it may become in breach of covenants and its cost for financing may increase

The Group finances a significant part of its business operations and investments through cash flows and debt financing. Maintaining the Group's business operations and its ability to service its debts, therefore, requires a sufficient cash flow. The Group may in the future encounter difficulties in raising funds and may not necessarily be able to generate sufficient cash flows to maintain its competitiveness or amortise its debt. The Group may also, in the future, become in breach of financial covenants and other obligations in its financing agreements that constitute grounds for termination or acceleration and thereby cross-acceleration under the Notes. Any failure to create a sufficient cash flow to support its business operations, to raise sufficient financing at commercially acceptable terms or to manage liquidity risk may severally impede the Group's ability to operate and, consequently, have a material adverse effect on the Group's future prospects and financial position and, thereby, on the Issuer's ability to fulfil its obligations under the Notes.

Uncertainty in the macroeconomic environment or the general situation in the financial market may also have a negative effect on the availability, price and other terms of financing. Changes in the availability of equity and debt financing and the terms of available financing may affect the Group's opportunities to invest in its business development and growth in the future. Furthermore, increased interest rates may increase the costs of available financing and the Group's existing financing expenses.

The Group is exposed to interest rate risk on its floating rate debt

Interest rate fluctuations may affect the results of the Group. The Group's exposure to interest rates risk relates primarily to the Notes and Super Senior RCF with floating interest rates based on EURIBOR (as defined below). Interest rate changes affect income statement and balance sheet items through financial income and expenses.

After a period of low interest rates in Europe and globally, central banks' monetary policy has led to a rapid rise in interest rates. Further increase in interest rates could have a material direct effect on the costs of available funding and the Group's financing costs. A rise in interest rates could thus have an effect on the costs of the Group's debt financing in the future. Interest rates may rise for numerous different reasons beyond the Group's control, such as policies pursued by states and central banks.

The Group is currently not hedging its exposure to fluctuations in interest rates. Further, there can be no assurance that the Group will be able to hedge its exposure to fluctuations in interest rates in the future or that any hedging policy will mitigate the adverse effects of interest rate fluctuations on its results of operations. A rise in interest rates may have a material adverse effect on the Group's business, results of operations and/or financial condition and thereby, on the Issuer's ability to fulfil its obligations under the Notes and Super Senior RCF as well as the market price and value of the Notes.

The Group operates in the Nordics and in Northern Germany and is consequently exposed to fluctuations in foreign exchange rates

The Group operates internationally in the Nordics and in Germany with different currencies and is hence exposed to risks arising from foreign exchange rate fluctuations, primarily from exposures with respect to the Swedish krona but also to the Norwegian krone and Danish krone. In 2020 and 2021, the Group did not use any financial instruments to hedge the net investments denominated in other currencies than euro. Although the Group has adopted hedging policies in respect of foreign exchange, there can be no assurance that it will be able to manage its foreign exchange risk successfully or on favourable terms.

Risk factors (V/XI)

Because the consolidated financial statements of the Issuer are prepared in euro, the Issuer also faces currency translation risks to the extent that the assets, liabilities, net sales and expenses of its non-Finnish subsidiaries are denominated in currencies other than euro. The Group's reported earnings may be affected by fluctuations between the euro and the non-euro currencies in which the various Group Companies report their results of operations. Therefore, changes in the Issuer's consolidated financial statements between financial years are affected by changes in foreign exchange rates. In addition to the translation effect occurring when consolidating Swedish krona, Norwegian krone and Danish krone into euro, a material weakening of the euro in relation to any such currency could adversely affect the Group's ability to invest abroad and thereby the implementation of the Group's growth strategy, which could have a material adverse effect on the Group's future prospects.

The Issuer is a holding company and thereby dependent on the profitability and cash flows of its operating subsidiaries

The Issuer is a holding company that holds no significant assets except for the shares of its direct subsidiary. The Issuer is, therefore, dependent on the receipt of sufficient income and cash flows from the operations of the other companies within the Group to service its debt under the Notes. Accordingly, the ability of the Issuer to pay interest on and repay the Notes will be subject to all the risks to which the Group Companies are subject. The transfer of funds from the Issuer's direct and indirect subsidiaries to the Issuer may be restricted or prohibited by legal and/or contractual requirements applicable to the respective subsidiaries. Limitations or restrictions on the transfer of funds between the Group Companies may become more restrictive if the Group experiences difficulties with respect to its liquidity or financial position, which could have a material adverse effect on the Issuer's financial position and, thereby, on the Issuer's ability to fulfil its obligations under the Notes.

The Group is exposed to credit risk as its customers may not be able to fulfil their payment obligations towards the Group

Trade receivables from the Group's customers and deposit receivables from financial institutions expose the Group to credit risks. Such credit risks may materialise if the Group's contracting parties are unable or unwilling to fulfil their obligations to the Group. The Group's credit risk primarily relates to customers with open receivables and customers with whom long-term agreements have been made. The maximum amount of credit risk corresponds to the balance sheet value of the Group's accounts receivables, which amounted to EUR 37.1 million as at 31 December 2021 (EUR 21.2 million as at 31 December 2020) and EUR 40.3 million as at 30 September 2022 (EUR 33.4 million as at 30 September 2021). In addition, the Issuer and the Group Companies are all exposed to a limited amount of credit risk in relation to other contractual counterparties.

The Group has general credit control guidelines to ensure that services and products are sold only to customers with an appropriate credit standing. Under most of the Group's existing customer contracts, the Group receives advance payments for its recurring services and as the Group has a wide customer base and as its accounts receivables consists mostly of a high number of relatively small receivables, there are no significant concentrations of credit risk. Although most of the Group's current customers are housing companies, that, in general, include the Group's service fees in their annual budgets and the Group has therefore, not historically suffered notable losses due to credit risk being realised, the possibility of credit losses cannot be fully excluded in the current economic situation (see also "Risk Factors – The Group's business is subject to adverse global economic and political developments"). Financial difficulties experienced by contracting parties may affect the Group's ability to collect outstanding receivables fully or in a timely manner, or at all, and, consequently, cause credit losses to the Group. A significant increase in credit losses could have a material adverse effect on the Group's business, financial position and results of operations.

Legal, Regulatory and Compliance Risks

Legal and regulatory requirements, changes in and non-compliance with laws and regulations or licences may have a material adverse effect on the Group's business operations

The Group's business operations are subject to laws, regulations and regulatory requirements on national and international level. There can be no assurance that the operations of the Group fully comply with all relevant laws and regulations and their respective interpretations in all jurisdictions in which the Group operates. The Group Companies may from time to time engage in operations that require official permits, registrations, licences and permits and there can be no assurance that the Group will at all times be able to maintain all such licences required by law for its operations.

Local authorities may impose administrative fines or other sanctions on the Group, should it violate or otherwise fail to comply with applicable legislation or other regulatory requirements. Also, changes in laws and regulations could require the Group to adapt, among others, its business operations or strategy, and therefore, result in significant costs in complying with new and potentially more stringent regulations. There can be no assurance that the Group's costs for compliance will not significantly increase in the future as a result of new or amended laws or regulations, or as a result of stricter interpretations or stricter enforcement of existing laws and regulations.

The Group may also incur other costs related to potential non-compliance with applicable laws and regulations that could have a material adverse effect on the Group's results of operations. To the extent that the Group is unable to pass on the costs of compliance with stricter or changing requirements, taxes and duties to the Group's customers, the Group's profit margins may decline, which could have a material adverse effect on the Group's business, results of operations or financial condition. If the Group is unable to comply with the applicable laws and regulations, this may cause financial losses for the Group, significantly weaken its business opportunities and damage the Group's reputation among existing and prospective customers.

Legal proceedings or legal claims may have an adverse effect on the Group's business operations and cause the Group to incur unexpected costs

The international nature of the Group's business operations means that the Group is subject to laws, regulations and regulatory requirements in several jurisdictions. Hence, the Group is exposed to various legal risks in the course of its business, and a number of lawsuits or threats of lawsuits, claims and proceedings may in the future be asserted against the Group, including those pertaining to contractual responsibility, employer liability, data protection and competition law matters. Although the Group strives to resolve any conflicts that may arise in the course of its business primarily through negotiations, no assurance can be made that the Group will in the future be able to resolve such conflicts without legal proceedings. The Group is and has been subject to claims and proceedings relating to, among others, contractual and employment matters. It is inherently difficult to predict the outcome of any legal, regulatory and other proceedings or claims that the Group may become subject of, and there can be no assurance as to the outcome of such proceedings or claims. Legal proceedings are costly, divert management attention and may result in reputational damage for the Group. An unfavourable outcome in any ongoing proceeding, or any proceedings that may arise in the future, could have a material adverse effect on the Group's business, results of operations and future prospects.

The Group's tax burden could increase as a result of changes to tax laws or their interpretation

The Group operates in and is subject to income taxation in more than one jurisdiction. The estimation of the Group's aggregate income taxes requires thorough consideration and the Group is subject to filing requirements in several countries. In some cases, the final amount of income taxes may remain uncertain or be subject to later adjustments. Changes in tax legislation or interpretation by public authorities may cause financial losses to the Group or otherwise weaken its financial position. Although the Group strives to ensure that the Group Companies comply with applicable tax legislation and regulation, the risks relating to taxation may, if they materialise, have a material adverse effect on the Group's business and financial condition.

Possible amendments to tax regulations in the countries in which the Group operates may increase the Group's overall tax burden. It is also possible that the relevant tax authorities would in the future interpret and apply tax regulations in a way which would increase the Group's tax burden. Additionally, the Group is subject to audits and other measures by the tax authorities of different countries and there can be no assurances that tax increases or other consequences for delay would not be imposed on the Group based on these audits and other measures, the amount of which may be significant and difficult to predict.

Risk factors (VI/XI)

The Group collects and processes personal data as a part of its daily business and is exposed to risks relating to information security

The Group increasingly stores and processes the personal data of its customers, employees and suppliers in the course of its business operations, and is a Data Processor in terms of the EU General Data Protection Regulation (EU 2016/79, "GDPR") in respect of its services. The business operations of the Group, therefore, involve certain information security risks, such as leaks of personal data, pricing information or other sensitive information to third parties.

The Group seeks to arrange the handling of personal data within its organisation and within each individual Group Company in a manner that fulfils the requirements of data protection legislation in force. However, it is possible that the personal data systems are misused by the Group or by third parties and that the measures including any relevant policies and procedures may not be or have not been sufficient to ensure compliance with applicable data protection laws. Further, the Group may fail to protect personal data in accordance with the privacy requirements provided under applicable laws, and certain customer or employee data may be used inappropriately either intentionally or unintentionally, or leaked as a result of human error or technological failure. In addition, the GDPR may limit the Group's possibility to use customer data, for example, to develop its service offerings or for other purposes. Violation of data protection laws by the Group, or any leakage of customer or employee data may result in fines, reputational harm and loss of customers and could have a material adverse effect on the Group's business, financial position and results of operations.

Risks Relating to the Group's Operating Environment

The Group's business is subject to adverse global economic and political developments

The Group is exposed to risks associated with any future downturn in the domestic, regional or global economy. The Group currently operates in in the Nordics and in Northern Germany and, as a result, the Group's net sales and result are vulnerable to economic uncertainty and adverse developments in the general macroeconomic conditions particularly in these markets. Uncertainty in the general economic and financial markets may both result from and be a result of, for example, deterioration in business and consumer confidence leading to decreased investment activity and consumer spending, negative employment trends, increasing cost of energy, increasing level of public and household debt and rising interest rates. In recent years, there have been considerable fluctuations in the overall economic and financial market conditions in Europe and elsewhere as a consequence of, among others, the war in Ukraine, the debt crises of certain European countries, the exit of the United Kingdom from the European Union (the "EU"), concerns over global political developments as well as unforeseen events, such as the outbreak of the coronavirus disease ("COVID-19") in early 2020 and the ongoing COVID-19 pandemic, the full macro- and microeconomic effects of which still remain to be seen.

The war in Ukraine has resulted in increased fuel and energy prices as well as an increase in the general inflation rate and there can be no assurance that there will be no increase in fuel, energy prices and the general inflation rate in the future. Increasing inflation or any increase in fuel or energy prices may significantly increase the Group's operating costs. Any expansion or escalation of the war in Ukraine may have a material adverse effect on the Group's operating environment and the general macroeconomic and financial market conditions.

It is difficult to ascertain how long the war in Ukraine may last, or how severe its impacts may become. If the conflict is prolonged, escalates or expands (including if additional countries become involved), or if additional economic sanctions or other measures are imposed, or if volatility in commodity prices or disruptions to supply chains worsen, regional and global macroeconomic conditions and financial markets could be impacted more severely, which in turn could have a more severe effect on the economy in the Nordics and in Germany, the Group's customers and the Group's business, financial condition and results of operations.

Adverse domestic, regional, and global economic developments, may, among others, lower growth estimates, disturb the implementation of the Group's growth strategy, lead to credit losses and weaken the demand of the Group's services by, among others, weakening the financial position and solvency of the suppliers, subcontractors and customer companies of the Group. While the residential property maintenance services market has historically been stable and resilient even through economic downturns, there can be no assurance that such adverse changes in the Group's operating environment would not, for example, limit customers' ability or willingness to pay for the essential services provided by the Group.

The general macroeconomic and financial market conditions, which are influenced by many factors beyond the Group's control, thereby have a direct impact on the business, financial condition and future prospects of the Group. These impacts, varying in terms of scope, may also include inability to acquire necessary credit and the inability to meet maintenance covenants and fulfil other obligations under the Group's financing arrangements. Further, even if the availability of financing could be secured, financing may not necessarily be available at a reasonable price or on reasonable terms. There can be no assurance that the Group's liquidity and access to financing will not be affected by further changes in the financial markets or that its capital resources will, at all times, be sufficient to satisfy its ongoing business and liquidity needs.

The COVID-19 pandemic may have an adverse impact on the business operations of the Group

The Group's management has been closely assessing the effects of the COVID-19 pandemic on its business and, so far, the pandemic has had no material effect on the Group or its commercial agreements, customer relationships or customer demand for services offered by the Group. However, the potential future impact of the COVID-19 pandemic on the Group's business operations and profitability is inherently difficult to estimate. A significant weakening of the global economy in terms of decreased economic and business activity caused by a potential prolongation of the pandemic, further restrictions imposed by governments, or a lack of available workforce due to the COVID-19 pandemic could have a material adverse effect on the Group's business, financial position and results of operations.

Risks Relating to the Notes

Investors in the Notes are exposed to credit risk in respect of the Issuer and may lose their investment in the Notes in whole or in part

Investors in the Notes are exposed to a credit risk in respect of the Issuer. An investor's possibility to receive interest payments and repayment of principal under the Notes is dependent on the Issuer's ability to fulfil its payment obligations, which, in turn, is to a large extent dependent on developments in the Group's financial and operating performance. If the Group's financial and operating performance declines or its operating income is not sufficient to service its current or future indebtedness, the Group may be forced to take actions such as reducing or delaying its business activities, acquisitions or investments, restructuring or refinancing its debt or seeking additional equity capital, and there can be no assurance that such remedies can be effected on satisfactory terms, or at all. Further, should the Issuer become insolvent during the term of the Notes, the holders of the Notes (the "Noteholders") may forfeit interest payable on, and the principal amount of, the Notes in whole or in part. Noteholders are solely responsible for the economic and financial consequences of their investment decisions.

The market value of the Notes is volatile

The market value of the Notes will be affected by the creditworthiness of the Issuer and could, therefore, 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 Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes, as well as other factors. The market value of the Notes depends on a number of interrelated factors, including economic, financial and political events in Finland or elsewhere, including factors affecting debt markets generally. The price at which a Noteholder may be able to sell the Notes from time to time may be at a discount, which could be substantial, to the issue price or the purchase price paid by such Noteholder.

Risk factors (VII/XI)

Active trading markets for the Notes may not develop

Although the Initial Notes will be listed on the Frankfurt Open Market within 60 calendar days of the First Issue Date and the Issuer undertakes to ensure that the Initial Notes and any Subsequent Notes are listed on the official list of the Helsinki Stock Exchange or, if such admission to trading is unduly onerous to obtain or maintain, admitted to trading on another EU regulated market within six (6) months of the First Issue Date, and to maintain such listings as long as the Notes are outstanding, the Issuer cannot guarantee that the Notes will be approved for listing within the contemplated timeframe or at all or remain listed. Further, should the Issuer fail to procure listing of the Notes on a regulated market in time, and such listing failure is not waived by the Noteholder in accordance with the Terms and Conditions, this would result in an Event of Default under Clause 14 (Acceleration of the Notes) of the Terms and Conditions. Although no assurance is made as to the liquidity of the Notes as a result of listing, failure to be approved for listing or the delisting of the Notes may have an adverse effect on a Noteholder's ability to resell Notes in the secondary market.

The liquidity and prices of the Notes in trading between investors can be expected to vary with changes in market and economic conditions, the prevailing market interest rates, the financial condition and prospects of the Group and those of its competitors and many other factors that generally influence the prices of securities. Such and similar factors may significantly affect the market price and liquidity of the Notes, which may trade at a discount to the price paid by the Noteholders. As a result, Noteholders may not be able to sell their Notes at all or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Credit ratings assigned to the Notes and the Issuer may not reflect all risks associated with an investment in the Notes

The Initial Notes have been assigned a preliminary credit rating of B2 by Moody's Investors Service Ltd ("Moody's") and a preliminary credit rating of B by S&P Global Ratings Europe Limited ("S&P"). The Issuer has been assigned a credit rating of B2 corporate family rating (CFR) and B2-PD probability of default rating (PDR) by Moody's and a credit rating of B by S&P. Such ratings do not necessarily reflect the potential impact of all risks relating to structure, market, additional factors discussed herein, and other factors that may affect the value of the Notes. Further, the credit ratings assigned by Moody's and S&P to the Notes and the Issuer may not reflect the credit ratings that other credit rating agencies would assign to the Notes and/or the Issuer. A credit rating does not constitute a recommendation to buy, sell or hold Notes and may be revised, modified or withdrawn by the relevant rating agency at any time. A qualification, downgrade or withdrawal of the credit ratings mentioned above may adversely affect the Group's business or financial position and consequently, the market value of the Notes.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation") from using a credit rating for regulatory purposes unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

The list of registered and certified rating agencies published by the European Securities and Markets Authority ("ESMA") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Noteholders may therefore not at all times have access to up to date information on the relevant rating agency.

Noteholders may be exposed to exchange rate risk and risks relating to exchange controls

The Notes are euro-denominated and the Issuer will pay principal and interest on the Notes in euro. This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of euro or revaluation of the Noteholder's currency) and the risk that authorities with jurisdiction over the Noteholder's currency may impose or modify exchange controls. As a result, Noteholders may receive less interest or principal than expected from their investment in the Notes.

The Issuer may incur additional debt and/or grant additional security and/or guarantees without the consent of the Noteholders

The Issuer may incur additional debt and grant additional security and/or guarantees in the future. Although the financing agreements of the Issuer (in addition to the incurrence covenants of the Notes) may contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of qualifications and exceptions, and debt incurred in compliance with these restrictions could be substantial and secured. Such incurrence of further debt and granting of additional security and/or guarantees may reduce the amount recoverable by the Noteholders upon winding-up or insolvency of the Issuer, or may worsen the position and priority of the Noteholders in such winding-up or insolvency procedure.

Subordination as to maturity of the Notes

The Existing Notes and Super Senior RCF have a maturity prior to the maturity date of the Notes and accordingly will be fully repaid at redemption ahead of the Notes. Furthermore, the exercise of a call option under the Existing Notes would, if also exercised under the Notes, result in the early redemption of the Existing Notes ahead of the Notes. As a result, it is possible that following redemption of the Existing Notes and repayment of the RCF, the Issuer may not have sufficient funds to repay the Notes in full or at all.

The Notes carry no voting rights

The Notes are debt instruments and as such carry no voting rights with respect to the general meetings of the shareholders of the Issuer. Consequently, the Noteholders cannot influence any decisions made by the Issuer to redeem the Notes pursuant to the Terms and Conditions or made by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer, which may affect the Issuer's ability to make payments in respect of the Notes.

Information that the Issuer discloses may not correspond to that disclosed by companies whose shares are listed

As the Issuer currently has debt securities listed on the regulated market of the Helsinki Stock Exchange, the Issuer must satisfy the disclosure and other requirements imposed on an issuer of a publicly traded bond under the Finnish Securities Market Act (746/2012, as amended) (in Finnish: arvopaperimarkkinalaki) and the rules of the Helsinki Stock Exchange as well as other relevant securities laws. Such disclosure requirements may differ from those imposed on a company whose shares are listed, for example on the Helsinki Stock Exchange.

Hence, an investor must not assume that the information the Issuer discloses satisfies the requirements imposed on a company whose shares are listed, for example, on the Helsinki Stock Exchange or is otherwise comparable to the extent and quality of information disclosed by such listed company. Further, subject to the above disclosure requirements imposed on an issuer of a publicly-traded bond, the Issuer may amend its disclosure policy which may result in changes in the scope of disclosure by the Issuer also in such manner that disclosure in respect of the Issuer and its operations decreases to the detriment of investors. The Issuer does not undertake to disclose any information relating to the Notes or the security of the Notes other than that it is required to disclose under the Terms and Conditions and applicable securities laws and regulations.

Risk factors (VIII/XI)

Amendments to the Terms and Conditions bind all Noteholders

The Terms and Conditions may be amended in certain circumstances, in each case with the required consent of a defined majority of the Noteholders. The Terms and Conditions contain provisions for the Issuer to convene Noteholders' meetings or initiate written procedures for the Noteholders to consider and vote upon matters affecting the interests of the Noteholders generally. Resolutions passed at such Noteholders' meetings or in written procedures will bind all Noteholders, including Noteholders who did not attend and vote at the relevant Noteholders' meeting or in the relevant written procedure as well as Noteholders who voted against the requisite majority. This may result in financial losses, among other things, to all Noteholders, including those who did not attend and vote at the relevant meeting or in the relevant written procedure and Noteholders who voted against the requisite majority.

Moreover, the Agent (as defined below) may, without the consent of the Noteholders, agree to certain amendments of the Terms and Conditions and other Finance Documents (as defined in the Terms and Conditions) in accordance with the Terms and Conditions. The nature of such amendments, which will be binding upon the Noteholders, are further described in the Terms and Conditions.

The rights of the Noteholders depend on the Agent's and the Security Agent's actions and financial standing

By subscribing for, or accepting the assignment of, any Note, each Noteholder will accept the appointment of a noteholders' agent to act for and on its behalf and to perform administrative functions relating to the Notes (the "Agent") (being on the date of this Investor Presentation Nordic Trustee Oy, incorporated under the laws of Finland with business identity code 2488240-7), the Intercreditor Agreement and the Security Documents (each as defined herein). The Agent, in turn, has by execution of the Intercreditor Agreement appointed a common security agent as agent and representative of certain secured parties, to represent and act for such secured parties, including the Noteholders (acting through the Agent), in relation to the Transaction Security (as defined in the Terms and Conditions) in accordance with the Intercreditor Agreement (the "Security Agent") (being on the date of this Investor Presentation Intertrust (Finland) Oy, incorporated under the laws of Finland with business identity code 2343108-1).

The Agent has, among other things, the right to represent the Noteholders in all court and administrative proceedings in respect of the Notes and the sole right and legal authority to represent the Noteholders vis à vis the Security Agent. Only the Security Agent is entitled to exercise the rights in relation to the Transaction Security and enforce the same. The roles of the Agent and the Security Agent are governed by the Finnish Act on Noteholders' Agent (574/2017, as amended) (in Finnish: laki joukkolainanhaltijoiden edustajasta).

A failure by the Agent and/or the Security Agent to perform their duties and obligations properly or at all may adversely affect the enforcement of the rights of the Noteholders. Funds collected by the Agent as the representative of the Noteholders and by the Security Agent as the representative of the Secured Parties (as defined in the Terms and Conditions) must be held separately from the funds of the Agent and the Security Agent, respectively, and be treated as escrow funds to ensure that in the event of the Agent's and the Security Agent's, as applicable, bankruptcy, such funds can be separated for the benefit of the Noteholders and the Secured Parties, as applicable. In the event the Agent or the Security Agent would fail to separate the funds in an appropriate manner, the funds could be included in the Agent's or the Security Agent's, as applicable, bankruptcy estate.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions upon the resignation or removal of the original Agent. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent on commercially acceptable terms or at all. Further, it cannot be excluded that the successor Agent would not breach its obligations under the above documents or that insolvency proceedings would not be initiated against it. The Security Agent may resign and a successor Security Agent may be appointed under the Intercreditor Agreement. Generally, the successor Security Agent has the same rights and obligations as the retired Security Agent. It may be difficult to find a successor Security Agent on commercially acceptable terms or at all. Further, it cannot be excluded that the successor Security Agent would not breach its obligations under the above documents or that insolvency proceedings would not be initiated against it.

Pursuant to the Terms and Conditions, the Noteholders will have no direct right of action against the Issuer or the Group (except in the limited circumstances provided in the Terms and Conditions), and any action must be taken through the Agent. As a result, any action against the Issuer or the Group must be taken by the Agent who will act on the instructions of the Noteholders as a Group as set forth in the Terms and Conditions, not Noteholders or on individual basis.

Other creditors may become parties to the Intercreditor Agreement in the future. Among other things, the Intercreditor Agreement governs the enforcement of the Transaction Security and the Guarantees (as defined in the Terms and Conditions), the sharing in any recoveries from such enforcement and the release of the Transaction Security and Guarantees by the Security Agent, and provides that, to the extent permitted by applicable law, only the Security Agent has the right to enforce the Transaction Security and Guarantees on behalf of the Secured Parties. As a consequence, Noteholders will not be entitled to take enforcement action (neither directly nor through the Agent) in respect of the Transaction Security and Guarantees, except through the Security Agent, who will follow instructions set forth in the Intercreditor Agreement.

Materialisation of any of the above risks may have a material adverse effect on the enforcement of the rights of the Noteholders and the rights of the Noteholders to receive payments under the Notes.

The Issuer may have an obligation to prepay the Notes following an Event of Default, a Change of Control Event or Listing Failure Event and may not be able to finance such prepayment

As specified in the Terms and Conditions, the Noteholders will be entitled to demand premature repayment of the Notes among others in the case of an Event of Default (see Clause 14 (Acceleration of the Notes)) or a Change of Control Event or Listing Failure Event (see Clause 8.5 (Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option))). The source for the funds required for any repurchase required as a result of any such event will be available cash or cash generated from operating activities or other sources, including borrowings, sales of assets, sales of equity or funds provided by subsidiaries of the Issuer. If an Event of Default, a Change of Control Event or Listing Failure Event occur, there can be no assurance that the Issuer will have or will be able to generate sufficient funds to repurchase the Notes that have been requested to be prepaid. Furthermore, such premature repayment may adversely affect the ability of the Issuer to fulfil its obligations under the Notes to such Noteholders who elect not to exercise their right to have their Notes prepaid.

The Issuer has the right to redeem and purchase the Notes prior to maturity

As specified in the Terms and Conditions, in addition to the right for the Issuer to redeem remaining Notes in case at least 90 per cent. of the aggregate nominal principal amount of the Notes has been repurchased pursuant to a demand by the Noteholders based on a Change of Control Event, the Issuer is entitled to redeem the Notes at any time prior to maturity, provided the Issuer's existing senior secured notes have been redeemed in full, either in full or in part at a specified premium (see Clause 8.3 (Voluntary total redemption (call option)) and Clause 8.4 (Early redemption due to illegality and repurchase due to a tax event (call option))) or at par (see Clause 8.6 (Special redemption due to an IPO Event)).

In addition, as specified in the Terms and Conditions, the Issuer may at any time purchase Notes in any manner and at any price prior to maturity. Only if such purchases are made through a tender offer, such offer must be available to all Noteholders on equal terms. The Notes held by the Issuer may, at the Issuer's discretion, be retained, sold, but not cancelled, except in connection with a full redemption of the Notes. Consequently, a holder of Notes offering Notes to the Issuer in connection with such purchases may not receive the full invested amount. Furthermore, a holder of Notes may not have the possibility to participate in such purchases. The purchases – whether through tender offer or otherwise – may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes to such holders who do not participate in the purchases as well as the market price and value of such Notes.

Any such early redemption or repayment initiated may result in financial losses or damage, among other things, to such Noteholders who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

Risk factors (IX/XI)

The right to payment under the Notes may be forfeited due to prescription

In case any payment under the Notes has not been claimed within three (3) years from its original due date, the right to such payment shall be prescribed. Such prescription may incur financial losses to Noteholders who have not claimed payment under the Notes within the prescription time of three (3) years. Thus, if the Noteholder does not provide its respective book-entry account operator up to date information on applicable bank accounts, payments under the Notes to such Noteholder will become void after three (3) years from the original due date if not claimed by the Noteholder.

The Joint Bookrunners may have a conflict of interest

Nordea Bank Abp and Pareto Securities AS are acting as joint bookrunners (the "Joint Bookrunners") in the offering of the Notes. The Joint Bookrunners and/or their 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 Joint Bookrunners and/or their affiliates having previously engaged, or engaging in the future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

The Issuer has entered into agreements with the Joint Bookrunners with respect to certain services to be provided by the Joint Bookrunners in connection with the offering of the Notes. Nordea Bank Abp also acts as a lender to the Group under the Super Senior RCF entered into in connection with the issue of the Initial Notes.

The completion of transactions relating to the Notes is dependent on Euroclear Finland's operations and systems

The Notes will be issued in the book-entry securities system of Euroclear Finland Oy ("Euroclear Finland"). Pursuant to the Act on the Book-Entry System and Clearing and Settlement (348/2017, as amended) (in Finnish: laki arvo osuusjärjestelmästä ja selvitystoiminnasta), the Notes will not be evidenced by any physical note or document of title other than statements of account made by Euroclear Finland or its account operator. The Notes are dematerialised securities and title to the Notes is recorded and transfers of the Notes are perfected only through the relevant entries in the book-entry system and registers maintained by Euroclear Finland and its account operators. Therefore, timely and successful completion of transactions relating to the Notes, including but not limited to transfers of, and payments made under, the Notes, depend on the book-entry securities system being operational and that the relevant parties, including but not limited to the payment transfer bank and the account operators of the Noteholders, are functioning when transactions are executed. Any malfunction or delay in the book-entry securities system or any failure by any relevant party may result in the transaction involving the Notes not taking place as expected or being delayed, which may cause financial losses or damage to the Noteholders whose rights depended on the timely and successful completion of the transaction.

The Issuer or any other third party will not assume any responsibility for the timely and full functionality of the book-entry securities system. Payments under the Notes will be made in accordance with the laws governing the book-entry securities system, the rules of Euroclear Finland and the Terms and Conditions. For purposes of payments under the Notes, it is the responsibility of each Noteholder to maintain with its respective book-entry account operator up to date information on applicable bank accounts.

Noteholders holding interest in the Notes through nominee book-entry accounts (for example, in Euroclear or Clearstream, or through other custody or sub-custody arrangements so that the Notes are held on a nominee omnibus account in Euroclear Finland), will not be recorded as the legal or beneficial owners of such Notes under Finnish law and will therefore not be entitled to enforce any rights under the Notes directly against the Issuer. Such Noteholders should acquaint themselves with the terms of business of the respective clearing system or custodian, as applicable, with respect to indirect enforcement of their rights, as well as having regard to the possibility of transferring the Notes to a book-entry account with Euroclear Finland held directly by the Noteholders.

Legislative amendments may take place during the term of the Notes

The Notes are governed by the laws of Finland, as in force from time to time. Finnish laws and regulations, including, but not limited to, tax laws and regulations, governing the Notes may change during the term of the Notes and new judicial decisions can be given and new administrative practices can be implemented. The Issuer makes no representations as to the effect of any such changes of laws or regulations, or new judicial decisions or administrative practices after the date hereof.

Interest rate risks

The value of the Notes depends on several factors, one of the most significant over time being the level of market interest. The Notes will bear interest at a floating rate of 3-month EURIBOR plus a margin and the interest of the Notes will be determined two business days prior to the first day of each respective 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 Notes. The general interest level is to a high degree affected by international development and is outside of the Group's control.

The regulation and reform of "benchmarks" may adversely affect the value of the Notes.

Interest rates and indices which are deemed to be "benchmarks" (including the euro interbank offered rate ("EURIBOR")) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes.

It is not possible to predict with certainty whether, and to what extent, EURIBOR will continue to be supported going forwards. This may cause EURIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Notes.

The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Base Rate Event (as defined in the Terms and Conditions of the Notes) occurs. These fallback arrangements will include the possibility that the relevant rate of interest could be set or, as the case may be, determined by reference to a successor base rate, in either case as adjusted by reference to an applicable adjustment spread, all as determined by an Independent Adviser. An adjustment spread could be positive, negative or zero and may not be effective in reducing or eliminating any economic prejudice or benefit (as the case may be) to investors arising out of the replacement of the original base rate with the successor base rate. The use of a successor base rate (including with the application of the applicable adjustment spread) will still result in the Notes referencing an original reference rate performing differently (which may include payment of a lower rate of interest) than they would if the original reference rate were to continue to apply in its current form.

In addition, the Issuer may, without the consent of the Noteholders, specify the changes to the Terms and Conditions of the Notes required to give effect to the relevant changes.

No consent of the Noteholders shall be required in connection with effecting any relevant successor base rate or any other related adjustments and/or amendments described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

Risk factors (X/XI)

In certain circumstances, the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for the Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor base rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time. Any such consequences could have a material adverse effect on the value of and return on any such Notes.

Risks Relating to the Transaction Security, the Guarantees and the Intercreditor Agreement

The Notes will be secured only up to the value of the assets that have been granted as security for the Notes, and in the event that the Transaction Security is enforced, the lenders under the Super Senior RCF and hedge counterparties will be paid with the proceeds from the enforcement of Transaction Security in priority to the Noteholders

If an Event of Default occurs in relation to the Notes, the Noteholders will be secured only up to the value of the Transaction Security less the then outstanding obligations under the Super Senior RCF of up to EUR 62.5 million at the date of the Investor Presentation (the amount of which can be increased up to an amount not exceeding 100 per cent. of the EBITDA of the Group at the time of the increase, subject to the incurrence test being met), and counterparties of certain hedging obligations, and then pro rata with any other obligations which share in the Transaction Security (including the Existing Notes and any New Debt (as defined in the Terms and Conditions)). If the value of the Transaction Security is less than the value of the claims of the Noteholders together with the claims of the other secured creditors, those claims may not be satisfied in full.

No valuation of the Transaction Security has been prepared in connection with the offering of the Notes. The fair market value of the Transaction Security is subject to fluctuations based on factors that include, among others, the Issuer's ability to implement its business strategy, the ability to enforce the Transaction Security, general economic and political conditions, the availability of buyers and similar factors. The amount to be received upon a sale of the Transaction Security would be dependent on numerous factors, including, but not limited to, the actual fair market value of the Transaction Security in question at such time, general, market and economic conditions, legal restrictions and the timing and the manner of the sale. There can be no assurance that the Transaction Security can be sold at a price reflecting fair market value or at all.

Furthermore, the Transaction Security is pledged to the Security Agent for the benefit of the lenders under the Super Senior RCF, certain hedge counterparties under the hedging obligations and creditors under the Existing Notes and any New Debt, in addition to being pledged to the Security Agent for the benefit of Noteholders. Under the Intercreditor Agreement, the Security Documents and the Guarantee Agreement, the Super Senior RCF, and certain hedging obligations are secured with first priority security interests in all the Transaction Security and the proceeds of any sale of such assets on enforcement will be applied to repay claims of the lenders under the Super Senior RCF and counterparties under certain hedging obligations in priority to the Noteholders and other secured obligations. Consequently, the Noteholders may not be able to recover from the proceeds of the Transaction Security in an enforcement or insolvency scenario because the creditors under the Super Senior RCF and certain hedge counterparties will have a prior claim on all proceeds realised from any enforcement of such Transaction Security.

Enforcing rights under the Notes or the Guarantees or the Transaction Security across multiple jurisdictions may prove difficult

The Issuer is incorporated under the laws of Finland and certain of the Guarantors (as defined in the Terms and Conditions) and security providers are incorporated or organised under the laws of various other jurisdictions. The Transaction Security includes the shares in the Issuer and in certain of the Issuer's direct and indirect subsidiaries incorporated under the laws of these jurisdictions. The Guarantees are provided under the Guarantee Agreement which is governed by Finnish law. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in various jurisdictions. Such multijurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of the rights of the Noteholders. The rights of Noteholders under the Notes, the Guarantees and the Transaction Security will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that the Security Agent will be able to effectively enforce the Secured Parties' rights in such complex, multiple bankruptcy, insolvency or similar proceedings. The multijurisdictional nature of enforcement over the Transaction Security may limit the realisable value of the Transaction Security. The validity of the Transaction Security may be subject to challenge and Transaction Security may be set aside in insolvency proceedings.

Further, under the Security Documents (as defined in the Terms and Conditions) the pledgors of Material Intercompany Loans (as defined in the Terms and Conditions) are entitled to receive payments (both principal and interest) until an Event of Default has occurred and therefore there is a risk that such security is not perfected until perfection actions have been taken following an Event of Default.

Moreover, in certain jurisdictions, it is unclear whether all Transaction Security give the Security Agent a right to prevent other creditors from foreclosing on and realising the Transaction Security or whether certain security interests only give the Security Agent priority in the distribution of any proceeds of such realisation. Accordingly, the Security Agent and Noteholders may not be able to avoid foreclosure by other creditors (including unsecured creditors) on the assets subject to Transaction Security.

Rights in the Transaction Security may be adversely affected by the failure to perfect the Transaction Security

Applicable law may require that a security interest in certain assets can only be properly perfected and its priority retained through certain actions undertaken by a secured creditor or a pledgor. The Transaction Security may not be perfected if the Security Agent or the relevant pledgor 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 in favour of third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same Transaction Security. In addition, applicable law may require that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. There can be no assurance that the Security Agent will monitor, or that the Issuer will inform the Security Agent of, any future acquisitions of property and rights that are purported to be subject to the Transaction Security, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral.

The Security Agent has no obligation to monitor any acquisitions of additional property or rights that are purported to be covered by the Transaction Security or the perfection of any security interest therein. Such failure may result in the loss of the security interest in the Transaction Security or adversely affect the priority of the security interest in favour of the Secured Parties against third parties including a trustee in bankruptcy and other creditors who may claim Transaction Security.

The Guarantees and Transaction Security are subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defences that may limit their validity and enforceability

According to the Intercreditor Agreement, the Security Documents and the Guarantee Agreement, the Guarantee and certain Transaction Security may be limited to the maximum amount that can be guaranteed or secured by the relevant Guarantor without rendering the relevant Guarantee or Transaction Security voidable or otherwise ineffective under applicable law and enforcement of each Guarantee and Transaction Security would be subject to certain generally available defences. These laws and defences include those that relate to corporate benefit, fraudulent transfer or conveyance, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defences affecting the rights of creditors generally.

Although laws differ among various jurisdictions, in general, under fraudulent conveyance and other laws, a court could subordinate or declare void the Guarantees or Transaction Security granted under the relevant Security Documents and, if payment had already been made under a Guarantee or upon enforcement of the Transaction Security, require that the recipient return the payment to the relevant Guarantor or pledgor, if the court found that:

Risk factors (XI/XI)

- the relevant Guarantee or Transaction Security was incurred with actual intent to hinder, delay or defraud creditors or shareholders of the Guarantor or pledgor or, in certain jurisdictions, even when the recipient was simply aware that the Guarantor or pledgor was insolvent when it granted the Guarantee or Transaction Security;
- the Guarantor or pledgor did not receive fair consideration or reasonably equivalent value for the relevant Guarantee or Transaction Security and the Guarantor or pledgor was: (i) insolvent or rendered insolvent because of the relevant Guarantee or Transaction Security; (ii) undercapitalised or became undercapitalised because of the relevant Guarantee or Transaction Security; or (iii) intended to incur, or believed that it would incur, indebtedness beyond its ability to pay at maturity;
- the relevant Guarantees or Transaction Security were held to exceed the corporate objective of the Guarantor or pledgor or not to be in the best interests or for the corporate benefit of the Guarantor or pledgor; or
- the amount paid or payable under the relevant Guarantee or the enforcement proceeds in respect of the Transaction Security was in excess of the maximum amount permitted under applicable law.

The measures of insolvency for purposes of fraudulent transfer laws vary depending upon applicable governing law. Generally, an entity would be considered insolvent if, at the time it incurred indebtedness:

- the sum of its debts, including contingent liabilities, is greater than the fair value of all its assets;
- the present fair saleable value of its assets is less than the amount required to pay the probable liability on its existing debts and liabilities, including contingent liabilities, as they become due; or
- it cannot pay its debts as they become due.

If a court were to find that the granting of a Guarantee or Transaction Security was a fraudulent conveyance or held it unenforceable for any other reason, the court could hold that such Transaction Security or the payment obligations under such Guarantee are ineffective, and/or require the Noteholders to repay any amounts received with respect to such Guarantee or Transaction Security. In the event of a finding that a fraudulent conveyance occurred, the Noteholders may cease to have any claim in respect of the relevant Guarantor or the benefit of such Transaction Security and would be a creditor solely of the Issuer and, if applicable, of the other Guarantors under any Guarantees that have not been declared void and benefit of other Transaction Security that have not been declared void.

Additionally, any future pledge of Transaction Security might be avoidable by the pledgor (as debtor-in-possession) or by its trustee in bankruptcy (or similar officer) if certain events or circumstances exist or occur, including, among others, if the pledgor is insolvent at the time of the pledge, the pledge permits the Noteholders to receive a greater recovery than if the pledge had not been given and a bankruptcy proceeding in respect of the pledgor is commenced within three months following the pledge, or in certain circumstances, a longer period. In order to receive the benefit of a security interest, the secured creditors must hold secured claims (i.e., the secured party and the creditor have to be the same person).

In addition, under the Terms and Conditions and the Intercreditor Agreement, the Group will be permitted in the future to incur additional indebtedness and other obligations that may share the Transaction Security and Guarantees. The granting of new security interests may require the releasing and retaking of security or otherwise create new hardening periods in certain jurisdictions. The applicable hardening period for these new security interests will run from the moment each new security interest has been granted or perfected. At each time, if the security interest granted or recreated were to be enforced before the end of the respective hardening period applicable in such jurisdiction, it may be declared void or ineffective and it may not be possible to enforce it.

Further, the Guarantees and the Transaction Security, or the enforcement thereof, will be subject to certain contractual or other limitations or subordinated under applicable law. The enforcement of the Guarantees and the Transaction Security will be limited to the extent that the granting of such Guarantees and the Transaction Security is not in the corporate interest of the relevant Guarantor or provider of security, would be in breach of capital maintenance or thin capitalization rules or any other general statutory laws or where the burden of such Guarantee or Transaction Security exceed the benefit to the relevant Guarantor or provider of security. In particular, contractual limits may be applicable to certain Guarantees or Transaction Security to the extent the granting of such Guarantee or enforcement of relevant Transaction Security would result in a breach of capital maintenance rules or other statutory laws or would cause the directors of any Guarantor or provider of Transaction Security to contravene their duties to incur civil or criminal liability or to contravene any legal prohibition.

Payment blocks of principal and/or interest to the Noteholders, Turnover of payments and instructing of the Security Agent

Following a Payment Block Event (as defined in the Intercreditor Agreement), the agent under the Super Senior RCF may serve a notice to the Issuer and various creditors or their representatives upon an occurrence of certain events of default or acceleration events and after the delivery of such notice and for a specified period, the Issuer or a Group company shall not make and the Noteholders shall not receive from the Issuer any payments of principal or interest in respect of the Notes.

If the Noteholders receive any payment against the provisions of the Intercreditor Agreement, such payment must be turned over to the Security Agent.

There is a consultation period of not less than thirty (30) days (or a shorter period than the representatives of the Secured Parties may agree) during which the Secured Parties are expected to discuss to agree on the enforcement steps. After the end of the consultation period and provided that no agreement has been reached, the Senior Representative (as defined in the Intercreditor Agreement) shall be entitled to give enforcement instructions to the Security Agent.

An insolvency administrator may not respect the Intercreditor Agreement

The Intercreditor Agreement contains provisions for the sharing between the Secured Parties of the proceeds received from the enforcement of the Transaction Security and the Guarantees. If a Secured Party receives enforcement proceeds or other payments in excess of what is stipulated by the Intercreditor Agreement, such Secured Party is obligated to share such proceeds or payments with the other Secured Parties. However, it is not certain that a Secured Party or a bankruptcy administrator of such Secured Party would respect the Intercreditor Agreement which potentially could adversely affect the other Secured Parties.

The Notes are structurally subordinated to present and future liabilities of the subsidiaries of the Issuer

The Notes will constitute structurally subordinated liabilities of the Issuer’s subsidiaries which have not acceded as Guarantors in respect of the Notes, meaning that creditors’ claims against such subsidiary will be entitled to payment deriving from the assets of such subsidiary before the Issuer. The subsidiaries are legally separate entities and distinct from the Issuer, and have no obligation to settle or fulfil Issuer’s obligations, other than to the extent it follows from the security agreements or guarantees to which such subsidiaries are parties. In the event of insolvency, liquidation or a similar event relating to one of the Issuer’s subsidiaries, all other creditors of such subsidiary would be entitled to payment deriving from the assets of such subsidiary.

The Transaction Security and Guarantees may be released under certain circumstances

In addition to the authority for the Security Agent to release relevant parts of the Transaction Security and the Guarantees and to discharge Secured Obligations (as defined in the Intercreditor Agreement) and certain intra-group liabilities in order to facilitate enforcement of Transaction Security or a distressed disposal made in accordance with the Intercreditor Agreement, the Intercreditor Agreement provides that in connection with a disposal of an asset by a Group Company permitted under the terms of the secured financing under non-distressed circumstances, the Security Agent is under the Intercreditor Agreement authorised to release Transaction Security over that asset and, where the asset consists of shares in a Group Company, the Transaction Security and the Guarantees granted by such Group Company. Although the Transaction Security shall be released pro rata between the Secured Parties and continue to have same ranking between the Secured Parties as set forth in the Intercreditor Agreement, such release will impair the security interest and the secured position of the Noteholders.

Nordic all-stars in local property service.