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## **TREMOKO OY AB HAS SUBSCRIBED IXONOS PLC'S CONVERTIBLE LOAN**

Tremoko Oy Ab ("Tremoko") has today subscribed in full the convertible bond with a capital of EUR 9,200,000.95 ("Loan") and attached option or other special rights referred to in Chapter 10 Section 1(2) of the Limited Liability Companies Act ("Special Rights") which were directed to be subscribed for by Tremoko by the decision of the General Meeting of the Ixonos Plc ("Company") on 7 April, 2016. The board of directors of the Company has accepted Tremoko's subscription.

The Loan and attached Special Rights has been issued in order to strengthen the Company's working capital and reorganise the capital structure as well as lower financing costs. Hence, there are weighty financial reasons for taking the Loan and granting the Special Rights. The Loan's issuing price and conversion price have been defined on market terms.

The main terms of the Terms of the Loan and the Special Rights are the following:

- The amount of the Loan is EUR 9,200,000.95.
- A annual interest of Euribor 6 months (at least  $\geq 0\%$ ) + 4.0 per cent is paid on the principal of the Loan.
- The conversion option attached to the Loan entitles to a maximum amount 131,428,585 of new Company shares.
- The rate of conversion is fixed at EUR 0.07, and it shall be revised as set out in the Terms.
- The loan period is 8 April 2016 - 8 April 2020 so that as of 8 April 2016 altogether EUR 1,700,000.05 of the loan will be paid biannually in five tranches of EUR 340,000.01 and additionally on 8 April 2020, the remaining loan, altogether EUR 7,500,000.90, will be paid in a one-off payment.

Tremoko has paid the Loan and attached Special Rights in full by setting off receivables it has from the Company, amounting to altogether EUR 9,200,000.95.

In Helsinki on 8 April 2016

IXONOS PLC  
Board of Directors

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## **TERMS AND CONDITIONS OF A CONVERTIBLE BOND**

## **1. Background and Purpose of the Convertible Bond**

The Annual General Meeting of Ixonos Plc (Business Identity Code: 0997039-6, "Company") decided on 7 April 2016 to direct a convertible bond to Tremoko Oy Ab (Business Identity Code: 2216662-6, "Tremoko") for subscription in deviation from the pre-emptive subscription right of the shareholders of the Company in accordance with the terms and conditions ("Terms") set out below. Based on the aforementioned decision by the Company's General Meeting, the Company and Tremoko (jointly "Parties") have today concluded this agreement on a convertible bond ("Agreement") related to option rights or other special rights ("Special Rights") which are specified below in section II and referred to in Chapter 10 Section 1(2) of the Finnish Limited Liability Companies Act (624/2006 as amended) ("Limited Liability Companies Act") and which entitle Tremoko Oy Ab (or the current holder of the Special Rights) to subscribe for new shares of the Company in accordance with these Terms.

As the largest shareholder of the Company, Tremoko has acquainted itself with the Company's financial and functional position to the extent they have chosen and stated they will invest in the Company by granting the Company the convertible and freely assignable loan ("Loan") set out in these Terms, subject to the terms and conditions below. The Loan and associated Special Rights are issued in order to strengthen the Company's working capital and reorganise the capital structure as well as lower financing costs. Hence, there are weighty financial reasons for taking the Loan and granting the Special Rights. The issuing price and subscription price on the basis of the Special Rights have been defined on market terms at the market price. No certificates will be given of the Special Rights, and no separate compensation shall be paid for the Special Rights.

These Terms set out the specific Terms of the Loan and its subscription.

### **I Terms of the Loan**

#### **2. Amount of the Loan**

The amount of the Loan is EUR 9,200,000.95.

The Loan will be divided into negotiable bonds with the nominal value of EUR 340,000.01 as set out in Appendix A of these Terms (bonds 1-5) and into negotiable bonds with the nominal value of EUR 500,000.06 as set out in Appendix B (bonds 6-20) (each individually "Bond" and together "Bonds"). Thus, the maximum amount of the Bonds is altogether twenty (20).

#### **3. Subscription of the Bonds and Special Rights**

The Bonds and Special Rights attached to these shall be issued in full for subscription by Tremoko in deviation from the pre-emptive rights of the shareholders for subscription. The "Bond Holder" refers to Tremoko, or when a Bond has been assigned, the current holder of the Bond.

The amount of loan subscribed is EUR 9,200,000.95.

Tremoko subscribes all Bonds granted from the Loan as well as the Special Rights associated with these by signing these Terms, altogether worth EUR 9,200,000.95, by 8 April 2016 at the latest. The subscription price of the Bonds is 100 per cent of the nominal value of the Loan.

#### **4. Issuing Price of the Bonds and Accepting the Subscription**

The issuing price of the Bonds is 100 per cent.

The Company undertakes to accept the subscription of the Bonds made by Tremoko pursuant to these Terms. The Company is obliged to give Tremoko the Bonds immediately in connection with the subscription.

#### **5. Payment of the Subscription**

Tremoko pays the Loan to the Company in full or in part by setting off the principal of the debts that the Company has to Tremoko on 8 April 2016 ("Debt") and interest and other expenses the Debt has accrued by 8 April 2016, altogether EUR 9,200,000.95, against the subscription price of the Loan. The subscription prices of the Bonds payable to the Company and the principal of the Debts plus interest and expenses are set off and deemed paid when Tremoko signs the Terms ("Set-off"). Tremoko pays the part of the Loan principal which is not set off as referred to above in cash to the Company's bank account on 8 April 2016.

#### **6. Term of Loan**

The bonds issued for the Loan ("Bond" or jointly "Bonds") will be dated 8 April 2016. The Loan will be repaid in five (5) instalments as follows:

- 1) EUR 340,000.01 on 8 April 2018, whereupon the principal of Bond no 1 concerning the Loan shall be repaid on one instalment (Maturity Date 1);
- 2) EUR 340,000.01 on 8 October 2018, whereupon the principal of Bond no 2 concerning the Loan shall be repaid on one instalment (Maturity Date 2);
- 3) EUR 340,000.01 on 8 April 2019, whereupon the principal of Bond no 3 concerning the Loan shall be repaid on one instalment (Maturity Date 3);
- 4) EUR 340,000.01 on 8 October 2018, whereupon the principal of Bond no 4 concerning the Loan shall be repaid on one instalment (Maturity Date 4);
- 5) EUR 7,840,000.07 on 8 April 2020, whereupon the principal of Bonds no 5-20 concerning the Loan shall be repaid on one instalment (Maturity Date 5).

Maturity Dates 1-5 hereinafter jointly "Maturity Dates"

#### **7. Repayment of the Bonds**

A) Repayment at the Maturity Date

The principal of the Bonds shall be repaid on the Maturity Dates set out in section 6 (Maturity Dates 1-5).

In all cases, pursuant to section 8, the interest incurred to the Bonds at the time of repayment must be paid before the principal of the Loan.

## **B) Repayment before the Maturity Date**

### **B.1) General Right of Repayment**

From 8 April 2014 onwards, the Company also has the right to repay the principal of the Bonds in full or partially by rate 100 per cent added with the interest accrued until Maturity, provided that the closing price for Company's share in the NASDAQ Helsinki Oy stock exchange (Helsinki Stock Exchange) has at least for twenty (20) trading days during a period of thirty (30) consecutive trading days, ending at the earliest seven (7) calendar days prior to the relevant repayment notice, been at least 150 per cent of the valid Exchange Rate. In addition, the condition for repayment is that (i) the principal of the Bonds will be repaid equally to all Bonds and (ii) the amount of the repayment is at each repayment time at least EUR twenty thousand (20,000) for each Bond or an amount which is higher than this is a multiple of five thousand (5.000).

For the purposes of these Terms, "Trading Day" means a day on which the Helsinki Stock Exchange is open (excluding, however those days on which the Helsinki Stock Exchange closes prior to the closing time of regular working day.

### **B.2 Repayment in Specific Situations**

In addition to the abovementioned, the Company has the right to repay the principal of all Bonds in full with 100 per cent added to the rate and with the interest accrued until maturity, if, as a result of the laws or provisions concerning the state of Finland, a municipality or an authority with taxing power being changed or the provisions or the general application or official interpretation of such a law or provision being changed so that:

- (i) the Company is obligated or becomes obligated to withhold tax at source, withholding tax or other similar tax or payment from the interest of the Loan; or
- (ii) the Company is not entitled to deduct the interests of the Loan in their income taxation in Finland in the same extent as on the date the term of loan started.

A condition to the repayment of the Loan is that a known and independent legal adviser or audit firm chosen by the Company's Board of Directors has given a statement showing that

- (a) the above-mentioned change has taken place or shall take place and that
- (b) the Company is and shall be liable to make such extra payments as a result of the change or, as a result of the change, is not entitled to make the abovementioned deduction in their income taxation.

An additional condition for the repayment of the Bonds is that the abovementioned change comes into effect on the date the term of the loan started or after the date.

### **B.3 Conduct when Company Repays Loan before the Maturity Date**

In addition to the repayment referred to here, the Company must reserve the Bond Holder a special conversion option in accordance with the Terms of the Loan.

If the Bond Holder wishes to exercise their right to conversion instead of receiving repayment as referred to here, the Bond Holder must request converting the Loan into shares at least 14 days before the date of repayment reported by the Company.

The Company must without delay yet always at most within five (5) banking days after the conversion has taken place take the actions necessary to enter the converted shares into the Trade Register and into the book-entry account communicated to the Company by the Bond Holder, including stating the number of shares given in return for the Bonds for the purposes of entering the information into the Trade Register.

### **C) Other factors related to repayment**

The Company must notify the Bond Holder of the repayment of the Bonds or use of the repayment right as well as related measures in accordance with section 18 at the latest 60 days before the repayment date ("Payment Date"). The notice is irreversible. The notice shall include at least the following details: (i) repayment date, (ii) the repayment amount of the Bonds, (iii) the combined principal amount of the Bonds, (iv) the valid Exchange Rate and (v) the last date on which the Bond Holders can use their conversion right.

The principal of the Loan shall be paid to the Bond Holder on the Payment Date with respect to each Bond.

All Bonds fully repaid or converted by the Company shall be cancelled without undue delay and they may not be issued into circulation again or sold further. If a Bond is repaid only partially as set out above, the Company undertakes to provide the Bond Holder with a new, substitutive bond to cover the unpaid share of the Bond.

The Company has no right to buy or repay the Bonds or convert the Bonds into Company shares in any other way than as allowed by these Terms.

## **8. Interest**

For the entire loan period, an annual interest will be paid on the Bonds' principal in the amount of Euribor 6 months plus a margin of 4.0 percentage points ("Interest"). If the Euribor 6 months is negative, a zero rate will be used instead of Euribor 6 months, plus the aforementioned margin (4 percentage points).

Interest is paid biannually in arrears on 8 April and 8 October ("Interest Payment Date"), for the first time on 8 October 2016 and for the last time with respect to each Bond at the maturity on the Maturity Date specified above in section 6. If the Interest Payment Date is not a banking day, the Interest may be paid on the following banking day.

The first interest period starts on 8 April 2016 and terminates on the first Interest Payment Date. Each following interest period starts on the preceding

Interest Payment Date and terminates on the following Interest Payment Date. The last interest period with respect to each Bond terminates on the date on which the Bond in question is repaid in full. The Euribor 6 month interest paid for each interest period is the Euribor 6 month of the preceding Interest Payment Date, yet so that the Euribor 6 month cannot be negative and it has to be at least 0 per cent. The Euribor 6 month paid for the first interest period is the Euribor 6 month of the date of signature of this agreement. The Interest accrues on the basis of actual days, excluding the first day of each interest period and including the last day. Each interest year consists of 365 days (basis for interest calculation "actual/365"). The interest will be paid to the current bank account notified by the Bond Holder to the Company.

If the Bond is not repaid by the Maturity Date, interest shall be paid on the remaining principal in accordance with the applicable Interest Act.

After the Maturity Date, the Company is obligated to pay annual interest on due and unpaid Interest in accordance with the applicable Interest Act. When the Company pays an interest the payment of which it has neglected and if the payment is partial, the interest accrued for the interest shall be paid firstly.

The unpaid interest of a Bond and interest accrued to the unpaid interest shall, however, be paid in full when repaying the principal of the Bond.

On the Interest Payment Date, the interest accrued on the unpaid interest shall be paid first and thereafter the unpaid interest and interest for the preceding year.

Dividend may be paid only after the interest paid on this Loan and any unpaid interest as well as interest accrued on the above-mentioned has been taken into account as computational deduction of the unrestricted equity.

The Bond Holder's right to interest in the case that the Bond is converted into shares is set out in section 14.

## **9. Privilege of the Loan**

The receivables based on the Bonds cannot be used to set off a cross claim without the approval of the Bond Holder of the Bond in question.

This loan is not guaranteed or secured by any collateral by the Company or any affiliate of the Company.

## **10. Breaches of Agreement**

### **10.1 Breach of Agreement**

"Breach of Agreement" refers to each of the following events:

- (a) the Company neglects to pay the principal of the Bond once it has fallen due, and such failure to pay has continued for more than seven (7) calendar days; or
- (b) the Company neglects to pay the interest of the Bonds or any other payment due based on these Terms once it has fallen due, and such

- failure to pay has lasted for more than fourteen (14) calendar days from the maturity of the interest or payment in question; or
- (c) the Company substantially neglects to carry out one or more of the responsibilities deriving from these Terms, other than the abovementioned, and fails to correct this neglect within fourteen (14) calendar days from the Company receiving a written notice of the neglect from the Bond Holder; or
  - (d) the Company is insolvent or incapable of paying their debt or ceases, suspends or threatens to fully or substantially stop or suspend paying their debt or propose or make an agreement on postponing or reorganizing their loans; or
  - (e) the Company is placed into liquidation or declared bankrupt.

## **10.2 Consequences of Breach of Agreement**

- (a) If a Breach of Agreement defined in subsections (a)–(c) of section 10.1 has taken place and continues, the interest paid to the Bonds increases by seven (7) percentage points starting from when the Bond Holder gives written notice of the Breach of Agreement in question to the Company. The increase of the interest rate is in effect until the Breach of Agreement in question has been rectified or the Bonds have been made fall due and have been paid as described in section 10.2(b).
- (b) If a Breach of Agreement defined in subsections (d)–(e) of section 10.1 has taken place and continues or if the Breach of Agreement defined above in subsections (a)–(c) of section 10.1 has not been rectified within fourteen (14) calendar days from when the Bond Holder has given to the Company written notice of the Breach of Agreement in question under section 10.2(a), under which the Bonds of the Bond Holder in question immediately fall due and must be paid, after which the Bonds in question are immediately due and payable with the accrued interest added to the principal of the Bonds, provided that the Breach of Agreement has not been rectified before the Company receives the written notice in question.
- (c) What is stipulated above does not prevent the Bond Holder from claiming compensation for damage caused by the Breach of Agreement.

## **II Terms and Conditions of Conversion into Shares**

The Bonds may be converted into new shares of the Company pursuant to the following Terms and Conditions:

### **11. Rate of Conversion**

The amount of the shares to be given based on the right of conversion shall be determined by dividing the principal of the Bond by the rate of conversion ("Rate of Conversion"). The Rate of Conversion of a share (subscription price per share as referred to in the Limited Liabilities Act) is fixed at EUR 0.07. The Rate of Conversion of a share may be revised as set out below in the sections 15 and 16.

Each (i) Bond no 1-5 whose principal has not been repaid in accordance with these Terms may be converted into 4,857,143 new shares and (ii) Bond no 6-20 whose principal has not been repaid in accordance with these Terms may be converted into 7,142,858 new shares. The Loan in its entirety may be con-



verted into a maximum of 131,428,585 new shares based on the original Rate of Conversion.

The Company may make decisions which under sections 15 and 16 lead into the deterioration of the Rate of Conversion only if (i) in connection with such a decision the Company also decides on the increase of the amount of the shares to be given based on the conversion as set out in Chapter 10 of the Finnish Limited Liability Companies Act or (ii) decisions made as set out in sections 15 and 16 are made due to peremptory legislation and in a manner which does not result in the deterioration of the financial position of the Bond Holders related to these Terms.

If the Bond Holder, upon conversion, would receive a fraction of a share on the basis of a Bond, the fraction shall be paid in money into the bank account notified by the Bond Holder. The value of the fraction of the share shall be determined based on the Rate of Conversion.

The amount of the capital of the Loan converted into shares shall be recorded in the Company's fund for invested unrestricted equity.

## **12. Period of Conversion**

The period of conversion (the "Period of Conversion") begins on 8 April 2016 and terminates on 8 April 2020 or when the Loan shall be repaid in full prior to the Maturity Date as set out in these Terms.

The Bond Holder is entitled at any time during the Period of Conversion to convert the Bond into the Company's shares. A Bond cannot be partly converted into shares. If the principal of a Bond has been repaid partly as set out in section 7.A., the conversion will focus on the remaining principal of the Bond in total. In case the Bond Holder wants to use its right of conversion, however, the Bond Holder must request the conversion of the Loan into shares at least 14 days prior to the Payment Date.

Should the amount of the shares of the Company be amended in accordance with Section 15 or for another weighty reason, the Board of Directors may temporarily suspend the conversion of notes into shares for a period which shall not exceed five consecutive banking days.

## **13. Conversion Procedure**

A Bond Holder may use its right to conversion during the Period of Conversion by delivering a written and signed request to convert ("Request to Convert") to the registered address of the Company. In the request to convert, the book-entry account number into which the shares will be registered in connection with the conversion shall be given. The converted Bond shall be returned to the Company in connection with the conversion.

Delivered Request to Convert cannot be cancelled.

The conversion date of the Bond is the banking day on which the Company receives the Request to Convert (the "Conversion Date").

The Bond used for conversion shall be cancelled at the moment the new shares given based on the conversion have been registered in the Trade Register.

#### **14. Right to Dividend and Other Shareholder's Rights and the Right to Interest in Connection with Conversion**

The new shares will, for the first time, entitle their holder to dividends from the accounting year during which the conversion has taken place. The other shareholders' rights shall commence at the moment the new shares have been entered into the Trade Register.

When the Bond is converted into shares, the Bond Holder is not entitled to receive interest on the principle of the Bond accrued after the Conversion Date for the capital converted into shares. If interest from a previous interest period and interest accrued thereon has not been paid by the time of conversion, section 8 shall be applicable to such interest and any interest accrued thereon, and, in connection with the conversion, the Bond Holder shall be provided a separate certificate concerning the amount of the unpaid interest.

#### **15. Share Issues, Convertible Loans, Option Rights and Other Special Rights Entitling to Shares before the End of the Conversion Period**

If the Company before the end of the Conversion Period issues new shares or grants option rights or other Special Rights entitling to shares in accordance with the shareholders' pre-emptive subscription right, the current Rate of Conversion shall immediately before such issue or granting of rights be decreased by multiplying it by the following fractional number (which may, however, not exceed 1/1):

$$(A+B)/(A+C)$$

in which

**A** is the total amount of shares immediately before the publication of the terms and conditions of the aforesaid issue or granting of rights,

**B** is the amount of shares that could be purchased by the total consideration received from the issue of shares or the granting of option rights and other special rights entitling to shares and exercising them, if the average price weighted by the trade of the share during the five successive trading days immediately preceding the day on which the terms and conditions of the aforesaid issue or granting of rights was published is used as the price of the share, and

**C** the amount of shares issued or the maximum amount issued based on the exercise of the option rights or other special rights entitling to shares calculated on the day of issuing the option rights or other special rights entitling to shares.

When calculating the total consideration referred to above, the costs caused by or otherwise relating to the issuing or offering of shares, option rights or other special rights entitling to shares are not deducted. If the consideration consists fully or partly of other assets than cash, the consideration shall be the market value of such assets at the time of the transfer of the property.

If the Company before the end of the Conversion Period issues new shares, or grants new option rights or other Special Rights entitling to shares in deviation from the pre-emptive subscription right of the shareholders at a price per share (or, as for option rights or other special rights entitling to shares, the

total price received from the issue and use of such rights) which is less than 95 per cent of the average price weighted by the exchange of shares counted during five consecutive trading days that immediately precede the day when the issue of the shares, option rights or special rights entitling to shares was published for the first time, the Conversion Rate is lowered by dividing the Conversion Rate immediately preceding the issue by the following fractional number:

$$(A+B)/(A+C)$$

in which

**A** is the total amount of shares immediately before the publication of the terms and conditions of the aforesaid issue or granting of rights,

**B** is the amount of shares that could be purchased by the total consideration received from the issue of shares or the granting of option rights and other special rights entitling to shares and exercising them, if the average price weighted by the trade of the share during the five successive trading days immediately preceding the day on which the terms and conditions of the aforesaid issue or granting of rights was published is used as the price of the share, and

**C** the amount of shares issued or the maximum amount issued based on the exercise of the option rights or other special rights entitling to shares calculated on the day of issuing the option rights or other special rights entitling to shares.

When calculating the total consideration referred to above, the costs caused by or otherwise relating to the issuing or offering of shares, option rights or other special rights entitling to shares are not deducted. If the consideration consists fully or partly of other assets than cash, the consideration shall be the market value of such property at the time of the transfer of the assets.

## **16. Rights of the Holder of a Share of the Loan in Certain Special Situations**

### **Acquisition or redemption of the Company's own shares or option rights or other special rights**

If the Company before the end of the Conversion Period resolves to acquire or redeem its own shares in a way that such acquisition or redemption is made at a price per share (before costs) that is higher than the applicable Conversion Rate at the time of the acquisition, the Conversion Rate is lowered by an amount received by dividing the amount of shares outstanding immediately prior to such acquisition or redemption by the total amount by which the redemption or purchase price of the acquired shares exceeds such Conversion Rate.

In any other cases, an acquisition or redemption of the Company's own shares has no impact on the Conversion Rate.

If the Company before the end of the Conversion Period resolves to acquire or redeem back to the Company option rights or other special rights, the acquisition or redemption has no impact on Bond Holders position as a holder of the Loan, provided that there is a sound business reason as provided for in Chapter 13, Section 1 of the Limited Liability Companies Act.

### **Distribution of dividend, distribution of assets from reserves of unrestricted equity to shareholders and reduction of the share capital**

If the Company before the end of the Conversion Period distributes dividend or assets from reserves of unrestricted equity or reduces its share capital or other restricted capital for the purpose of distributing assets, the Conversion Rate is lowered by the amount of the distributed dividends or distributed assets per share at the record date of each such distribution of dividends or distribution assets. If the Company distributes other assets than money, the market value of such assets at the time of the transfer of the property shall be considered to be the value of such distribution.

### **Liquidation**

If the Company before the end of the Conversion Period is placed into liquidation, dissolved or deregistered, a right to conversion shall be provided to the Bond Holder within a period determined by the Board of Directors, which shall be not less than 30 days and which shall end at latest 30 days after the placing into liquidation, and before the dissolution or deregistration and the moment in time based on which the entitlement to a share in the distribution (including a possible advance share) is determined.

### **Change of Control**

If any person acquires more than 90 per cent of Company's shares as set out in the Chapter 18, Section 1 of the Limited Liability Companies Act, and thus a right and obligation to redeem has been created to all shares of the Company, and provided that the right to convert the Bonds into shares has been used within 60 days, from the moment the Company has informed the Bond Holders of the above-mentioned event, the Conversion Price (CPa) is defined as follows:

$$VHa = \frac{VH}{1 + Pr * (c/t)}$$

**VH** means the Conversion Price which was valid just prior to the above-mentioned event.

**Pr** means the original exchange premium [ $0.07/0.06 - 1 = \text{approx. } 16.7\%$ ].

**c** means the number of the days during the time period, which starts on the day of the occurrence of the event (including the mentioned day) and terminates on the Maturity Date (excluding the mentioned day).

**t** refers to the number of days within a period which begins on the first day of the loan period 8 April 2016 (including the date) and ends on the Maturity Date (excluding the date).

The Conversion Price is not revised, however, if the VHa calculated based on the formula is bigger than VH.

The Company shall inform the Bond Holders of the events mentioned above in subsections (i) and (ii) without undue delay.

### **Changing the Company Form from a Public into a Private Limited Liability Company**

If the Company before the end of the Conversion Period changes its Company form from a public into a private limited liability Company, a right to conversion shall be provided to the Bond Holders before the change within a period which shall be determined by the Board of Directors and no less than 30 days in duration. The change shall, however, not cause the right of conversion to terminate.

### **Merger and demerger**

In the event of a merger or demerger, the conversion right of the Bond shall continue but in such a way that it entitles to a conversion into shares of the companies remaining after the merger or demerger or to another merger or demerger consideration corresponding to the conversion rate specified in the merger or demerger plan in accordance with the provisions below in this section.

If the Company before the end of the Conversion Period merges as a merging company into another company or in a combination merger merges into a company to be incorporated or the Company demerges (entirely or partly), the Company shall notify Bond Holder of this without delay and commence necessary measures to ensure that the Bonds may be converted after the merger or demerger into such class and amount of shares, other securities or assets, to which a shareholder would be entitled based on the shares that would have been issued, had the Bonds been converted into shares immediately prior to the execution of the merger or demerger. The Company shall ensure that the terms of the Bonds (including but not limited to the Conversion Period, the adjustments to the Conversion Rate based on share issuances and consequences of breaches of contract) remain as unchanged as possible after the merger or demerger.

The process described above is also applicable to a cross-border merger or demerger or in case the Company, after having changed its company form into a European Company or otherwise, transfers its domicile from Finland to another member state of the EU.

## **III Other provisions**

### **17. Technical amendments**

The Board of Directors is entitled to change the technical procedures related to payment as well as the conversion of shares or other similar matters related to the Bonds without the Bond Holders' approval, provided that such changes do not weaken the Bond Holders financial position in relation to this Agreement (including Loan and Special Rights).

The Company shall notify the Bond Holders of changes pursuant to section 18.

### **18. Notifications**

Any notifications concerning the Loan shall be delivered to the Bond Holders by an email to the email address that the Bond Holders have informed to the Company.

Company has an obligation to keep a register of the Bond Holders, into which will be registered each Bond Holder, the amount of the Bonds held by the Bond Holders, the bank account number notified for the payments to be paid in accordance with these Terms and the email address mentioned above. The Bond Holder has no right to receive information concerning the information provided by the other Bond Holders to the company, unless this right derives from other undertakings or legislation.

The Bond Holder is responsible to inform the company immediately if there are significant changes in the information mentioned above and registered to the register or Bond Holder assigns the Bonds.

Information given to the Company must be delivered by a registered letter, email or personally in the following manner (or to other address or email address with contact information, which has been informed to the Bond Holders from time to time in accordance with this section 18):

Address: Ixonos Oyj, PL 284, 00811 Helsinki, Finland

Email: kristiina.simola@ixonos.com

## **19. Falling under statute of limitations**

If the capital or interest cannot have been paid for reasons related to Bond Holder within three years from when the payment was first due according to these loan terms, the right to receive such a payment has been lost.

## **20. Taxation**

All payments related to the Bonds and to be made by the Company or on behalf of it, shall be made without any withholding tax, tax, customs duties or any other authoritative payments regulated or collected by the state of Finland, any municipality or any authority entitled to tax, unless the deduction or withholding of such tax, customs duties or any other authoritative payments is required by a law or other statute. The Company will not be responsible for making any additional or extra payment due to such withholding.

## **21. Law and dispute resolution**

These Terms shall be governed by and construed in accordance with the laws of Finland. Any disputes arising from these Terms shall be finally settled in arbitration in accordance with the Arbitration Rules of the Finland Central Chamber of Commerce. The arbitration court shall consist of one (1) arbitrator. The place of arbitration shall be Helsinki, Finland.

## **22. Force majeure**

The Company is not liable for damage resulting from unreasonable difficulties to the operations on account of force majeure or other similar reason.

## **23. Place and date**

Helsinki, 8 April 2014

IXONOS OYJ

TREMOKO OY AB

