



LM Group Holding A/S

EUR 130,000,000 8.00% Senior Secured Notes due 2019 Issue Price: 100.00%

This prospectus (the “Prospectus”) has been prepared by LM Group Holding A/S (the “Issuer”) for the admittance to official listing and trading of the 8.00% Senior Secured Notes due 26 March 2019 issued by the Issuer on 26 March 2014 (the “Notes” as further defined in the Terms and Conditions of the Notes) on NASDAQ OMX Copenhagen A/S’s regulated market. This Prospectus has been prepared as a prospectus issued in compliance with the Directive 2003/71/EC and amendments thereto (the “Prospectus Directive”) and relevant implementing legislation in Denmark for the purpose of giving information with regards to the Issuer and the Notes.

This Prospectus has been prepared on the basis that any offer of the Notes in any member state (each, a “Relevant Member State”) of the European Economic Area which has implemented the Prospectus Directive, will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of the Notes. The expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of the offering contemplated in this Prospectus may only do so in circumstances in which no obligation arises for the Group or the Bookrunner to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Group nor the Bookrunner has or have authorized, nor does it or do they authorize, the making of any offer of the Notes in circumstances in which an obligation arises for the Group or the Bookrunner to publish a prospectus for such offer.

This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “Other Information”).

The Issuer has confirmed to the Bookrunner that this Prospectus contains all information regarding the Issuer and the Notes which is in the context of this Prospectus and the admittance of the Notes to official listing and trading material, such information is true and accurate in all material respects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Prospectus on the part of the Issuer are honestly held or made and are not misleading in any material respects; this Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

No person has been authorized by the Issuer, the Bookrunner or any other person to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, the Bookrunner or any other person.

The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restriction. The Bookrunner has not authorized the whole or any part of this Prospectus and makes no representation or warranty and accepts no responsibility as the accuracy or completeness of the information contained in this Prospectus.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the “Securities Act”), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Bookrunner to subscribe for or purchase, any Notes.

Investing in the Notes involves risks. See “Risk Factors” beginning on page 5.

Bookrunner

Nordea Bank Danmark A/S

The date of this Prospectus is 15 May 2014.

IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus to the best of its knowledge is in accordance with the facts and contains no omission likely to affect its import.

Neither the Bookrunner nor any of its affiliates have authorized the whole or any part of this Prospectus and has not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Bookrunner or any of its affiliates as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Group in connection with any offer of the Notes.

In connection with the issue and sale of the Notes, no person is authorized to give any information or to make any representation not contained in the Prospectus and neither the Group nor the Bookrunner accept responsibility for any information or representation so given that is not contained in the Prospectus. Any such representation or information should not be relied upon as having been authorized by the Group or the Bookrunner.

Neither the delivery of this Prospectus nor the issue, offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or, if this Prospectus is supplemented after the date hereof, the date of the relevant supplement, or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof.

This Prospectus is not and should not be considered as a recommendation by the Issuer or the Bookrunner that any recipient of this Prospectus should invest in the Notes. Prospective investors should make an independent assessment as to whether the information in this Prospectus is relevant to their situation, and any investment in the Notes should be based on the information regarding the investor's specific circumstances that the investor may deem necessary and only if the Notes are consistent with the investor's financial objectives.

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

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

RESTRICTIONS ON PROSPECTIVE INVESTORS

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Notes in any jurisdiction where the offer or sale is not permitted. Where the sale or offer is not permitted, this Prospectus may not be distributed in or into any country where such distribution would require any additional prospectus, registration or additional measures or contrary to the rules and regulations of such jurisdiction. Persons into whose possession this Prospectus comes or persons who acquire the Notes are therefore required to inform themselves about, and to observe, such restrictions.

U.S. RESTRICTIONS

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Notes within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale of the Notes within the United States by a dealer may violate the

registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act.

NOTICE TO CERTAIN EUROPEAN INVESTORS

European Economic Area

This Prospectus has been prepared on the basis that any offer of the Notes in any member state (each, a “Relevant Member State”) of the European Economic Area which has implemented the Prospectus Directive, will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of the Notes. The expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of the offering contemplated in this Prospectus may only do so in circumstances in which no obligation arises for the Group or the Bookrunner to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Group nor the Bookrunner has or have authorized, nor does it or do they authorize, the making of any offer of the Notes in circumstances in which an obligation arises for the Group or the Bookrunner to publish a prospectus for such offer.

In relation to each Relevant Member State, the Bookrunner has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Member State, it has not made and will not make an offer of the Notes that are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than:

- (i) to any legal entity that is a qualified investor as defined in the Prospectus Directive;
- (ii) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than “qualified investors” as defined in the Prospectus Directive), as permitted under the Prospectus Directive;
- (iii) of securities whose denomination per unit amounts to at least EUR 100,000; or
- (iv) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes shall require the Group or the Bookrunner to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of the Notes to the public” in relation to any of the Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state. The expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Denmark

The Notes may not be offered, sold or delivered directly or indirectly in the Kingdom of Denmark by way of public offering, unless in compliance with the Danish Securities Trading Act, Consolidated Act No. 227 of 11 March 2014 as amended and executive orders issued thereunder and in compliance with Executive Order No. 1583 of December 18, 2013 issued pursuant to the Danish Financial Business Act to the extent applicable.

The Netherlands

Any offering of the Notes in the Netherlands shall only be made to qualified investors as defined by section 1:1 of the Dutch Act on financial supervision (*Wet op het financieel toezicht*).

NOTICE TO OTHER INVESTORS

The offering may not be made to individuals domiciled in Australia, Japan, Canada, or in any other country where the offering, sale and delivery of the Notes may be restricted by law.

FORWARD LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Group, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. The Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein, except as may be required by law.

TABLE OF CONTENTS

	<u>Page</u>
CERTAIN DEFINITIONS	2
PRESENTATION OF FINANCIAL AND OTHER INFORMATION	4
RISK FACTORS.....	5
USE OF PROCEEDS.....	16
CAPITALIZATION.....	17
OVERVIEW.....	18
STATEMENT OF RESPONSIBILITY	22
DESCRIPTION OF OTHER INDEBTEDNESS.....	23
TERMS AND CONDITIONS OF THE NOTES.....	25
SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OTHER DATA	65
INDUSTRY.....	68
BUSINESS.....	72
GLOSSARY OF TECHNICAL TERMS.....	83
MANAGEMENT.....	84
OWNERSHIP STRUCTURE.....	87
MAJOR SHAREHOLDERS	89
RELATED PARTY TRANSACTIONS	90
LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEE AND SECURITY INTERESTS.....	91
OTHER INFORMATION	99

CERTAIN DEFINITIONS

Unless otherwise stated herein, the following terms shall have the following meaning in this Prospectus:

- “Applicable Premium” has the meaning set forth in the Conditions.
- “Bookrunner” refers to Nordea Bank Danmark A/S.
- “Business Day” has the meaning set forth in the Conditions.
- “Call Option Amount” has the meaning set forth in the Conditions.
- “Conditions” refers to the terms and conditions governing the rights and obligations with respect to the Notes, beginning on page 25 in this Prospectus.
- “Company” refers to LM Group Holding A/S.
- “Existing Senior Debt” has the meaning set forth in the Conditions.
- “Final Redemption Date” has the meaning set forth in the Conditions.
- “First Call Date” has the meaning set forth in the Conditions.
- “Group” refers to the Issuer, together with its direct and indirect subsidiaries including joint ventures, and the Parent (each a “Group Company”).
- “Guarantee” has the meaning set forth in the Conditions.
- “Guarantors” has the meaning set forth in the Conditions.
- “IFRS” refers to the International Financial Reporting Standards.
- “Intercompany Loans” has the meaning set forth in the Conditions.
- “Intercreditor Agreement” has the meaning set forth in the Conditions.
- “Interest” has the meaning set forth in the Conditions.
- “Issue Date” has the meaning set forth in the Conditions.
- “Issuer” refers to LM Group Holding A/S.
- “Majority Super Senior Creditors” refers to Super Senior Hedge Counterparties and representatives and lenders in relation to the Super Senior Revolving Credit Facility whose credit participations at that time aggregate more than 66.67% of the total credit participations at that time.
- “Nominal Amount” has the meaning set forth in the Conditions.
- “Nordea” refers to Nordea Bank Danmark A/S.
- “Noteholders” has the meaning set forth in the Conditions.
- “Notes” has the meaning set forth in the Conditions.
- “Prospectus” means this Prospectus dated 15 May 2014.
- “Parent” refers to LM WP Holdings A/S.
- “Redemption Date” has the meaning set forth in the Conditions.
- “Secured Obligations” has the meaning set forth in the Conditions.
- “Secured Parties” has the meaning set forth in the Conditions.
- “Securities Act” refers to the U.S. Securities Act of 1933.
- “Security Agent” refers to CorpNordic Denmark A/S.
- “Senior Secured Notes Representative” refers to CorpNordic Denmark A/S, acting as representative for the Noteholders pursuant to the Conditions.
- “Shareholder” has the same definition as in the Conditions.
- “Shareholder Loans” has the meaning set forth in the Conditions.

- “Super Senior Bank Debt” refers to the outstanding indebtedness (including for the avoidance of doubt) commitments of the Issuer towards the Super Senior Bank Debt Providers.
- “Super Senior Bank Debt Providers” refers to one or more lenders under the Super Senior Revolving Credit Facility Agreement.
- “Super Senior Hedge Counterparties” has the meaning set forth in the Conditions.
- “Super Senior Hedging Documents” has the meaning set forth in the Conditions.
- “Super Senior Liabilities” has the meaning set forth in the Conditions.
- “Super Senior Revolving Credit Facility” refers to the revolving credit facility agreement entered into on 24 March 2014, between the Issuer and certain of its subsidiaries with Nordea.
- “Super Senior Revolving Credit Facility Agreement” has the meaning set forth in the Conditions.
- “Test Date” refers to the last day of each calendar quarter.
- “Transaction Documents” has the same definition as in the Conditions.
- “Transaction Security” has the meaning set forth in the Conditions.
- “VP Agent” refers to Nordea.

In addition to the terms defined above, this Prospectus also contains a glossary of certain technical terms relating to the wind power industry and the Group’s business. See “*Glossary of Technical Terms*”.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Industry data and statistics estimates or forecasts contained in this Prospectus have been derived from internal sources or from industry sources, including independent industry publications and other publicly available information. The Group has endeavored to reproduce such information accurately in the Prospectus. Such data, as well as internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified. In addition, in certain cases the Group has made statements in this Prospectus regarding its industry and its position in the industry based on its experience and its own investigation of market conditions.

Market data and statistics are inherently predictive and speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that (i) the markets are defined differently, (ii) the underlying information was gathered by different methods and (iii) different assumptions were applied in compiling the data. Accordingly, although as far as the Group is aware and able to ascertain, no facts have been omitted that would render the reproduced information inaccurate or misleading, the market statistics included in this Prospectus should be viewed with caution and no representation or warranty is given by any person as to their accuracy.

Unless a specific source is identified, all information regarding market and other operating and statistical data provided in this Prospectus is based on the Group's own estimates. In making estimates, the Group relies on data produced internally, and, where appropriate, external sources, including information made public by other market participants or associations, including the International Energy Association ("IEA") and the Global Wind Energy Council ("GWEC"). In addition, some of the industry information, statistics and charts contained in this Prospectus and in particular in the section "*Industry*" have been compiled by MAKE Consulting ("MAKE"), a wind power industry consultant.

Unless otherwise indicated, all data presented for the Group excludes the divested brakes division that was sold in December 2013. In addition, unless otherwise indicated, all data presented for the Group includes its joint venture operations.

Except as noted, the financial information in this Prospectus has not been audited by the Company's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. In this Prospectus, references to "euro", "€" and "EUR" refer to the single currency introduced at the start of the third stage of European economic and monetary union as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro as amended.

The Group has not historically prepared profit forecasts or estimates and has accordingly not included profit forecasts or estimates in the Prospectus.

RISK FACTORS

All investments in notes involve a degree of risk. The financial performance of the Group and the risks associated with the Group's business are important when making a decision on whether to invest in the Notes. A number of factors influence and could influence the Group's operations and financial performance and ultimately the Issuer's ability to make interest payments and payments of principal on maturity. In this section a number of risk factors are illustrated and discussed—both general risks pertaining to the Group's operations and material risks related to the Notes as a financial instrument. The risks described below are not the only ones to which the Issuer and the Group are exposed. Additional risks that are not currently known to the Issuer, or that the Issuer currently considers to be immaterial, could have a material adverse effect on the Issuer's and/or the Group's business and the Issuer's ability to fulfill its obligations under the Notes. The order in which the risks are presented is not intended to provide an indication of the likelihood of their occurrence or of their relative significance.

Industry & business risk factors

Risks relating to volatility

The Group's industry is volatile. The Group's results of operations can vary significantly over time due to changes in regulation (in particular, government incentives for wind power) as well as due to the timing of orders and the Group's ability to secure orders in connection with wind projects.

Industry volatility is driven, at least in part, by the uncertainty of changes in regulatory incentives. Subsidies, tax incentives, renewable energy targets, and strategic initiatives established by governments to encourage and accelerate the development of sources of low-carbon emission energy contribute to making wind energy an attractive investment. The majority of countries in which the Group sells its products have regulatory or strategic regimes in place that mandate renewable energy targets, incentivizing wind energy through a combination of tariffs, subsidized financing and tax exemptions. If such incentives are reduced or removed, wind power development could become less competitive in comparison with other sources of energy. This may have a material adverse effect on the Group's business, financial position and results of operations. The Group's sales are highly dependent on other regulation in the Group's key markets, which are in turn dependent on factors including the broader macroeconomic development, fiscal austerity and renewable energy policies.

The Group is also subject to risks relating to fluctuations of orders or deliveries. Given the nature of the Group's business, the Group produces a limited number of products, and as a result, its results of operation in any particular quarter may vary based upon timing of orders and deliveries. In addition, a large part of the Group's sales are made in connection with projects, so the timing and size of projects for which the Group is the supplier can affect the Group's results of operations in any particular quarter or year. Moreover, the Group may incur non-recurring losses or gains in a particular quarter or year that would result in fluctuations in its results. Any of the foregoing could have a material adverse effect on the Group's business, financial position and results of operations.

Furthermore, the Group is subject to risks relating to project delays or cancellations. As a producer of wind turbine components, the Group relies on the continued installation and viability of wind farm projects across multiple jurisdictions. Project disruptions or cancellations may result from inadequate capital, regulatory and permit issues, reduced market liquidity, or other factors that may be outside of the Group's control. Moreover, for certain emerging markets and offshore projects, the growth of renewable energy has been outstripping the network's ability to handle power from new sources, including wind, which could result in project delays or cancellations, which may have a material adverse effect on the Group's business, financial position and results of operations.

Competing methods of producing electricity

Technological advancements and government incentives and subsidies could reduce the cost of other methods of producing electricity—including fuel cells, solar cells, hydropower, or shale gas derived from fracking—leading to a reduced reliance on wind turbines. In addition, falling oil prices could make wind energy less desirable by comparison. Moreover, there may be increased preference for other methods of electricity production at the expense of wind energy. This may result in a material adverse effect on the Group's business, financial position and results of operations.

Risks relating to competition

The markets in which the Group operates are competitive, and the Group may not be able to compete effectively in the future. Although the Group has been a long-standing market leader, competition in the wind power industry exists as a result of industry participants exploiting new markets, product innovation, changes in pricing, and other similar factors. Furthermore, low-cost competitors may emerge in certain markets—particularly in Asia. Market entry by certain large industrial groups, including those previously unconnected to wind, also remains a possibility. These risks may be compounded by overcapacity among blade manufacturers, which may put pressure on blade prices. A significant increase in viable competition may have a material adverse effect on the Group's business, financial position and results of operations.

Customer and product concentration risks

The Group generates a significant portion of its sales from certain key global customers; the Group's four largest customers collectively comprised 73% of the Group's sales in 2013. Although on average the Group has had relationships with each of these four customers for more than 10 years, the Group may not be able to maintain these long-standing relationships in the future. Key customers may not continue to purchase the Group's products or purchase them on terms as favorable as in the past. Key customers' demand may also fluctuate based on economic conditions, regulatory changes relating to subsidies, energy prices, market volatility, competing methods of producing electricity and other factors beyond the Group's control. A significant reduction in a key customer's purchases, the failure of a key customer to pay amounts due on a timely basis, or the discontinuation of a key customer's relationship with the Group could have a material adverse effect on the Group's business, financial position and results of operations.

Following the Group's divestment of its brakes division in 2013, the Group now solely focuses on the production of turbine blades. Although this strategic undertaking has streamlined the Group's business, there remain risks associated with a single business line. A lack of product diversity could render the Group overly dependent on the continued sales of blades, a decrease in which would have a material adverse effect on the Group's business, financial position and results of operations.

Risks related to environmental and related regulation

The Group's business is subject to environmental regulation. If the Group fails to comply with environmental regulations, this could result in fines, litigation or other penalties. In addition, many countries have introduced legislation governing the production, erection, operation and decommissioning of wind turbines, including implementing permit and approval procedures. Compliance with such legislation could result in delayed or cancelled installation projects or require the Group to incur additional costs, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Product failure or defect

The Group's business significantly depends on the quality and reliability of its products. A decline in the quality of the Group's products, including its blades and services, could materially affect its reputation and may lead to a loss of customers and reduced market demand. Any potential design or production defect could have a significant impact on the Group's financial position based on the costs associated with repairing the defect, recalling the product, or any other such remedial measures. Moreover, any product liability claim, with or without merit, may result in negative publicity that would impact the marketability of the Group's products and reputation. Any such harm to the Group's relationships and reputation may have a material adverse effect on the Group's business, financial position and results of operations.

Emerging market risks

The Group's interests in emerging markets, which are expected to grow in the coming years, carry certain risks, including unfavorable political or economic factors, complications bridging cultural gaps with certain customer bases, fluctuations in foreign currency exchange rates, potentially adverse tax consequences, unexpected legal or regulatory changes, lack of sufficient protection of intellectual property rights, difficulties in recruiting and retaining personnel and managing international operations and less developed infrastructure. If the Group is unable to successfully manage these risks, this may have a material adverse effect on the Group's business, financial position and results of operations.

Wind power currently accounts for a small, but growing percentage, of the power generated in emerging markets, and the Group's ability to market its product depends on both an increased acceptance of wind power

as an energy source in these markets and the industry's acceptance of the Group's products. The continued growth of wind power may not be sustained in these regions. In addition, the wind power industry's continued preference for the Group's blades, services and other products cannot be ensured. Failure to expand in these emerging markets or successfully offset the risks associated with operating in emerging markets may have a material adverse effect on the Group's business, financial position and results of operations.

Risks relating to product delivery and payment

The Group's business model comprises inherent risks that orders may be cancelled, delayed or reduced, or that the Group's customers may not make payments in a timely fashion or comply with other obligations due to such delays that result in customers not having the funds to make payment to the Group. Adverse changes in current global financial markets, changes in the wind power industry, or other factors beyond the Group's control, or the control of its customers, may cause delays or postponements. The Group sells products to customers through contracts that are not secured by collateral or other security. If customers are unable to make timely payments, the Group's accounts receivable may remain outstanding for a significant period of time or the Group may not be paid at all. As blade production requires substantial capital, a failure to receive compensation may have a significant impact on the Group's liquidity. Any efforts to claim payment may not be successful. The Group's backlog may also be reduced due to cancellation of projects by customers or reductions in scope of the projects, resulting in diminished revenues. Any customer failure to issue payment or delays in payment may have a material adverse effect on the Group's business, financial position and results of operations.

Part of the Group's business requires that it custom produce and, in certain circumstances, transport its products in accordance with customer specifications. If the Group fails to deliver in an acceptable or timely fashion, due to supply or component delays, limitation in production capacity, or for any other reason, the Group may incur penalties or cancellations. In the event of a cancellation, the Group may not be able to discharge the custom-made products if it cannot find an alternative customer. Any of the foregoing could result in a material adverse effect on the Group's business, financial position and results of operations.

Overcapacity risks

The Group sells blades to a geographically diverse customer base in the wind power industry. The economic crisis affected the purchasing power of this customer base, resulting in overcapacity across the component value chain in all major regions. Although the Group has reached into underserved growth markets and concentrated products in less saturated segments, overcapacity remains an issue for most markets. An inability to discharge products may have a material adverse effect on the Group's business, financial position and results of operations.

Business model partially depends on cost reductions

Over the past three years, the Group's business model has partially relied on a continued reduction of its cost base, which has resulted in significant improvement in the Group's annual EBITDA performance. There are risks that cost reduction measures, such as the more efficient sourcing of raw materials and improved planning of labor patterns, will not result in continued savings or that continuing cost reductions may not be economically efficient. An inability to reduce the Group's cost base may negatively impact the Group's EBITDA performance. Such occurrences as the foregoing may have a material adverse effect on the Group's business, financial position and results of operations.

Production risks

Large components of the Group's production process are manual to facilitate production flexibility and compliance with customer requirements. A manually-dependent manufacturing process can limit capacity and increase production costs. Although the Group is introducing new production methods, which have already increased capacity by up to 23% where installed, low-volume and cost-intensive production may have a material adverse effect on the Group's business, financial position and results of operations.

The Group's manufacturing processes may be affected by operational problems that could impair its production capability. The Group's facilities contain complex and sophisticated machines that are integral to the manufacturing process. The Group's facilities may be subject to disruptions due to maintenance outages, prolonged power failures, breakdowns, failure or substandard performance of machinery, and disruptions in the transportation infrastructure due to mechanical failure or natural disaster. Although the Group's manufacturing is spread across 12 factories in eight countries, any prolonged disruption in manufacturing could cause

significant lost production and damage its relationship with its customers, which may have a material adverse effect on the Group's business, financial position and results of operations.

Risks relating to capital expenditures

The Group's operations require substantial capital expenditures. The Group requires substantial capital to maintain its manufacturing network, in addition to making necessary enhancements and build-outs to sustain competitive production. If sufficient funds for capital expenditures are not available, this could affect the Group's ability to operate its business. Although the Group expects to be able to fund required capital expenditures from cash generated from operations, other risk factors described in this section could materially reduce cash available from operations or significantly increase capital expenditure requirements. If any of the foregoing occurs, funds for capital expenditures may not be available when needed, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to purchase arrangements

The Group's contracts with its customers either commit the customer to using the Group for a defined volume of blades or for a predetermined share of the customer's wind turbine blade installations. If the Group is unable to meet certain volume commitments or becomes dependent on a wind farm's prospective installations, and therefore on its revenue, without receiving upfront reimbursements for capital expenditures, the Group's cash flow and liquidity may be compromised. This may have a material adverse effect on the Group's business, financial position and results of operations.

Risks relating to market expansion

The Group's profitability and growth depend on the successful implementation of the Group's business strategy, which is, in part, based on expansion into new markets in an effort to capture new growth segments. The Group has targeted the European offshore segment and has developed in line with the markets in Brazil, India and China. The Group has been producing for the Indian and Chinese markets for over 12 years. Successful growth can be expected to place a continued strain on management and resources. Continued growth may require corresponding investments in personnel, facilities, information technology infrastructure, and financial and management systems and controls. Although the Group has had a well-established track record of successfully being a leader in blade development, failure to make necessary expansions and upgrades, or to properly implement them, could impair the Group's profitability and growth. Moreover, the Group's business model may not be successful in the new markets that it targets. Planned and prospective facilities may not come to fruition due to inadequate capital, regulatory and permit issues, or other factors that may be outside of the Group's control. The failure of the Group's expansion strategy may have a material adverse effect on the Group's business, financial position and results of operations.

Dependency on availability and price of raw materials

The Group depends heavily on the on-time delivery of quality key raw materials. Any restrictions on the supply or increases in the cost of the materials used by the Group in manufacturing its products, particularly with respect to the composites of glass fiber, balsa wood and resin, could significantly impact the Group's profits. Although the Group has implemented measures to bolster its sourcing and supply chain by entering into long-term purchase agreements, implementing productivity improvements, diversifying the sourcing of raw materials, or passing cost increases on to its customers, these methods may not be successful. The Group's profitability depends largely on the price and continuity of supply of the materials used in the manufacturing of its products. Any significant changes to the cost or availability of raw materials may have a material adverse effect on the Group's business, financial position and results of operations.

Customer service risks

The Group's business depends on its reputation and ability to maintain good relationships with its customers. The Group's reputation may be harmed either through product defects, delays in delivery, or other shortfalls in customer service. Customers purchase the Group's blades not only due to their superior engineering, but also due to the Group's global footprint that facilitates quicker and more comprehensive customer service. Any failure to meet customers' expectations in such customer service areas could cause an increase in attrition rates or make it difficult to attract new customers, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Intellectual property

The Group develops, registers and exclusively owns the intellectual property rights associated with certain products it manufactures for its customers. The Group relies on a combination of patents, trademarks and other intellectual property rights, non-disclosure agreement and other protective measures to protect its proprietary rights. There are risks that currently implemented security measures may not be adequate to enforce such protection efficiently. Similarly, the Group's success depends in part on the competitive advantage conferred by its intellectual property. There are risks that the Group's competitors may independently develop or license from third parties technologies that are equivalent or superior to those currently employed by the Group. In addition, the laws of and their enforcement in several foreign countries may not protect the Group's intellectual property rights to the same extent as the laws of the European Union ("EU"), Canada or the United States. Any infringement of the Group's intellectual property may have a material adverse effect on the Group's reputation, business financial positions, or results of operation.

Information technology risks

Information technology is part of the Company's business strategy and operations. It enables the Company to provide customers with new and enhanced products and services and also helps to streamline operation processes, facilitating the collection and reporting of business data, in addition to internal and external communications. There are risks that information technology system failures, network disruptions and breaches of data security could disrupt the operations of the Company. Any significant disruption or breach may have a material adverse effect on the Group's business, financial positions, and results of operations.

Research and development risks

The Group operates in a competitive market and its future success highly depends on its ability to remain at the forefront of technological innovation in the wind power industry. The Group's research and development is invested in developing longer turbine blades and adaptability to new growth segments of the wind power market, including low-wind regions. The success of the Group's new products are dependent on a number of factors, including market conditions in growth segments, continuous differentiation in these segments through technology, and customer acceptance. Moreover, research and development activities are inherently uncertain. There are risks that the results of the Group's in-house research and development and research collaborations will not be successful. In addition, the Group's competition may adopt more advanced technologies or develop products that are more effective or commercially attractive. If research and development is negatively impacted, the Group's financial position could deteriorate, which may have a material adverse effect on the Group's business, financial position and results of operations.

Insurance risks

The Group maintains insurance against certain business risks. There are risks that the Group's insurance may not provide sufficient coverage. Additionally, any claims made under an insurance policy potentially limit the maximum amount of insurance coverage in the future and may increase the Group's premiums. There is also an annual cap that limits the maximum amount recoverable for multiple claims made in the same year. Significant potential liabilities may have a material adverse effect on the Group's business, financial position and results of operations.

Warranty risks

There are risks the Group may incur liabilities for warranty claims as a result of defective products or components. Any provisions the Group makes for warranty accrual may not be sufficient. The Group may be required to recognize additional expenses as a result of warranty claims in excess of its current expectations. Such warranty claims may necessitate a redesign, re-specification, change in manufacturing processes, or recall of the Group's products, which could have an adverse impact on the Group's finances and existing or future sales of its blades. Even in the absence of any warranty claims, a product deficiency such as a manufacturing defect or a safety issue may necessitate a product recall. The Group may be subject to potential claims. Any of these occurrences may have a material adverse effect on the Group's business, financial position and results of operations.

Litigation risks

In the ordinary course of the Group's business, legal actions, claims against and by the Group and arbitration involving the Group may arise. Although the Group is not currently party to any material legal proceedings,

there are risks that the Group may be subject to litigation from customers, suppliers, current and former employees, or third parties in the future. If the outcome of one or more of any potential proceedings is significantly different from the Group's expectations, this could have a material adverse effect on the Group's business, results of operations and financial conditions.

Potential conflicts with controlling shareholder

The ultimate principal shareholders in the Group are the limited partnerships managed by Doughty Hanson. As a result, Doughty Hanson will have the power to, among other things, affect the Group's legal and capital structure and day-to-day operations, as well as the ability to elect and change the Group's board of directors. The interests of the Group's shareholders, in certain circumstances, may conflict with those of the Noteholders, particularly if the Group encounters financial difficulties or is unable to pay its debts when due. In addition, the Group's controlling shareholders may have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, even though such transactions might involve risks to the Noteholders. Any of these actions could adversely impact the Group's business, financial position and results of operations.

Joint venture partner risks

The Group works in conjunction with joint venture partners and subcontractors. The Group may experience incidents involving joint venture partners and/or subcontractors not complying with the Group's policies, making unintended accounting misstatements, or breaches of local and national regulations and legislation. Such incidents, individually or collectively, may have a material adverse effect on the Group's reputation, business, financial position and results of operations.

Risks related to key personnel and employees

The Group's future growth and success depends, in part, upon the leadership and performance of its highly skilled executive management and management team, many of whom have significant experience in the corporate services sector and would be difficult to replace. Competition in the wind power industry for suitably qualified senior managers is significant. If the Group loses the services of any member of its executive management or management team or other key personnel, it may have to incur significant costs in identifying, hiring, training and retaining replacements. In addition, the loss of other executive officers or key employees, the inability to recruit sufficient, qualified personnel, or the inability to replace departing employees in a timely manner may have a material adverse effect on the Group's business, financial position and results of operations.

The Group also depends on its ability to hire, retain and develop qualified employees. A higher turnover rate among the Group's employees would increase recruiting and training costs and could require the Group to offer higher wages, which may have a material adverse effect on the Group's business, financial position and results of operations.

Weather risks

The Group's business may be subject to fluctuations in sales volumes due to the installation of its blades outdoors. Adverse weather conditions may affect consumer demand or could delay the erection of power plants, resulting in project delays. Moreover, post-warranty services may be impacted by adverse weather. Although the Group's consumer base and geographical footprint is geographically diversified, enduring weather patterns or seasonal variations may impact the expansion of the wind power industry in certain regions. A resulting reduction in consumption may have a material adverse effect on the Group's business, financial position and results of operations.

Currency risks

The Group conducts its business operations across multiple jurisdictions, including, among others, the European Union, Eastern Europe, North and South America, China, India and Brazil. The Group's business is subject to risks normally associated with international operations, including currency fluctuation risks. The results of operations may be affected by translation effects, and to a more limited extent, transaction effects of foreign currency rate fluctuations. In particular, certain of the Group's subsidiaries report their financial condition and results of operations in their local currency, which are then translated into euro at the applicable exchange rates for inclusion in the Group's financial statements. Thus, the Group's financial results in any given period may be affected by fluctuations in the value of the Euro relative to various local currencies, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Health and safety risks

The Group's operations are subject to extensive laws and regulations relating to the maintenance of safe conditions in the workplace. In some areas of manufacturing, the work the Group's employees perform can involve risks associated with the use of chemicals, equipment and tools during blade production, which may not be fully eliminated by procedures implemented to address them. Moreover, the Group's operations comprise the use of large-scale equipment in its factories, which may increase the risk of injury. If there are health or safety-related incidents, a resulting regulatory citation or lawsuit, substantial fine or revocation of the Group's licenses and permits may have a material adverse effect on the Group's reputation, business, financial position and results of operations.

Risks relating to organized labor

Certain of the Group's employees are covered by collective bargaining arrangements or represented by trade unions and/or local works councils. Relationships with unions are generally managed by each facility. Should significant industrial action, threats of strikes or related disturbances occur, the Group could experience a disruption of operations and increased labor costs, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Tax risks

The Group conducts its operations through companies in a number of different jurisdictions. Even if the Group and its advisers have processes and a framework prepared for transactions that may have tax effects, including royalty payments, transfer pricing and deferred compensation, there are risks that these processes may not be sufficient to avoid additional tax charges incurred or financial penalties. In addition, the tax laws and regulations in any of the jurisdictions in which the Group conducts its operations may be subject to change, and there may be changes in interpretation and enforcement of such tax laws or regulations. Tax authorities routinely challenge corporate structures, internal mergers and demergers, intercompany loans and capitalizations, and other similar internal transactions and reorganizations. Furthermore, the Group's subsidiaries are periodically examined by their respective tax authority in each jurisdiction. Any changes in tax laws or regulations, engagement with tax authorities, or future audits may require the Group to pay additional taxes. Any of the foregoing may have a material adverse effect on the Group's business, financial positions, and results of operations.

Transfer pricing risks

The markets in which the Group operates have transfer pricing regulations that require transactions involving associated companies to be at arm's length. Arrangements between members of the Group, such as intra-group transactions involving management services, royalties, information technology service fees, cash-pooling arrangements, intra-Group loans and consultancy fees, are typically carried out on an arm's-length basis. However, if the tax authorities in any relevant jurisdiction do not regard such arrangements as being made on an arm's-length basis and successfully challenge those arrangements, the amount of tax payable by the relevant member or members of the Group, in respect of both current and previous years, may increase materially and penalties or interest may be payable. Furthermore, any failure to file transfer pricing documentation evidencing the outcome of applied pricing principles, should they be requested by the relevant tax authorities, may result in penalties. Any significant increase in tax payable or significant penalty may have a material adverse effect on the Group's business, financial positions and results of operations.

Risks Relating to the Notes, the Guarantee and the Transaction Security

Risks related to debt

Circumstances may arise that could cause the Group to become overleveraged, including due to falling revenues and/or EBITDA, which could have significant negative consequences, including increased vulnerability to a downturn in the markets in which the Group operates or a downturn in the economy more broadly. The Group may be required to dedicate a substantial portion of its cash flow from operations to fund working capital, capital expenditures, and other general corporate requirements, and the Group may be limited in its flexibility to plan for, or react to, changes in its businesses and the industry in which it operates, or the entry of new competitors into its markets. The Group may also be prevented from borrowing additional funds, which may affect the Group's ability to make payments of interest and on the principle of the Notes when due. If the Group becomes overleveraged, it may have a material adverse effect on the Group's business, financial position and results of operations.

The Group may be able to incur substantial financial indebtedness in the future. Although the Group will be subject to number of restrictions regarding its ability to incur debt under the agreements contemplated herein, these agreements contain qualifications and exceptions that specify certain types of permitted debt. Some of the debt the Group may incur in the future could be effectively and structurally senior to the Notes and may be secured by collateral that does not secure the Notes. The Group is also permitted to invest in joint ventures and acquisitions and make certain restricted payments to Shareholders under certain circumstances. The Group's incurrence of new debt could amplify the risks associated with the Group's leverage, including the possible inability to service its debt.

Restrictive debt covenants risks

The Conditions will contain, among other things, certain provisions that may restrict the Company's ability to incur additional indebtedness, make certain payments—including dividends and other distributions—create or incur certain liens, make loans, sell, lease or transfer certain assets (including shares of any subsidiary of the Group), engage in certain transactions with affiliates or merge or demerge.

In addition, the Group will be subject to the affirmative and negative covenants contained in the Super Senior Revolving Credit Facility, which may significantly restrict the future operations of the Group. In the event of default under the Super Senior Revolving Credit Facility, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. The Group may not have sufficient assets or cash flow to fully repay borrowings under its outstanding debt instruments if accelerated upon an event of default. Further, if the Group is unable to repay, refinance or restructure its secured indebtedness, the holders of such debt could proceed against the Transaction Security. Such covenants may have a material adverse effect on the Group's business, financial position and results of operations.

Risks related to a change of control

In the event of a change of control event, each holder of Notes has the right of prepayment of the Notes at a price of 101% of the principal amount thereof, plus accrued interest. The Group's ability to purchase the Notes will be limited by the terms of its other debt agreements and its ability to finance the purchase. In addition, the terms of any debt securities issued to purchase debt under these change of control provisions may be unfavorable to the Group. The Group may not be able to finance these purchase obligations or obtain consents to do so from holders of debt under other debt agreements restricting these purchases.

Market risk

The Notes are new securities for which there is currently no market. There are risks regarding the liquidity of any market that may develop for the Notes, the ability of holders of the Notes to sell them, or the price at which holders of the Notes may be able to sell them. The liquidity of the market depends on the number of holders of the Notes, prevailing interest rates, the market for similar securities and other factors, including general economic conditions and the Group's own financial conditions, performance and prospects. The Notes may not become listed, or remain listed once a listing is obtained.

Credit risks

Investors in the Notes carry a credit risk relating to the Group as investors' ability to receive payment under the Conditions is dependent on the Group's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. An increased credit risk or decrease in the Group's creditworthiness may cause the market to charge a higher risk premium on the Notes, which could have a material adverse effect on the market price of the Notes.

Liquidity risks

The Group will apply for listing of the Notes. However, it cannot be guaranteed that the Notes will be admitted to trading. Further, even if securities are admitted to trading on a regulated market, active trading in the securities does not always occur and hence there is no guarantee that a liquid market for trading in the Notes will occur or be maintained. Accordingly, an investment in the Notes is only suitable for investors who can bear the risks associated with a lack of liquidity in the Notes. Furthermore, the par value of the Notes may not be indicative compared to the market price of the Notes if the Notes are admitted for trading.

Risks related to all trades in the Notes shall be in a minimum nominal amount of EUR 100,000

Pursuant to the Conditions, all trades in the Notes shall be in a minimum nominal amount of EUR 100,000. The Notes may be subject to partial redemption upon the occurrence of certain events, including in the event of a listing of one of the Group Companies or in the event of a disposal of a Group Company. Following a partial redemption or a sale, a Noteholder may hold less than a nominal amount of EUR 100,000, and in such case the Noteholder cannot sell the Notes without purchasing Notes to increase its holding above EUR 100,000. Since all trades in the Notes must be in a minimum nominal amount of EUR 100,000, the Noteholder must then purchase Notes in a nominal amount of at least EUR 100,000. Accordingly, an investment in the Notes is only suitable for investors who can bear the risks associated with the restriction on selling and/or buying the Notes in nominal amounts less than EUR 100,000.

Risks relating to the Transaction Security

The Group's obligations under the Transaction Documents will initially (see "*Risks related to release of Transaction Security*" below) be secured by the Transaction Security and the Guarantee. The Noteholders will share the security interest under the Transaction Security with the lenders under the Super Senior Revolving Credit Facility (or one or more lenders refinancing the Super Senior Revolving Credit Facility) and the Super Senior Hedge Counterparties.

Certain of the subsidiaries of the Issuer have granted guarantees and security in relation to the Group's obligations under inter alia the Super Senior Revolving Credit Facility and the Notes. The Secured Parties' right to payment under those guarantees and security is subject to, among other things, the availability of funds, corporate restrictions, the terms of each guarantor's indebtedness (including the Super Senior Bank Debt) and local law.

Certain security interest forming part of the Transaction Security require consent from governmental authorities to be established, including the pledges over the shares in the Chinese Subsidiaries LM Wind Power Blades (Jiangsu) Co. Ltd., LM Wind Power Blades (Qinhuangdao) Co. Ltd., and LM Wind Power Blades (Tianjin) Co. Ltd. No assurance can be given that the governmental authorities consent to the establishment of such security and failure to obtain consent may exclude the Noteholders from benefitting from these security interests.

The relationship between the Secured Parties and CorpNordic Denmark A/S, acting as the security agent for the Secured Parties, is governed by the Intercreditor Agreement between, among others, the Senior Secured Notes Representative, the other Secured Parties and the Security Agent. The Security Agent will in accordance with the Intercreditor Agreement in some cases take instructions from the super senior creditors (which include the Super Senior Bank Debt Providers and the Super Senior Hedge Counterparties). There is no guarantee that the Security Agent and/or the super senior creditors will act in a manner or give instructions preferable to the Noteholders.

If the outstanding obligations of the Group towards the Senior Bank Debt Providers or the Super Senior Hedge Counterparties increase or the Issuer issues additional Notes, the security position of the current Noteholders may be impaired. Furthermore, there is no guarantee that the Transaction Security will at all times cover the outstanding claims of the Noteholders and the other Secured Parties.

The Noteholders and the other Secured Parties will be represented by the Security Agent in all matters relating to the Transaction Security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfill its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the Transaction Security. Failure by the Security Agent to fulfill its obligations may lead to the Noteholders and the other Secured Parties not fully, or at all, benefitting from the Transaction Security

The Transaction Security is subject to certain hardening periods during which times the Secured Parties do not fully, or at all, benefit from the Transaction Security. Certain security interests forming part of the Transaction Security was not be granted and perfected on the Issue Date. For example, the pledges over the shares in the Chinese Subsidiaries LM Wind Power Blades (Jiangsu) Co. Ltd., LM Wind Power Blades (Qinhuangdao) Co. Ltd., and LM Wind Power Blades (Tianjin) Co. Ltd. will be perfected only after the Issue Date and after the relevant approvals from governmental authorities have been obtained. The pledges over the shares in LM Wind Power Blades Poland Sp. Z.o.o, LM Wind Power Services (Poland) Sp. Z.o.o and "LM Wind Power Blades" (Poland) Sp. Z.o.o will also be perfected only after the Issue Date upon the pledges' entry into the registry of pledges which is subject to the order of a court maintain the registry. Pursuant to the terms of the assignment of intercompany loans by LM Group Holding A/S and LM Wind Power A/S, such assignments will be perfected

only upon the occurrence of an Acceleration Event (as defined in the Intercreditor Agreement) and they may be subject to a hardening period. Certain negative pledges may also not be in place as of the Issue Date. In addition, establishment of the Transaction Security requires release of the security granted for the Existing Senior Debt which may not have occurred on the Issue Date in all jurisdictions.

Risks relating to the Security Agent acting on behalf of Noteholders

Subject to the terms of the Intercreditor Agreement, the Security Agent is entitled to enter into agreements with the Issuer or a third party or take any other actions necessary for the purpose of maintaining, releasing or enforcing the Transaction Security or for the purpose of settling, among others, the Noteholders rights to the Transaction Security. It cannot be guaranteed that actions will not be taken that may be considered to be detrimental in the view of some or all of the Noteholders.

Risks related to the Intercreditor Agreement

The Intercreditor Agreement contains provisions for the sharing of the Transaction Security between the Secured Parties. 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. However, it is not certain that a bankruptcy administrator of such Secured Party would respect the Intercreditor Agreement which potentially could adversely affect the other Secured Parties.

Risks related to the Super Senior Revolving Credit Facility

The Super Senior Revolving Credit Facility contains certain provisions, which, if violated, may trigger the obligation on behalf of the Issuer to repay the Super Senior Revolving Credit Facility. Furthermore, the Group may choose to repay the Super Senior Revolving Credit Facility in advance of the Notes. Either of these events may occur in advance of the maturity date of the notes, which may have a negative impact on the interests of the Noteholders.

Risks related to super senior structure

Although the Transaction Security secures all of the Secured Parties, under the terms of the Intercreditor Agreement, all amounts from time to time received or recovered by the Security Agent under the terms of the Super Senior Revolving Credit Facility and related finance documents, the Super Senior Hedging Documents, the Notes or the Guarantee or in connection with the realization or enforcement of the Transaction Security will be distributed in accordance with the order of priority set out in the Intercreditor Agreement. Under that order of priority certain fees, costs and expenses and the Super Senior Liabilities rank ahead of the Notes. Thus, pursuant to the order of priority inter alia the Super Senior Bank Debt Providers rank ahead of the Noteholders which could have a negative impact on the interests of the Noteholders. Following an acceleration event, payments in respect of the secured liabilities must be made to the Security Agent and distributed in accordance with the order of priority.

Structural subordination and insolvency of subsidiaries

The Issuer is dependent on its subsidiaries' ability to make payments to it in order to fulfill its payment obligations under the Notes. Most assets are owned by and all revenues are generated in subsidiaries of the Issuer. The subsidiaries are legally separated from the Issuer and have no obligation to make payments to the Issuer of any surpluses generated from their business. The subsidiaries' ability to make payments is restricted by, among other things, the availability of funds, corporate restrictions and local law.

The Noteholders (and the other Secured Parties) benefit from guarantees provided by certain of the Issuer's subsidiaries. In the event of insolvency, liquidation or a similar event relating to one of the guarantors, all other creditors of such subsidiary would be entitled to payment out of the assets of such subsidiary, other than any shares or other assets owned by that Guarantor that are subject to the transaction security, with the same priority as the Noteholders to the extent the Transaction Security does not provide for a prioritized position for the Secured Parties. In case of such an insolvency event in a subsidiary not being a guarantor, an entity within the Group, as a shareholder, or the Noteholders as secured parties in relation to a share pledge over the shares in such subsidiary would be entitled to any payments only after the other creditors (including in some cases the Super Senior Bank Debt Provider) have received full payment for their claims. Thus the Notes are in the latter case structurally subordinated to the liabilities of such subsidiaries to the extent there is no provision for a prioritized position. In addition, all Guarantees have been provided by companies within the Group. Thus, the

inability of the Issuer to fulfill its duties under the Notes may mean that the Guarantors are likewise unable to fulfill their duties under the Notes.

There can be no assurance that the Group and its assets would be protected from any actions by the creditors of any subsidiary of the Issuer, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Issuer could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group.

Risks related to failure to perfect security interests

Under applicable law, a security interest in certain tangible and intangible assets can be properly perfected, and its priority retained, only through certain actions undertaken by the secured party and/or the grantor of the security. The security interests securing the Notes may not be perfected with respect to the claims of the Notes if the Issuer or relevant pledgor fails or is unable to take the actions required to perfect or maintain the perfection of any of these security interests. Such failure may result in the invalidity of the relevant security interest or adversely affect the priority of creditors who claim a security interest.

Risks relating to enforcement rights

Pursuant to the Guarantee and the security documents, several of the Guarantee and security interests will be subject to certain constraints on enforcement and certain defenses that may limit their validity and enforceability. These laws and defenses include those that relate to financial assistance, corporate benefit, fraudulent transfer or conveyance, voidable preference, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. These laws and defenses may significantly limit the obligations of the Guarantors under the Guarantee and of the pledgors under the security documents, thereby reducing the value of the Guarantee and the security. Moreover, if a court were to find that the issuance of the Notes, the granting of the security or a Guarantee is unenforceable, a Noteholder's claim in respect of the relevant Guarantor or pledgor may be rendered void. See "*Limitations on Validity and Enforceability of the Guarantee and Security Interests*".

The Issuer is incorporated under the laws of Denmark and the Guarantors are incorporated or organized under the laws of Canada, Denmark, Germany, the Netherlands, Poland, Spain and the respective states within the United States. The transaction security includes the shares of certain subsidiaries incorporated under the laws of these jurisdictions and in China. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in each of these 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 Noteholders' rights. The multijurisdictional nature of enforcement over the security may limit the realizable value of the security. See "*Limitations on Validity and Enforceability of the Guarantee and Security Interests*".

USE OF PROCEEDS

The Group used the net proceeds of the issue of EUR 130 million of the Notes, a portion of the Super Senior Revolving Credit Facility and cash on hand to repay all of the outstanding amounts under the EUR 157.6 million Existing Senior Debt and for general corporate purposes and related fees and expenses.

CAPITALIZATION

The following table sets forth the Group's consolidated cash, total indebtedness and total capitalization as of December 31, 2013: (i) on a historical basis, and (ii) as adjusted to reflect the issuance of the Notes and the application of the proceeds therefrom. The historical consolidated financial information has been derived from the audited consolidated financial statements of Issuer as of December 31, 2013, incorporated by reference into this Prospectus.

	As of December 31, 2013	
	Historical	As Adjusted for issue of the Notes
	(in EUR millions)	
Cash and cash equivalents ⁽¹⁾	60.6	26.5
Loans and borrowings		
Existing Senior Debt	157.6	—
New Super Senior Revolving Credit Facility ⁽²⁾	—	0.0
Gross proceeds from issue of the Notes	—	130.0
Finance leases	0.5	0.5
Other loans	5.3	5.3
Total borrowings	163.4	135.8
Total equity ⁽³⁾	393.2	393.2
Total capitalization ⁽⁴⁾	556.6	529.0

(1) Cash and cash equivalents include cash at bank and in hand and short term deposits with an original maturity of three months or less.

(2) The Issuer entered into the EUR 35 million Super Senior Revolving Credit Facility on 24 March 2014, which it would not have expected to be drawn down if the issue of Notes had occurred as of December 31, 2013. The Super Senior Revolving Credit Facility was partially drawn on the Issue Date.

(3) Relates to the Group's share capital comprising ordinary shares, other reserves and retained earnings.

(4) Total capitalization is total borrowings plus total equity.

OVERVIEW

The following overview is an introduction to the Prospectus and contains basic information about the Notes. It is not intended to be complete and it is subject to important limitations and exceptions. Any decision to invest in the Notes must be based on a consideration of the Prospectus as a whole. For a more complete understanding of the Notes, including certain definitions of terms used in this summary, see "Conditions".

Issuer.....	LM Group Holding A/S.
Total Nominal Amount of Notes.....	EUR 130,000,000 in aggregate principal amount of senior secured notes due 26 March, 2019.
Issue Date	26 March, 2014.
Issue Price.....	100%.
Interest Rate.....	8% fixed rate per annum.
Indicative Yield.....	8% per annum, as of 26 March, 2014.
Interest Payment Date	Interest in the Notes will be payable semi-annually in arrears on 26 March and 26 September of each year, beginning on 26 September, 2014. Interest accrues from the Issue Date.
Form of Notes.....	The Notes are issued in uncertificated and dematerialized book-entry form in the electronic register of VP Securities A/S.
Status of the Notes	The Notes are senior obligations of the Issuer and: <ul style="list-style-type: none">(a) constitute direct, unconditional, senior secured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among them(b) are <i>pari passu</i> in right of payment with all existing and future indebtedness of the Issuer that is not subordinated in right of payment to the Notes, including the Super Senior Liabilities; and(c) are secured by the Transaction Security which secures all of the Secured Obligations owed to the Secured Parties. Under the terms of the Intercreditor Agreement, all amounts from time to time received or recovered by the Security Agent under the terms of the Super Senior Revolving Credit Facility and related finance documents, the Super Senior Hedging Documents, the Notes or the Guarantee or in connection with the realisation or enforcement of the Transaction Security will be distributed in accordance with the order of priority for such distribution set out in the Intercreditor Agreement. Under that order of priority certain fees, costs and expenses and the Super Senior Liabilities rank ahead of the Notes.
Guarantees.....	The guarantee dated on the Issue Date entered into by the Parent, the Guarantors, the Issuer and the Representative pursuant to which the Guarantors guarantee the obligations of the Issuer in respect of the Notes and which shall be acceded to by each additional Group Company that becomes a Guarantor in accordance with the requirements set out in the Conditions.
Ranking of the Guarantee	<ul style="list-style-type: none">(a) <u>Senior secured</u>. The Guarantee constitutes a direct, unconditional, senior secured obligation of the Guarantors.(b) <u>Pari passu with non-subordinated liabilities</u>. The Guarantee is <i>pari passu</i> in right of payment with all existing and future indebtedness of the Guarantors that is not subordinated in right of payment to the Guarantee.

(c) Right of payment ranking. The Guarantee is senior in right of payment to all existing and future indebtedness of the Guarantors that is subordinated in right of payment to the Guarantee.

(d) Mandatorily preferred indebtedness. The Guarantee is subordinated to any existing and future indebtedness of the Guarantors that is mandatorily preferred by law.

Transaction Security Subject to the terms of the security documents and the Intercreditor Agreement, the obligations of the Issuer and Guarantors under the Notes, the Conditions and the Guarantee is secured by security interests listed below; provided that lenders under the Super Senior Revolving Credit Facility and the Super Senior Hedge Counterparties will receive priority to the proceeds from the Transaction Security (as further described in the Intercreditor Agreement). Following an acceleration event payments must be made to the Security Agent and distributed in accordance with the order of priority.

The assets and property of the Parent and its subsidiaries that are from time to time subject to, lien pursuant to the security documents are referred to as the “Transaction Security”. On or about the Issue Date, with the exception of certain security interests forming part of the Transaction Security that was not granted and perfected on the Issue Date (see “*Risks relating to the Transaction Security*”), the obligations of the Issuer and the Guarantors under the Notes, the Conditions and the Guarantee are secured by the following:

- (a) a first priority pledge of all shares in (i) the Issuer, (ii) each Guarantor, and (iii) certain other subsidiaries;
- (b) negative pledges registered in the Danish Personal Register (*Personbogen*) in respect of the Issuer and each Guarantor incorporated in Denmark; and
- (c) first priority assignments of certain Intercompany Loans.

The pledged security does not necessarily represent the market value of the underlying assets and hence it does not provide an idea to which extent the underlying assets cover the obligations to the Noteholders.

Intercreditor Agreement The terms of the Intercreditor Agreement governing the relationship between the senior creditors of the Issuer are summarized in “*Description of Other Indebtedness —Intercreditor Agreement*”.

Optional Redemption

Call Option The Issuer may redeem some or all of the Notes early on any Business Day before the Final Redemption Date. The Notes shall be redeemed at the Call Option Amount, together with accrued and unpaid interest.

Call Option Amount The Call Option Amount for each period set out below is as follows:

- i. the Call Option Amount for any redemption within the period from the Issue Date to, but excluding, the First Call Date is an amount equal to 100.00% of the Nominal Amount together with accrued but unpaid Interest plus the Applicable Premium;
- ii. the Call Option Amount for any redemption within the period from and including the First Call Date to, but excluding, the first Business Day falling 30 months after the Issue Date is an amount equal to 104.00% of the Nominal Amount;
- iii. the Call Option Amount for any redemption within the period from and including the first Business Day falling 30 months after the Issue Date to, but excluding, the first Business Day falling 36 months after

the Issue Date is an amount equal to 103.25% of the Nominal Amount;

- iv. the Call Option Amount for any redemption within the period from and including the first Business Day falling 36 months after the Issue Date to, but excluding, the first Business Day falling 42 months after the Issue Date is an amount equal to 102.50% of the Nominal Amount;
- v. the Call Option Amount for any redemption within the period from and including the first Business Day falling 42 months after the Issue Date to, but excluding, the first Business Day falling 48 months after the Issue Date is an amount equal to 101.75% of the Nominal Amount;
- vi. the Call Option Amount for any redemption within the period from and including the first Business Day falling 48 months after the Issue Date to, but excluding, the first Business Day falling 54 months after the Issue Date is an amount equal to 101.00% of the Nominal Amount; and
- vii. the Call Option Amount for any redemption after and including the first Business Day falling 54 months after the Issue Date is an amount equal to 100.00% of the Nominal Amount.

Applicable Premium The higher of:

- (a) 4.00% of the Nominal Amount; and
- (b) an amount equal to:
 - i. the present value of 104.00% of the Nominal Amount of the Notes; plus
 - ii. all remaining scheduled Interest payments on the Notes to but not including the First Call Date;computed as of the Redemption Date using a discount rate equal to the rate applicable to a German government Note with a maturity date as close as possible to the First Call Date plus 0.50%; minus
- (c) the Nominal Amount.

Change of Control Upon the occurrence of certain change of control events, the Issuer will be required to offer to repurchase the Notes at a purchase price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest and additional amounts, if any, to the date of such repurchase. See “*Conditions*”.

Certain Covenants The Conditions contain a number of covenants which restrict the ability of the Issuer and other Group Companies, including, *inter alia*:

- incur, maintain or guarantee indebtedness;
- pay dividends on or repurchase shares;
- make certain investments;
- create certain liens;
- merger or demerge with other entities;
- enter into certain transactions with affiliates; and

- dispose of certain assets.

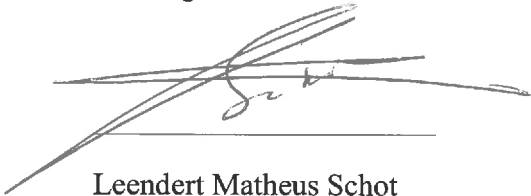
Each of these covenants is subject to significant exceptions and qualifications. See “*Conditions*”.

Use of Proceeds.....	The proceeds shall be used for repayment in full of the Existing Senior Debt and general corporate purposes.
Transfer Restrictions.....	The Notes are freely transferrable. Noteholders may however be subject to purchase or transfer restrictions with regard to the Notes, as applicable from time to time under local laws to which a bondholder may be subject (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Noteholder must ensure compliance with local laws and regulations applicable at its own cost and expense. The Notes have not been and will not be registered, and transfers of the Notes may be restricted, in the United States, Australia, Japan, Canada, or in any other country where the offering, sale and delivery of the Notes may be restricted by law.
Listing.....	Application has been made to NASDAQ OMX Copenhagen A/S for the Notes to be listed on the official list of NASDAQ OMX Copenhagen A/S and to be admitted to trading on NASDAQ OMX Copenhagen A/S’s regulated market.
Noteholders’ Representative..	CorpNordic Denmark A/S.
Security Agent.....	CorpNordic Denmark A/S.
Governing Law of Notes, the Guarantee and the Intercreditor Agreement	Danish law.
Risk Factors.....	Investing in the Notes involves substantial risks and prospective investors should refer to “ <i>Risk Factors</i> ” for a discussion of certain factors that they should carefully consider before deciding to invest in the Notes.

STATEMENT OF RESPONSIBILITY

We hereby declare that we have taken all reasonable care to ensure that, to the best of our knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

The Prospectus is signed by the Chief Executive Officer and Chief Financial Officer of LM Group Holding A/S pursuant to an authorization from the Board of Directors of LM Group Holding A/S.

A handwritten signature in black ink, appearing to read 'L. Matheus Schot', is written over a horizontal line.

Leendert Matheus Schot
Chief Executive Officer
LM Group Holding A/S

Damien Harte
Chief Financial Officer
LM Group Holding A/S

STATEMENT OF RESPONSIBILITY

We hereby declare that we have taken all reasonable care to ensure that, to the best of our knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

The Prospectus is signed by the Chief Executive Officer and Chief Financial Officer of LM Group Holding A/S pursuant to an authorization from the Board of Directors of LM Group Holding A/S.

Leendert Matheus Schot
Chief Executive Officer
LM Group Holding A/S



Damien Harte
Chief Financial Officer
LM Group Holding A/S

DESCRIPTION OF OTHER INDEBTEDNESS

Super Senior Revolving Credit Facility

The Issuer and certain of its subsidiaries entered into a revolving credit facility agreement on 24 March, 2014 with Nordea. The Issuer is a borrower and certain subsidiaries of the Issuer are and may become borrowers and guarantors under the Super Senior Revolving Credit Facility.

The Super Senior Revolving Credit Facility provides for a revolving credit facility in a principal amount of up to EUR 35,000,000, which may be used for the general corporate and working capital purposes of the Group. The Super Senior Revolving Credit Facility has a final maturity of four years and nine months from the Issue Date. Any amount outstanding at that time will be immediately due and payable.

The Super Senior Revolving Credit Facility will initially bear interest at the rate per annum equal to Euribor plus certain mandatory costs (if any) plus a margin of 3.75% per annum. The margin may be reduced by reference to the Group's leverage ratio.

If:

- a. a Change of Control (as defined in the Super Senior Revolving Credit Facility) occurs; or
- b. it becomes unlawful for any lender to perform its obligations or maintain its participation in any utilization under the Super Senior Revolving Credit Facility,

each lender or, in the case of (b) above, the affected lender, may require the prepayment in full of its participation in any outstanding loans and the cancellation of its commitments under the Super Senior Revolving Credit Facility.

In addition, the Super Senior Revolving Credit Facility requires prepayment and cancellation (in part) of the Super Senior Revolving Credit Facility upon certain Note purchases and redemptions.

The Super Senior Revolving Credit Facility includes customary representations, warranties and undertakings and contains certain affirmative and restrictive covenants. The restrictive covenants largely follow those contained in the Notes, subject to certain agreed exceptions.

The Super Senior Revolving Credit Facility includes a financial covenant tested quarterly on each Test Date on a rolling twelve month basis which requires EBITDA (as defined in the Conditions) to be greater than or equal to EUR 25,000,000 on each Test Date. The financial covenant shall only be tested if there are utilizations outstanding under the Super Senior Revolving Credit Facility on the relevant Test Date,

The Super Senior Revolving Credit Facility sets out customary events of default, the occurrence of which would, subject to any applicable grace periods and cure rights, allow the lenders of the Super Senior Revolving Credit Facility to, among other things, accelerate all outstanding loans and terminate their commitments.

The Super Senior Revolving Credit Facility is guaranteed by the Guarantors and (subject to certain agreed security principles set out in the Super Senior Revolving Credit Facility) benefits from the same Transaction Security as the Notes.

Intercreditor Agreement

In connection with entering the Super Senior Revolving Credit Facility and the issue of the Notes, the Issuer, the Parent, the other Guarantors, the Senior Secured Notes Representative, the agent for the Super Senior Bank Debt Providers, certain hedge counterparties, the Security Agent and certain other subsidiaries of the Group, amongst others, have entered into the Intercreditor Agreement.

The Intercreditor Agreement sets out: (i) the relative ranking of certain indebtedness of the debtors; (ii) the relative ranking of certain security granted by the debtors; (iii) when payments can be made in respect of certain indebtedness of the debtors; (iv) when enforcement actions can be taken in respect of that indebtedness; (v) the terms pursuant to which that indebtedness will be subordinated upon the occurrence of certain insolvency events; (vi) turnover provisions; and (vii) when security and guarantees will be released to permit a sale of any assets subject to transaction security.

According to the terms of the Intercreditor Agreement, the relevant debt shall rank in right and priority of payment in the following order: (i) first, the Super Senior Bank Debt, the Notes and certain hedging debt of the Group *pari passu* and without any preference between them, and (ii) second, certain intra-company obligations, certain shareholder loans and other subordinated obligations.

The Intercreditor Agreement provides, among other things, that amounts received after an acceleration event or from the realization or enforcement of any part of the Transaction Security will be applied in payment of amounts outstanding under the Super Senior Revolving Credit Facility and the Super Senior Hedging Documents in priority to amounts outstanding under the Notes.

The Intercreditor Agreement provides that the Security Agent shall act in accordance with enforcement instructions received from the Noteholders except in the following circumstances:

- (a) if the Noteholders have not either (i) made a determination as to the method of enforcement and notified the Security Agent of that determination or (ii) appointed a financial adviser to assist them in making such a determination, in each case within three months of the date of on which the Majority Super Senior Creditors first delivers proposed enforcement instructions to the Security Agent;
- (b) an Insolvency Event (as defined in the Intercreditor Agreement) is continuing with respect to the Group and/or Parent (and associated entities), or
- (c) if the Noteholders have not either (i) made a determination as to the method of enforcement and notified the Security Agent of that determination or (ii) appointed a financial adviser to assist them in making such a determination and the Majority Super Senior Creditors determine in good faith that a delay in issuing enforcement instructions could reasonably be expected to have a material adverse effect on the ability to effect a Distressed Disposal (as defined in the Intercreditor Agreement) or on the expected realization proceeds of any enforcement and deliver enforcement instructions which they reasonably believe to be consistent with the enforcement principles set out in the Intercreditor Agreement or advisable to enhance the prospects of achieving the enforcement objective set out in the Intercreditor Agreement,

in which case the Security Agent will act in accordance with the enforcement instructions received from the Majority Super Senior Creditors, provided that in the case of (c) above, such enforcement instructions shall be limited to action reasonably considered by the Security Agent to be necessary to preserve and protect the Super Senior Liabilities and Transaction Security.

Guarantee

In connection with entering the issue of the Notes, the Guarantors and the Representative have entered into a Guarantee.

The Guarantee sets out: (i) the joint and several liability of each guarantee, (ii) waiver of certain defenses, (iii) limitations on each guarantee with respect to the country of incorporation of each Guarantor, (iv) representations of the Guarantors, (v) enforceability of the guarantee and (vi) certain other terms relating to the Guarantors and the guarantee of the Notes.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes, which upon issue will represent the terms and conditions applicable to all Notes.

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In these terms and conditions (the “Conditions”):

“Account Operator” means a bank or other party duly authorised to operate as an account operator pursuant to the Danish Securities Trading Act and through which a Noteholder has opened a Securities Account in respect of its Notes.

“Accounting Principles” means the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC.

“Additional Amounts” has the meaning given to it in Clause 6.3 (No withholdings; gross up).

“Adjusted Nominal Amount” means the Total Nominal Amount less the Nominal Amount of all Notes owned by a Group Company or an Affiliate of a Group Company, irrespective of whether such Person is directly registered as owner of such Notes.

“Advance Purchase Agreements” means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than 150 days after the date of supply, or (b) any other trade credit incurred in the ordinary course of business.

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

“Applicable Premium” means, as calculated by the Representative, the higher of:

- a) 4.00% of the Nominal Amount; and
- b) an amount equal to:
 1. the present value of 104.00% of the Nominal Amount of the Notes; plus
 2. all remaining scheduled Interest payments on the Notes to but not including the First Call Date; computed as of the Redemption Date using a discount rate equal to the rate applicable to a German government Note with a maturity date as close as possible to the First Call Date plus 0.50%; minus
 3. the Nominal Amount.

“Business Day” means a day (other than Saturday or Sunday) on which banks are open for general business in Copenhagen, on which VP settles payments in Euro, and (in relation to any date for payment or purchase of euro) which is a TARGET Day.

“Business Day Convention” means if the relevant day is not a Business Day then that day shall be the first following day that is a Business Day.

“Call Option Amount” has the meaning given to it in Clause 8.3 (Voluntary total redemption (call option)).

“Change of Control Event” means an event or series of events whereby one or more persons acting together (other than a Permitted Holder), acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than 50% of the voting shares of the Issuer, or (b)

the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“Compliance Certificate” means a certificate signed by the Issuer (without any personal liability to the officer signing on behalf of the Issuer) certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it. If the Compliance Certificate is provided in connection with an application of the Incurrence Test, the certificate shall include calculations and figures in respect of the Group’s ratio of Net Interest Bearing Debt to EBITDA and the Group’s ratio of EBITDA to Net Finance Charges.

“Danish Securities Trading Act” means the Danish Securities Trading Act (*værdipapirhandelsloven*) no. 227 dated 11 March 2014.

“EBITDA” means, in respect of the Relevant Period, the consolidated profit of the Issuer, defined as the term appears on the profit and loss account of the Issuer on a consolidated basis, from ordinary activities according to the latest available financial statements:

- a) before deducting any amount of tax on profits, gains or income paid or payable;
- b) before deducting any Net Finance Charges;
- c) after adding back any amount attributable to the amortisation, depreciation or impairment of assets;
- d) before taking into account any exceptional items in accordance with the Accounting Principles;
- e) before taking into account any unrealised gains or losses on any derivative instrument;
- f) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset; and
- g) after adding back the amount of any profit (or deducting the amount of any loss) which is attributable to (a) minority interests (which are not Subsidiaries) held by the Issuer or its Subsidiaries or (b) Joint Ventures.

“Equity Listing Event” means an initial public offering of shares in a Group Company or any direct, or indirect, parent of the Issuer, after which such shares shall be quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

“Existing Security” means all security provided by the Parent or any Group Company in relation to the Existing Senior Debt.

“Existing Senior Debt” means the loans outstanding under the Senior Multicurrency and Revolving Facilities Agreement dated 23 February 2007 and last amended and restated on 13 April 2012 entered into between among others the Issuer as borrower, and Bank of Scotland plc as agent and security trustee.

“Exchange” means NASDAQ OMX Copenhagen A/S with registration number (CVR) 19042677, or such other exchange that the Notes may be listed on in compliance with these Conditions.

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

“Event of Default” means an event or circumstance specified in Clause 13.1 (Events of Default).

“Final Maturity Date” means 26 March 2019 or if such date is not a Business Day, the first following Business Day.

“Finance Documents” means these Conditions, the Guarantee, the Security Documents, the Intercreditor Agreement, the VP Agent Agreement, the VP Special Issuer Agreement, the

Representative and Security Agent Fee Letter and any other document designated by the Issuer, the Representative and the Security Agent as a Finance Document.

“Financial Indebtedness” means any indebtedness in respect of:

- a) monies borrowed or raised;
- b) the amount of any liability in respect of any finance lease (which is a lease which in the accounts of the Group is treated as an asset and a corresponding liability), in accordance with the Accounting Principles applicable on the Issue Date;
- c) receivables sold or discounted (other than on a non-recourse basis);
- d) any amount raised pursuant to any bond purchase facility or the issue of any bond or note or similar instrument;
- e) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- g) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a financial institution; and
- h) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)–(g).

“First Call Date” means the date falling 24 months after the Issue Date.

“Force Majeure Event” has the meaning set forth in Clause 26.1 (Limitation of liability).

“Group” means the Parent, the Issuer and all its Subsidiaries from time to time (each a “Group Company”).

“Guarantee” means the guarantee dated on or about the Issue Date entered into by the Parent, the Guarantors, the Issuer and the Representative pursuant to which the Guarantors guarantee the obligations of the Issuer in respect of the Notes and which shall be acceded to by each additional Group Company that becomes a Guarantor in accordance with the requirements set out in Clause 12.10 (Additional Guarantors and Transaction Security).

“Guarantors” means the Parent and the other Group Companies listed on Schedule 1 (The Guarantors) and each other Group Company that becomes a Guarantor in accordance with Clause 12.10 (Additional Guarantors and Transaction Security).

“Incurrence Test” means the test set out in Clause 11 (Incurrence Test).

“Initial Investor Group Affiliate” means (i) any controlling stockholder, partner or member, or any 50% (or more) Owned subsidiary, or immediate family member (in the case of an individual and including, without limitation, any immediate family member of Richard Hanson or the late Nigel Doughty or a trust of which one or more of them are beneficiaries), of an Initial Investor; or (ii) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons Owning, directly or indirectly, a 50% or more controlling interest of which consist of an Initial Investor and/or such other Persons referred to in clause (i) of this definition.

“Initial Investors” means Doughty Hanson and Co. Managers Limited and its Affiliates, any trust, fund, company, partnership or other Person Owned, managed, sponsored or advised by or under common control with Doughty Hanson and Co. Managers Limited or its Affiliates, but not including any portfolio companies of the foregoing, and Affiliates for this purpose will include any company or partnership or limited liability partnership or similar entity which becomes the manager of the partnerships constituting Doughty Hanson & Co III and/or V, provided that such entity is initially

under the control of Richard Hanson whether or not he later cedes control to current or future members or employees of that entity.

“Initial Nominal Amount” means, in respect of each Securities Account in which a Noteholder holds Notes, a minimum of EUR 100,000 or, if greater, an even multiple of EUR 1,000.

“Intercompany Loan” means any loan entered into by a Group Company as lender and another Group Company as borrower (for the avoidance of doubt, intercompany trade payables or receivables entered into in the ordinary course of business and in accordance with the provisions of Clause 12.11 (Dealings with Related Parties) are not Intercompany Loans). Intercompany Loans shall include a loan, advance or deposit from or by a Group Company to or with a financial institution that then makes a back-to-back loan in substantially the same amount to another Group Company.

“Intercompany Loans Pledge Agreements” means the pledge agreements entered into between the Issuer, and relevant Subsidiaries, and the Security Agent (on behalf of itself and the Secured Parties) regarding the pledge of all the Issuer’s, or the relevant Subsidiary’s, present and future money claims under all Intercompany Loans that will be entered into on or about the Issue Date pursuant to which the Issuer on-lends the proceeds from the issuance of the Notes to a Guarantor and any other existing Intercompany Loan required to be pledged in accordance with the definition of Permitted Intercompany Loan.

“Intercreditor Agreement” means the intercreditor agreement entered into on or about the Issue Date by, among others, the Super Senior Lenders, the Super Senior Hedge Counterparties, the Representative, the Security Agent, the Parent, the Issuer, the other Group Companies that are party thereto as debtors or creditors, and certain Shareholders.

“Interest” means the interest on the Notes calculated in accordance with Clause 7 (Interest).

“Interest Cover Ratio” means the ratio of EBITDA to Net Finance Charges of the Group.

“Interest Payment Date” means 26 March and 26 September of each year beginning on 26 September 2014 (or, if such day is not a Business Day, the Business Day following from an application of the Business Day Convention as determined by the VP Agent) and ending on the Final Maturity Date or, in case of an early redemption of the Notes in whole or part, the relevant Redemption Date in respect of the Notes or that portion of the Notes that is redeemed on that Redemption Date.

“Interest Period” means (i) in respect of the first Interest Period, the period from (and including) the Issue Date to (but excluding) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant). An Interest Period will not be adjusted due to application of the Business Day Convention.

“Interest Rate” means 8% per annum.

“Issue Date” means 26 March 2014, the date on which the Notes are issued.

“Issuer” means LM Group Holding A/S a limited liability company with registration number (CVR) 25711777 and address at Jupitervej 6, 6000 Kolding, Denmark.

“Joint Venture” means any joint venture entity (other than a Subsidiary) in which a Group Company participates whether such entity is a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“Managers” means Nordea Bank Danmark A/S.

“Material Adverse Effect” means a material adverse effect on (a) the business, financial condition or operations of the Group taken as a whole, (b) the Issuer’s ability to perform and comply with all of its obligations under these Conditions, or (c) the validity or enforceability of the Transaction Documents.

“Net Finance Charges” means, for the Relevant Period, (i) the aggregate of interest accrued (whether in cash or capitalised, but excluding any capitalised interest with respect to Shareholder Loans) in respect of any Financial Indebtedness (other than Financial Indebtedness of the type described in item (f)

thereof) of any member of the Group during that Relevant Period less (ii) interest income of the Group during that period.

“Net Interest Bearing Debt” means the aggregate interest bearing debt (excluding any obligations under any counter indemnity in relation to guarantees issued and any Shareholder Loans and interest bearing debt borrowed from any Group Company) less cash and cash equivalents of the Group in accordance with the applicable accounting principles of the Group from time to time.

“Net Proceeds” means the proceeds from the issuance of the Notes after deduction of the fees and expenses incurred in connection with the entering into of the Transaction Documents and the completion of the transactions contemplated thereunder.

“Nominal Amount” means, in respect of each Securities Account in which a Noteholder holds Notes, the Initial Nominal Amount held therein less the aggregate amount by which the Notes held therein have been redeemed in part pursuant to Clause 8.4 (Voluntary partial redemption (call option following Equity Listing Event)) and Clause 12.7 (Disposals).

“Notes” means the debt instruments (*obligationer*) issued by the Issuer under these Conditions and “Note” means any of them.

“Noteholder” means the Person who is registered on a Securities Account as the owner of a Note (whether as direct owner or as nominee).

“Noteholders’ Committee” has the meaning set forth in Clause 15 (Noteholders’ Committee).

“Noteholders’ Meeting” means a meeting of the Noteholders held in accordance with Clause 17 (Noteholders’ Meeting).

“Notice” means a notice given to the Noteholders in accordance with the provisions of Clause 1.2(c) and “Notify” has the corresponding meaning.

“Other Permitted Loans” means (i) the Notes issued by the City of Little Rock, Arkansas to LM Wind Power Blades (Arkansas) Inc. (an Arkansas corporation) prior to the Issue Date and (ii) any other loans which do not exceed EUR 4,000,000 at any one time outstanding.

“Ownership” means, with respect to ownership of securities, the legal direct or indirect ownership thereof and shall be deemed to include all securities which the owner, directly or indirectly, thereof has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time and “Owned” and “Owning” have the corresponding meaning.

“Parent” means LM WP Holdings A/S a limited liability company with registration number (CVR) 34470235 and address at Jupitervej 6, 6000 Kolding, Denmark.

“Permitted Debt” means:

- a) any Financial Indebtedness, provided that the Incurrence Test is met on the date of incurrence, tested pro forma for the incurrence and application of proceeds therefrom; and
- b) any Financial Indebtedness (which, for the avoidance of doubt, may be incurred without meeting the Incurrence Test) that is incurred:
 1. under the Notes and the Super Senior Revolving Credit Facility (or any refinancing thereof, provided, however, that any refinancing of the Super Senior Revolving Credit Facility shall be by way of a facility the maximum commitment of the lenders under which is no greater than the initial commitment under the Super Senior Revolving Credit Facility, plus the aggregate amount of fees, underwriting discounts premiums and other costs and expenses incurred in connection with such refinancing);
 2. pursuant to (i) any financial leasing arrangements incurred in the ordinary course of the Group’s business, not exceeding an aggregate amount of EUR 10,000,000 at any

- one time outstanding or (ii) any Financial Indebtedness in respect of any finance lease obligations existing on the Issue Date with respect to the lease by a Subsidiary of the Issuer of the property located in Little Rock, Arkansas and related fixtures, fittings, fixed plant and machinery;
3. any Financial Indebtedness in relation to repair of damage or replacements as covered under insurance, provided that the amount of the Financial Indebtedness shall not exceed the expected insurance proceeds and any such insurance proceeds received by the Group shall be used to repay that Financial Indebtedness;
 4. in connection with lease obligations relating to new manufacturing facilities and related equipment located in the European Union to the extent such obligations, in the aggregate, are less than EUR 10,000,000 at any one time outstanding;
 5. under a Shareholder Loan, Permitted Intercompany Loan, Other Permitted Loans or Permitted Joint Venture Loan;
 6. in the ordinary course of business under Advance Purchase Agreements;
 7. any obligations under any counter indemnity in relation to bank guarantees in the ordinary course of business (for the avoidance of doubt not including guarantees or security in respect of Financial Indebtedness) or any obligations under any counter indemnity in relation to guarantees incurred by any Group Company (other than the Parent) in the ordinary course of business to any financial institution in respect of bid or performance bonds, guarantees or letters of credit issued by such financial institution as guarantee for performance;
 8. under hedging transactions in the ordinary course of business or in respect of payments to be made under these Conditions or the Super Senior Revolving Credit Facility but not for investment or speculative purposes;
 9. as a result of any Group Company (other than the Parent) acquiring another entity and which is Financial Indebtedness of the acquired entity at the time of the acquisition, provided that the Incurrence Test is met at the time of the acquisition, tested pro forma including the acquired entity in question;
 10. by any Group Company (other than the Parent) under any pension liabilities incurred in the ordinary course of business;
 11. by any Group Company under any tax liabilities incurred in the ordinary course of business;
 12. any netting or set-off or cash pooling arrangements entered into by any member of the Group in the ordinary course of business of its financial arrangements for the purposes of netting debit and credit balances of the members of the Group (other than the Parent);
 13. any Financial Indebtedness incurred prior to the Issue Date between the Danish Industrialisation Fund for Developing Countries and LM Wind Power Blades India Pvt. Ltd.;
 14. by a Group Company (other than the Parent) under any guarantee issued by such Group Company, or provided by such Group Company in any other way (including by way of purchasing, or providing back to back arrangements for, such guarantees from a third party), in the ordinary course of the Group's business; and
 15. by any Group Company (other than the Parent) in an aggregate principal amount, including all Financial Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Financial Indebtedness incurred pursuant to this sub-clause (15), not to exceed EUR 7,000,000 at any one time outstanding.

“Permitted Holders” means, collectively, (1) the Initial Investors and the Initial Investor Group Affiliates and (2) any financial institution who is acting as an underwriter in connection with a public or private offering of capital stock of the Issuer or any of its parent companies, acting in such capacity, provided that the financial institution holds the capital stock only for a temporary period and no longer than what is customary in underwriting arrangements. Any Person or group whose acquisition of Ownership constitutes a Change of Control Event and in respect of which the Put Option upon Change of Control Event is not fully exercised (i.e. after the Change of Control Event Notes remain outstanding) will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

“Permitted Intercompany Loan” means any Intercompany Loan (A) entered into by the Issuer as lender and a Guarantor (other than the Parent) as borrower or entered into by a Group Company (other than the Parent except as permitted in Clause 12.5 a)) as lender and the Issuer or a Guarantor (other than the Parent) as borrower; (B) entered into between Subsidiaries that are not Guarantors; or (C) entered into between Guarantors (other than the Parent except as permitted in Clause 12.5 a)) as a lender and Group Companies that are not Guarantors as a borrower, provided (in case of (C)) that such loans (x) in the aggregate do not exceed EUR 7,000,000 at any one time outstanding or (y) are pledged under an Intercompany Loans Pledge Agreement.

“Permitted Joint Venture Loan” means any loan from a Group Company (other than the Parent) to a Joint Venture or debt of a Joint Venture guaranteed by a Group Company (other than the Parent) not exceeding in aggregate EUR 10,000,000 at any one time outstanding.

“Permitted Security” means any of the following guarantees or security:

- a) guarantees or security provided to the Secured Parties and permitted by the terms of the Intercreditor Agreement, including hedging transactions permitted under sub-clause (b)(8) of the definition of Permitted Debt;
- b) guarantees or security existing at the Issue Date in respect of Permitted Debt existing at the Issue Date and security interests securing or guarantees guaranteeing any permitted refinancing of such Permitted Debt, provided that the principal amount of the Permitted Debt so secured or guaranteed does not increase and the assets securing the Permitted Debt are limited to the assets securing the Permitted Debt as of the Issue Date and the guarantors guaranteeing the Debt remain the same;
- c) guarantees or security arising by operation of law or in the ordinary course of business (for the avoidance of doubt not including guarantees or security in respect of any Financial Indebtedness);
- d) security interests by Subsidiaries that are not Guarantors provided over or guarantees by Subsidiaries that are not Guarantors of Permitted Debt of a Subsidiary that is not a Guarantor;
- e) any guarantee qualifying as Permitted Debt or of Permitted Debt;
- f) liens arising under any netting or set off arrangements entered into by any member of the Group (other than the Parent) in the ordinary course of its banking arrangements for the purpose of netting debt and credit balances by members of the Group (other than the Parent) and bankers’ liens (having a similar effect as netting or set off arrangements) that are customary and arise under the relevant bank’s general terms and conditions;
- g) security provided in relation to any lease arrangement including any capital or finance lease arrangement which is considered to be Permitted Debt, provided that the security is limited to the assets subject to the lease;
- h) any security in respect of indebtedness in relation to damages or replacements being covered under insurance up to the expected amount of such insurance coverage, provided that such debt is incurred under sub-clause (b)(3) of the definition of Permitted Debt;
- i) any guarantee of a Permitted Joint Venture Loan;

- j) security interests on or guarantees of assets of an acquired company that exist at the time of an acquisition, provided that the debt secured by such security or guaranteed by such guarantee is Permitted Debt in accordance with sub-clause (b)(9) of the definition of Permitted Debt;
- k) any guarantee in respect of obligations under any counter indemnity in relation to guarantees incurred by any Group Company (other than the Parent) in the ordinary course of business to any financial institution in respect of bid or performance bonds, guarantees or letters of credit issued by such financial institution as security for performance; and
- l) any guarantee or security not otherwise permitted above which in aggregate does not exceed EUR 7,000,000 or its equivalent in other currencies.

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

“Record Date” means the fifth (5) Business Day prior to (i) a date on which a payment to the Noteholders is to be made under Clause 14 (Distribution of proceeds), (ii) the date of a Noteholders’ Meeting, or (iii) another relevant date, or in each case such other Business Day falling prior to a relevant date as may generally apply in the Danish Note market.

“Redemption Date” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 8 (Redemption and repurchase of the Notes).

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

“Relevant Period” means each period of 12 consecutive calendar months.

“Representative” means CorpNordic Denmark A/S (CVR registration no. 21210781) as representative for the Noteholders as appointed under these Conditions.

“Representative and Security Agent Fee Letter” means the fee letter entered into between the Issuer, the Representative and the Security Agent on or about the Issue Date regarding, inter alia, the fees and remuneration payable to the Representative and the Security Agent.

“Secured Obligations” means (i) all present and future obligations and liabilities of the Issuer and the Guarantors to the Noteholders, the Representative, the Security Agent, and the VP Agent under the Finance Documents, and (ii) all other obligations of the Issuer and the Guarantors secured by the Transaction Security (including without limitation, the Super Senior Liabilities).

“Secured Parties” means the Super Senior Secured Parties, the Noteholders, the Representative, the VP Agent, and the Security Agent.

“Securities Account” means the account for dematerialised securities maintained by the Securities Depository pursuant to the Danish Securities Trading Act in which (i) an owner of such security is directly registered or (ii) an owner’s holding of securities is registered in the name of a nominee.

“Securities Depository” means the Issuer’s central securities depository and registrar in respect of the Notes, from time to time, initially VP.

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

“Security Agent” means CorpNordic Denmark A/S (CVR registration no. 21210781) as security agent for the Secured Parties as appointed and authorised to act under these Conditions and the Intercreditor Agreement.

“Security Documents” means each of the documents listed on Schedule 2 to these Conditions and any other document which may from time to time be entered into in order to create security in respect of the Secured Obligations.

“Shareholder Loans” means any shareholder loans made by the Shareholders to any member of the Group that are so designated by the Group as a Shareholder Loan, where the member of the Group is the debtor, provided, that (a) the Shareholder lender is a party to the Intercreditor Agreement and the Shareholder Loan is thus subordinated to the Secured Obligations, (b) according to its terms the Shareholder Loan has a final repayment date or, when applicable, early repayment dates or dates for repayment instalments which occur after the Final Maturity Date, and (c) according to its terms the Shareholder Loan does not provide for any current payments of cash interest but may provide for accrued interest to be paid-in-kind by being added to the principal.

“Shareholders” means Permitted Holders and any other indirect or direct holder of voting shares in the Parent.

“Subsidiary” means a subsidiary of the Issuer as defined in accordance with the Accounting Principles.

“Super Senior Hedge Counterparties” means Nordea Bank Finland plc. or any other party that becomes a Super Senior Hedge Counterparty under the terms of the Intercreditor Agreement.

“Super Senior Hedging Documents” means interest rate and/or foreign exchange hedging agreements relating to the Super Senior Revolving Credit Facility, the Notes or that are permitted under the Intercreditor Agreement to rank *pari passu* with the Super Senior Revolving Credit Facility under the terms of the Intercreditor Agreement.

“Super Senior Lenders” means the lenders under the Super Senior Revolving Credit Facility or any permitted refinancing thereof in accordance with sub-clause (b)(1) of the definition of Permitted Debt.

“Super Senior Liabilities” means the liabilities under the Super Senior Revolving Credit Facility or any permitted refinancing thereof and related finance documents and under the Super Senior Hedging Documents.

“Super Senior Revolving Credit Facility” means the EUR 35,000,000 credit and guarantee facility provided to the Issuer by Nordea Bank Danmark A/S and any permitted refinancing hereof in accordance with sub-clause (b)(1) of the definition of Permitted Debt.

“Super Senior Secured Parties” means the Super Senior Lenders and any agent in respect thereof (including, for the avoidance of doubt, the Security Agent) and the Super Senior Hedge Counterparties.

“TARGET Day” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system launched on 19 November 2007 is open for the settlement of payment in Euro.

“Total Nominal Amount” means the total aggregate Nominal Amount outstanding at the relevant time.

“Transaction Documents” means collectively, the Finance Documents, the Super Senior Revolving Credit Facility Agreement, and the Super Senior Hedging Documents.

“Transaction Security” means the Security provided for the Secured Obligations pursuant to the Security Documents.

“VP Agent” means Nordea Bank Danmark A/S, Danish CVR Reg. No. 13522197, or another party replacing it, as VP Agent.

“VP” means VP Securities A/S (CVR Registration No. 21599336).

“VP Agent Agreement” means the agent agreement entered into on or before the Issue Date, between the Issuer and the VP Agent regarding, inter alia, the responsibilities of and remuneration payable to the VP Agent or any replacement agent agreement entered into after the Issue Date between the Issuer and an agent.

“VP Special Issuer Agreement” means the special issuer agreement entered into between the Issuer, the VP Agent, and VP concerning the Notes.

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

1.2 Construction

- a) Certain terms. Unless a contrary indication appears or is required by the context, any reference in these Conditions to:
1. “assets” includes present and future properties, revenues and rights of every description;
 2. any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 3. a “regulation” includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 4. an Event of Default is continuing if it has not been remedied or waived;
 5. a provision of law or regulation is a reference to that provision as amended or re-enacted;
 6. a time of day is a reference to Copenhagen time;
 7. the Representative giving a consent is a reference to the Representative giving such consent on behalf of the Noteholders;
 8. in this Agreement, where it relates to a Dutch entity, a reference to
 - a) a necessary action to authorise, where applicable, includes without limitation:
 - i) any action required to comply with the Dutch Works Council Act (*Wet op de ondernemingsraden*); and
 - ii) obtaining unconditional positive advice (*advies*) from each competent works council; and
 - b) an insolvency, winding-up or dissolution includes a Dutch entity being:
 - i) declared bankrupt (*failliet verklaard*); and
 - ii) dissolved (*ontbonden*)
 - c) a moratorium or insolvency includes *surseance van betaling*;
 - d) a liquidator includes a curator;
 - e) an administrator includes a *bewindvoerder*;
 - f) a receiver or an administrative receiver does not include a curator or *bewindvoerder*;
 - g) an attachment includes a *beslag*;
 - h) legal proceedings or other procedure in relation to the suspension of payments, winding-up, liquidation, dissolution or administration includes an entity having filed any notice under section 36 of the Tax Collection Act of the Netherlands (*Invorderingswet 1990*);

- i) the definition of “*Permitted Security*” paragraph f) includes any lien or right of set off arising under clause 24 or clause 25 of the general terms and conditions (*algemene bankvoorwaarden*) of any member of the Dutch Bankers’ Association (*Nederlandse Vereniging van Banken*) and any equivalent general term or condition of any other bank in the Netherlands; and
 - j) the definition of “*Permitted Security*” paragraph c) includes any liability of a Dutch Guarantor arising under a declaration of joint and several liability (*hoofdelijke aansprakelijkheid*) as referred to in section 2:403 of the Dutch Civil Code, also where this concerns “*Financial Indebtedness*”.
- b) Calculation of limits and thresholds. When ascertaining a limit or threshold specified in Euro, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Euro for the previous Business Day, as published by European Central Bank. If no such rate is available, the most recently published rate shall be used instead.
- c) Notices to Noteholders. Notices to the Noteholders shall be given by sending letters by post to their respective addresses registered with the Securities Depository. Such Notices shall be deemed to have been given when dispatched. Each Notice shall also be published by way of a press release. Any Notice from the Representative to the Noteholders may be given solely by way of a press release and following the listing of the Notes in accordance with the rules of the Exchange.
- d) Press Releases. A press release shall be issued:
 1. if by the Issuer, by publishing the press release on the Group’s website, and, following the listing of the Notes on the Exchange, providing for publication of the press release in accordance with the rules of the Exchange;
 2. if by the Representative, by publishing the press release on the Representative’s website and, following the listing of the Notes on the Exchange, the Issuer providing for publication of the press release in accordance with the rules of the Exchange.
- e) Preservation of rights. No delay or omission of the Representative or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- f) Headings. Clause, sub-clause and Schedule headings are included in these Conditions for ease of reference only and shall not be used as an aid to the interpretation or construction of these Conditions.

2. ISSUANCE AND STATUS OF THE NOTES

2.1 Issuance of the Notes

- a) Total Nominal Amount. On the Issue Date, the Issuer issues the Notes in the Total Nominal Amount of EUR 130,000,000 subject to these Conditions.
- b) Undertaking to pay. The Issuer undertakes to make payments in relation to the Notes as set out in these Conditions and to comply with these Conditions.

2.2 Denomination, Finance Documents, nominal amount, trades

- a) Currency. The Notes are denominated in Euro.
- b) Notes subject to Finance Documents. By subscribing to the Notes, each initial Noteholder agrees that the Notes shall be subject to the Finance Documents and by acquiring Notes each subsequent Noteholder confirms its agreement that the Notes shall be subject to the Finance Documents.

- c) Minimum trades. The Notes shall be registered in VP in multiples of EUR 1,000. All trades in Notes shall be in a minimum amount of EUR 100,000 and, if more, in even multiples of EUR 1,000. If, following a partial redemption of Notes, a Noteholder holds a Nominal Amount in a Securities Account of less than EUR 100,000, such Notes may not be traded unless the Noteholder purchases or transfers additional Notes in the Securities Account so that the requirements as to tradeable amounts set out in this sub-clause (c) are satisfied.

2.3 Ranking

- a) Senior secured. The Notes constitute direct, unconditional, senior secured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them.
- b) Pari passu with non-subordinated liabilities. The Notes are *pari passu* in right of payment with all existing and future indebtedness of the Issuer that is not subordinated in right of payment to the Notes, including the Super Senior Liabilities.
- c) Transaction Security. The Notes are secured by the Transaction Security which secures all of the Secured Obligations owed to the Secured Parties. Under the terms of the Intercreditor Agreement, all amounts from time to time received or recovered by the Security Agent under the terms of the Super Senior Revolving Credit Facility and related finance documents, the Super Senior Hedging Documents, the Notes or the Guarantee or in connection with the realisation or enforcement of the Transaction Security will be distributed in accordance with the order of priority for such distribution set out in the Intercreditor Agreement. Under that order of priority certain fees, costs and expenses and the Super Senior Liabilities rank ahead of the Notes.
- d) Subordination. The Notes are senior in right of payment to all existing and future indebtedness of the Issuer that is subordinated in right of payment to the Notes.

2.4 Transferability and restrictions

- a) Freely transferrable. The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes under laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- b) No public offering. No action is being taken by the Issuer or any other Person in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction. Each Noteholder must inform itself about, and comply with, any applicable laws and regulations at its own cost and expense.

3. USE OF PROCEEDS

- 3.1** The Issuer shall use the Net Proceeds for the purpose of full repayment of the Existing Senior Debt and for general corporate purposes.

4. NOTES IN BOOK-ENTRY FORM

4.1 Registration, title, nominee holders

The Notes will be registered to the Noteholders on their respective Securities Accounts and no physical Notes will be issued. The holder of a Note will be the person evidenced as such by a book entry in the records of VP. Title to the Notes shall pass by registration in the registers between the direct or indirect accountholders at VP in accordance with the rules and procedures of VP. Where a nominee is the registered holder of a Note, it shall be treated by the Issuer, Representative, and the Security Agent as the holder of the relevant Note.

4.2 Right to obtain information from the debt register

The Issuer and the Representative shall have access on demand to static data and ownership of the Noteholders registered in the Securities Depository as regulated by Clause 36.3 of the Danish Financial

Supervisory Authority (*Finanstilsynet*) Executive Order 819 of 2 June 2013 on Book-Entry etc. of Investment Securities with a Central Securities Depository (the “Executive Order”).

4.3 Power of attorney

The Issuer hereby irrevocably appoints each of the Representative and the VP Agent and the relevant persons employed by the Representative and the VP Agent as its attorneys-in-fact with full power and authority to obtain information directly from the debt register kept by the Securities Depository in respect of the Notes. The Issuer may not revoke such appointment while the Notes are outstanding unless directed by the Representative or unless consent thereto is given by the Noteholders. The Issuer will issue a separate power of attorney, if so requested by the Securities Depository.

5. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

5.1 Power of attorney from Noteholder

- a) Power of attorney from Noteholder required. If any person other than a Noteholder wishes to exercise any rights under the Finance Documents on behalf of the Noteholder, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- b) Scope of power of attorney. A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder to the extent only that that Noteholder would be so entitled to act and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- c) Representative right to assume validity. The Representative shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to sub-clause (a) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

6. PAYMENTS IN RESPECT OF THE NOTES

6.1 Payments in accordance with Securities Depository rules

- a) Payments to registered Noteholders. Payments of principal and Interest in respect of the Notes will be made to the Noteholders shown in the relevant records of the Securities Depository in accordance with and subject to the rules and regulations from time to time governing the Securities Depository.
- b) Securities Depository technical failure. If, due to any technical failure for the Securities Depository, the Issuer cannot make a payment, such payment may be postponed until such technical failure has been remedied. Interest shall accrue in accordance with Clause 7.1 (Accrual and payment Interest) and Clause 7.2 (*Calculation of Interest*) during such postponement but in no event resulting in interest payments made twice for the same days. This sub-clause (b) shall not prejudice the provisions of Clause 13.1(a) (*Non-payment*) which shall continue to apply in accordance with their terms.
- c) Releasing effect of payments. If payment is made in accordance with this Clause 6, the Issuer and the Securities Depository shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.

6.2 Stamp duty; public fees

The Issuer shall pay any stamp duty and other public fees accruing in connection with the issuance of the Notes, but not in respect of trading in the secondary market (except to the extent required by

applicable law). The Issuer shall not be liable to reimburse any stamp duty or public fee required to be paid by any Noteholder.

6.3 No withholdings; gross-up

- a) Additional Amounts. All amounts payable by the Issuer to the Noteholders shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Denmark or any authority thereof or therein unless such withholding or deduction is required by law or regulation or the interpretation or application of such laws or regulations. If such withholding or deduction is required, the Issuer will at the request of the relevant Noteholder pay such additional amounts (the “Additional Amounts”) as are necessary in order that the net amount received by the relevant Noteholder, after such withholding or deduction, shall be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction.
- b) Payment of Additional Amounts not required. Notwithstanding sub-clause (a) above, no Additional Amounts shall be payable on account of any taxes or duties which:
 1. are payable by reason of any relevant person having, or having had, some connection with Denmark other than the mere holding of the Note(s); or
 2. are withheld or deducted pursuant to the European Union directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments or any provision of law implementing or complying with such directive.

7. INTEREST

7.1 Accrual and payment of Interest

- a) Accrual. The Notes accrue Interest at the Interest Rate from (and including) the Issue Date up to (but excluding) the relevant Redemption Date. Interest accrues during each Interest Period.
- b) Payment. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.

7.2 Calculation of Interest

Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made and calculated on the basis of a year of 360 days comprised of 12 months of 30 days each (30/360 basis).

7.3 Default interest

If the Issuer fails to pay any amount when due under the Notes, default interest shall accrue on the overdue amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is 2 percentage points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Representative, the VP Agent or the Securities Depository, in which case Interest shall accrue at the Interest Rate.

8. REDEMPTION AND REPURCHASE OF THE NOTES

8.1 Redemption at maturity

The Issuer shall redeem all (and not some only) of the outstanding Notes in full on the Final Maturity Date by paying the Nominal Amount of the Notes together with accrued but unpaid Interest.

8.2 Group Companies purchase of Notes

Any Group Company may at any time and at any price purchase Notes in the market. Notes held by a Group Company may at such Group Company’s discretion be retained, sold or, if held by the Issuer, be

cancelled. Notes owned by a Group Company shall not have voting rights in respect of any matter put to the vote of the Noteholders.

8.3 Voluntary total redemption (call option)

- a) Total redemption allowed. The Issuer may redeem all (but not some only) of the outstanding Notes at any time prior to the Final Maturity Date, at an amount equal to the relevant amount as set out in sub-clause (b) below (the “Call Option Amount”), together with accrued but unpaid Interest.
- b) Call Option Amounts. The Call Option Amount for each period set out below is as follows:
1. the Call Option Amount for any redemption within the period from the Issue Date to, but excluding, the First Call Date is an amount equal to 100.00% of the Nominal Amount together with accrued but unpaid Interest plus the Applicable Premium;
 2. the Call Option Amount for any redemption within the period from and including the First Call Date to, but excluding, the first Business Day falling 30 months after the Issue Date is an amount equal to 104.00% of the Nominal Amount;
 3. the Call Option Amount for any redemption within the period from and including the first Business Day falling 30 months after the Issue Date to, but excluding, the first Business Day falling 36 months after the Issue Date is an amount equal to 103.25% of the Nominal Amount;
 4. the Call Option Amount for any redemption within the period from and including the first Business Day falling 36 months after the Issue Date to, but excluding, the first Business Day falling 42 months after the Issue Date is an amount equal to 102.50% of the Nominal Amount;
 5. the Call Option Amount for any redemption within the period from and including the first Business Day falling 42 months after the Issue Date to, but excluding, the first Business Day falling 48 months after the Issue Date is an amount equal to 101.75% of the Nominal Amount;
 6. the Call Option Amount for any redemption within the period from and including the first Business Day falling 48 months after the Issue Date to, but excluding, the first Business Day falling 54 months after the Issue Date is an amount equal to 101.00% of the Nominal Amount; and
 7. the Call Option Amount for any redemption after and including the first Business Day falling 54 months after the Issue Date is an amount equal to 100.00% of the Nominal Amount.
- c) Notice and redemption obligation. Redemption in accordance with this Clause 8.3 shall be made by the Issuer giving not less than 20 nor more than 60 days’ Notice to the Noteholders and the Representative. In connection with any redemption of the Notes, any such redemption may at the Issuer’s discretion, be subject to one or more conditions precedent. Any such Notice is irrevocable. Upon expiry of the notice period, the Issuer is bound to redeem the Notes in full at the applicable amounts.

8.4 Voluntary partial redemption (call option following Equity Listing Event)

The Issuer may at one occasion, in connection with an Equity Listing Event, repay up to 35% of the total Initial Nominal Amount (provided that at least 65% of the total Initial Nominal Amount remains outstanding after such repayment), in which case all outstanding Notes shall be partially repaid by way of reducing the Nominal Amount pro rata. The repayment must occur on an Interest Payment Date within 180 calendar days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such offering and net of taxes paid or payable as a result of such offering). The repayment shall equal the repaid percentage of the Nominal Amount (rounded down to the nearest EUR 100) plus (i) a premium on the repaid amount

amounting to 8.00% of the Nominal Amount to be repaid, or such lower amount as set forth in the Call Option Amount for the relevant period, and (ii) accrued but unpaid Interest on the repaid amount.

8.5 Early redemption due to illegality or tax event (call option)

- a) Total redemption on illegality. The Issuer may redeem all, but not some only, of the outstanding Notes on a date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under these Conditions. The Notes shall be redeemed at 100% of the Nominal Amount together with accrued but unpaid Interest.
- b) Total redemption in case Issuer required to pay Additional Amounts. The Issuer may redeem all, but not some only, of the outstanding Notes on a date determined by the Issuer if, as a result of any change in, or amendment to, applicable laws or regulations, or any change in the interpretation or application of such laws or regulations, which amendment or change is effective on or after the Issue Date, the Issuer has or will become required to pay Additional Amounts in relation to any Notes and this obligation cannot be avoided by reasonable measures available to the Issuer. The Notes shall be redeemed at 100% of the Nominal Amount together with accrued but unpaid Interest.
- c) Notice and redemption obligation. The Issuer shall give Notice of any redemption pursuant to sub-clauses (a) or (b) above no later than 20 Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). A Notice of redemption in accordance with sub-clauses (a) or (b) above is irrevocable and, on the date specified in such Notice, the Issuer is bound to redeem the Notes in full at the applicable amounts.

8.6 Mandatory redemption due to a Change of Control Event (put option)

- a) Noteholder put option. Upon a Change of Control Event occurring, each Noteholder shall have the right to request that all, or some only, of its Notes be repurchased at a price equal to 101.00% of the Nominal Amount together with accrued but unpaid Interest, during a period of 60 calendar days following a Notice from the Issuer of the Change of Control Event pursuant to sub-clause (b) below (after which time period such right shall lapse). Such period may not start earlier than upon the occurrence of the Change of Control Event.
- b) Issuer's Notice and redemption obligation. The Issuer shall Notify the Noteholders of the occurrence of a Change of Control Event and such Notice from the Issuer shall specify the Redemption Date and include instructions regarding the actions that a Noteholder must take to effect redemption. If a Noteholder has so requested, and acted in accordance with the instructions in the Notice from the Issuer, the Issuer shall redeem the relevant Notes and the redemption amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to this sub-clause (b). The Redemption Date must fall no later than 20 Business Days after the end of the period referred to in sub-clause (a).
- c) Applicable securities laws prevail. The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the redemption of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 8.6, the Issuer shall comply with the applicable securities laws and regulations.
- d) Redeemed Notes retained, sold or cancelled. Any Notes redeemed by the Issuer pursuant to this Clause 8.6 may at the Issuer's discretion be retained, sold or cancelled.

9. TRANSACTION SECURITY

9.1 Transaction Security

The Issuer and the other relevant Group Companies grant on the Issue Date, or will grant thereafter, the Transaction Security to the Secured Parties (represented by the Security Agent) as Security for the due and punctual fulfilment of the Secured Obligations. Additional security may be provided in respect of the Notes in accordance with the terms of the Intercreditor Agreement. Under the terms of the Intercreditor Agreement, the Security Agent is authorised, under certain specified conditions, to release certain of the Transaction Security in connection with certain disposals implemented by the Group.

9.2 Security Agent holds on behalf of Secured Parties

The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Intercreditor Agreement and the Security Documents.

9.3 Representative/Security Agent entitled to act unless otherwise instructed by Noteholders

Unless and until the Representative has received instructions from the Noteholders in accordance with Clause 16 (Decisions by Noteholders), the Representative (without first having to obtain the Noteholders' consent) shall be entitled to instruct the Security Agent to and the Security Agent shall be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Representative's or the Security Agent's, as the case may be, reasonable opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Secured Parties' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

9.4 Intercreditor Agreement

- a) Representative instructions. The Representative shall be entitled to give instructions relating to the Transaction Security, the Guarantee, and certain other matters to the Security Agent in accordance with the Intercreditor Agreement. The Representative shall give instructions on behalf of all Noteholders with respect to the total outstanding Nominal Amount from time to time and no Noteholder shall have an independent right to instruct the Security Agent separately. The Representative may ask for instructions from the Noteholders in relation to matters regulated by the Intercreditor Agreement. Instructions from the Noteholders to the Representative will be binding on all Noteholders if they are given (i) in writing by Noteholders representing more than 50% of the Adjusted Nominal Amount or (ii) in the form of decisions by the Noteholders in accordance with to Clause 16 (Decisions by Noteholders).
- b) Certain provisions in the Intercreditor Agreement. The Intercreditor Agreement contains:
 1. provisions requiring the Noteholders to direct that any payments to which they are entitled in relation to an insolvency of a Group Company, to the extent that such proceeds are the proceeds from enforcement of the Security Documents, be made to the Security Agent for distribution by the Security Agent in accordance with the order of priority of payments set out in the Intercreditor Agreement;
 2. provisions requiring the Noteholders to turnover to the Security Agent any proceeds from enforcement of the Security Documents that the Noteholders may receive other than from the Security Agent in accordance with the order of priority of payments set out in the Intercreditor Agreement;
 3. provisions regulating the enforcement of the Security Documents and the instructions with respect to such enforcement that the Security Agent is required to follow which provide, among other things, that in certain specified circumstances the Security Agent will be required to follow the instructions given by the majority of the Super Senior Secured Parties as specified in the Intercreditor Agreement; and
 4. provisions requiring the Noteholders, in their pro-rata portion of the aggregate of the Super Senior Liabilities and the Issuer's liabilities in respect of the Notes, to indemnify the Security Agent in respect of costs, losses and liabilities (other than if arising by reason of the Security Agent's gross negligence or wilful misconduct) unless the Security Agent has been reimbursed by a Group Company.
- c) No independent power to enforce. The Noteholders will not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Transaction Security except through the Security Agent.
- d) At the request of the Issuer, at the time of, or prior to, any incurrence of Financial Indebtedness that is permitted to be secured by the Transaction Security, the Issuer, the

relevant Guarantors, the Representative and the Security Agent may (without the consent of the Noteholders) amend the Intercreditor Agreement to reflect such additional Financial Indebtedness or enter into a new intercreditor agreement with the holders of such Financial Indebtedness (or their duly authorized representatives) on substantially the same terms as the Intercreditor Agreement as in effect on the Issue Date.

10. INFORMATION TO NOTEHOLDERS

10.1 Information from the Issuer

- a) Financial statements and other information. The Issuer will prepare and make the following information available to the Noteholders by way of press release and by publication on the website of the Group:
1. as soon as the same become available, but in any event within four months after the end of each financial year, the annual audited consolidated financial statements of the Issuer prepared in accordance with the Accounting Principles and including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors for such period;
 2. as soon as the same become available, but in any event within two months after the end of each quarter of its financial year, the quarterly interim unaudited consolidated reports of the Issuer prepared in accordance with the Accounting Principles and including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors for such period;
 3. as soon as practicable following an acquisition or disposal of Notes by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Notes cancelled by the Issuer; and
 4. any other information required by the Danish Securities Trading Act and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.
- b) Copies to Representative. When the financial statements and other information are made available to the Noteholders pursuant to Clause 10.1(a), the Issuer shall send copies (either by electronic, facsimile or other means) of such financial statements and other information to the Representative.
- c) Compliance Certificate. Together with each set of financial statements and in connection with each application of the Incurrence Test, the Issuer shall deliver a duly executed Compliance Certificate to the Representative.
- d) Change of Control Events and Events of Default. The Issuer shall promptly notify the Representative in writing (including details of the relevant event) when the Issuer is or becomes aware that:
1. (i) a definitive agreement contemplating a Change of Control event is in place (and such notice will be conditioned upon the occurrence of such Change of Control Event), and (ii) when a Change of Control Event has occurred; and
 2. an Event of Default has occurred,

and, in each case, provide the Representative with such further information as the Representative may reasonably request following receipt of such notice. Should the Representative not receive such information, the Representative is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Representative does not have actual knowledge of such event or circumstance.

10.2 Information from the Representative

The Representative is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. The Representative shall notify the Noteholders of an Event of Default within ten Business Days of the date on which the Representative received actual knowledge that an Event of Default has occurred and is continuing. Notwithstanding the foregoing: (i) the Representative will be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default and the time period referred to in the preceding sentence shall only commence when the Representative has determined that an Event of Default has occurred and is continuing; and (ii) the Representative may delay disclosure or refrain from disclosing information to the Noteholders if it considers it to be beneficial to the interests of the Noteholders to do so.

10.3 Publication of Finance Documents

- a) Terms and Conditions. The latest version of these Conditions (including any document amending these Conditions) shall be available on the websites of the Group and the Representative.
- b) Finance Documents. The latest versions of these Conditions, the Guarantee, the Security Documents and the Intercreditor Agreement shall be available to the Noteholders at the office of the Representative during normal business hours.

11. INCURRENCE TEST

11.1 Meeting the Incurrence Test

The Incurrence Test is met if:

- a) the ratio of Net Interest Bearing Debt to EBITDA of the Group is not greater than 2.25; and
- b) the ratio of EBITDA to Net Finance Charges (the “Interest Cover Ratio”) of the Group is greater than 3.50:1.

11.2 No Event of Default

The Incurrence Test shall not be met if an Event of Default is continuing or would occur following the event in respect of which the Incurrence Test is being measured.

11.3 Calculations

- a) Testing date: pro-forma calculations. The calculation of the ratio of Net Interest Bearing Debt to EBITDA of the Group and the Interest Cover Ratio shall be made as per a testing date determined by the Issuer, falling no more than one month prior to the event relevant for the application of the Incurrence Test. The Net Interest Bearing Debt, Net Finance Charges, and EBITDA of the Group shall be measured on the relevant testing date in respect of the Relevant Period, on a pro forma basis assuming the implementation of the proposed transaction in respect of which the Incurrence Test is being measured including the application of the net proceeds therefrom (in the case of new Financial Indebtedness, this shall be included where applicable, provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce the Net Interest Bearing Debt)). Subject to the above, the Net Interest Bearing Debt, Net Finance Charges, and EBITDA of the Group shall be calculated as set out in sub-clause (b) below.
- b) Adjustment. The figures Net Interest Bearing Debt, EBITDA and Net Finance Charges of the Group used for the Incurrence Test shall be adjusted so that:
 1. entities acquired or disposed of by the Group during the relevant period, or after the end of the relevant period but before the relevant testing date, shall be included or excluded (as applicable), pro forma for the entire relevant period; and
 2. any entity to be acquired with the proceeds from any new Financial Indebtedness shall be included, pro forma, for the entire relevant period.

12. SPECIAL UNDERTAKINGS

12.1 Distributions

- a) Restricted Payments. Except as provided in sub-clause (b) below, the Parent shall not (i) repurchase any of its own shares or (ii) redeem its share capital or other restricted equity with repayment to Shareholders; and no Group Company shall (iii) pay any dividend on its shares (other than dividends by a Subsidiary to its parent or payments by a Subsidiary that is not wholly-owned on a pro rata basis or on a basis that results in the receipt by the Issuer or a Subsidiary of dividends or distributions of greater value than the Issuer or such Subsidiary would receive on a pro rata basis), (iv) repay or pay interest under any Shareholder Loans or other loans from Shareholders, or (v) grant any loans other than Permitted Intercompany Loans, Permitted Joint Venture Loans, and Other Permitted Loans ((i)–(v) above are together and individually referred to as a “Restricted Payment”).
- b) Permitted Restricted Payments. Any Restricted Payment can be made if: (i) the aggregate of all Restricted Payments in any financial year does not exceed 50% of the previous financial year’s consolidated net profit, if any, as it appears on the Group’s audited profit and loss account prepared in accordance with the Accounting Principles) and (ii) the Incurrence Test is met.

12.2 Mergers and demergers

- a) Prohibited mergers and demergers. Except as provided in sub-clause (b) below:
1. no Group Company (other than the Issuer and the Parent (which are subject to the restrictions set out in (2) and (3) below)) may merge or demerge into a company which is not a Guarantor or the Issuer if such a merger or demerger can reasonably be expected to have a Material Adverse Effect;
 2. the Issuer may not (A) merge with any Person other than a wholly-owned Subsidiary and provided that the Issuer is the surviving company or (B) be subject to a demerger; and
 3. the Parent may not (A) merge or (B) be subject to a demerger;
- b) Permitted mergers and demergers. The mergers and/or demergers prohibited by sub-clause (a) above may be implemented if the Representative has given its consent in writing prior to the merger and/or demerger (where consent is not to be understood as a waiver of the rights that applicable law at the time assigns the concerned creditors).
- c) Preservation of Transaction Security. In the event of any merger or demerger involving a Group Company which is a Guarantor, where the shares in the relevant Group Company are part of the Transaction Security or where the Group Company has provided Transaction Security, any such Guarantee and Transaction Security shall remain in full force and effect, or be replaced or re-pledged, after such merger or demerger, unless the Representative on behalf of the Noteholders has given its consent, not to be unreasonably withheld, in writing prior to the merger and/or demerger that such replacement or re-pledge is not required, or such replacement or repledges are not required to maintain the security interest. Where a Guarantor merges into another Guarantor, the Guarantee of the entity that does not survive will be automatically terminated, provided that the Guarantee of the surviving entity remains in full force and effect.

12.3 Listing of Notes

The Issuer shall use its reasonable efforts to ensure that the Notes are listed on the Exchange as soon as possible after the Issue Date and shall use its best efforts to achieve such listing not later than six months after the Issue Date and shall use its best efforts to take all measures required to ensure that the Notes once listed continue being listed for as long as any Note is outstanding.

12.4 Nature of business

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group as of the Issue Date.

12.5 Restrictions on Parent

- a) The Issuer shall procure that the Parent shall not trade, carry on any business, own any assets or incur any liabilities (including any the conduct of treasury services for the Group) other than (i) ownership of the shares in the Issuer, and (ii) liabilities under the Transaction Documents to which it is a party and professional fees and administrative costs and activities in the ordinary course of business as a holding company, including (A) receiving a Shareholder Loan from a Shareholder, or (B) making loans to a Group Company in connection with any offering of equity of the Parent or of such Shareholder (such loans being considered Intra-Group Liabilities (as defined in the Intercreditor Agreement)), provided that such Group Company has acceded to the Intercreditor Agreement as a Debtor.
- b) Notwithstanding any other provision of this Clause 12 (Special Undertakings) pursuant to which the Parent would be permitted to implement any transaction or take any other action, the Parent shall be restricted in accordance with this Clause 12.5.

12.6 Financial Indebtedness

The Issuer shall not, and shall procure that none of its Subsidiaries, incur any additional Financial Indebtedness or maintain any existing Financial Indebtedness, provided however that the Issuer and the Subsidiaries have a right to incur and maintain Financial Indebtedness that constitutes Permitted Debt and, for the avoidance of doubt, any Financial Indebtedness incurred or maintained under the definition of Permitted Debt in compliance with these Conditions shall only be tested either on the Issue Date or on the date of incurrence, as applicable.

12.7 Disposals

- a) Permitted disposals. The Issuer shall not, and shall procure that no Group Company shall, sell or otherwise dispose of shares in any Group Company or of all or substantially all of its or any Group Company's assets to any person not being the Issuer or any of its wholly-owned Subsidiaries which, in the case of a transfer of the shares or the assets of a Guarantor is (or becomes) a Guarantor, unless the transaction is carried out at fair market value and on terms and conditions customary for such type of transaction and provided that it does not have a Material Adverse Effect.
- b) Notification and information obligation. The Issuer shall notify the Representative of any such transaction and, upon request by the Representative, provide the Representative with any information relating to the transaction which the Representative deems necessary (acting reasonably).
- c) Application of proceeds. Within twelve (12) months after receipt of any net cash proceeds from a sale, transfer or disposal (whether by a single transaction or series of transactions) referred to in item above (the "Net Cash Proceeds"), the Issuer shall apply, or cause such Group Company to apply, such Net Cash Proceeds at its option to make an investment in properties and assets that replace the properties and assets that were the subject of such sale, transfer or disposal or in properties and assets that will be used in the business of the Group. Any Net Cash Proceeds that are not applied or invested as provided for in this sub-clause (c) shall be applied in repayment or discharge of the Super Senior Revolving Credit Facility and cancellation of the commitment thereunder to the extent of such repayment or discharge or to partial repayment of all outstanding Notes by way of reducing the Nominal Amount in each Noteholder's Securities Account pro-rata in accordance with timing and pricing provisions of Clause 8.4 (Voluntary partial redemption (call option following Equity Listing Event)). Notwithstanding the foregoing, the Issuer shall be obliged to apply the Net Cash Proceeds in accordance with this sub-clause (c) only if such Net Cash Proceeds exceed EUR 20,000,000 (or its equivalent in other currencies) but in such case the Issuer shall apply the entire amount of the Net Cash Proceeds as set out in this sub-clause (c) and not only the amount in excess of the aforesaid threshold.

12.8 Negative pledge

The Issuer shall not, and shall procure that no Group Company shall, create or allow to subsist, retain, provide, prolong or renew any guarantee of or security over any of its/their assets (present or future) to secure any Financial Indebtedness, provided however that the Group Companies (other than the Parent) have a right to (i) retain, allow to subsist, provide, prolong and renew any Permitted Security, and (ii) retain, allow to subsist but not prolong or renew, any existing guarantee or security in relation to indebtedness held by an entity acquired by a Group Company (other than the Parent). For the avoidance of doubt no Group Company shall (i) secure any obligations or liabilities under the Transaction Security other than the Notes, the Super Senior Liabilities and obligations towards the Representative and the Security Agent or (ii) grant any other security interest over the assets subject to the Transaction Security, in each case in accordance with the Intercreditor Agreement.

12.9 Insurances

The Issuer shall, and shall ensure that all other Group Companies will, maintain insurances on and in relation to its business and assets against those risks and to the extent as is commercially available and usual for companies carrying on the same or substantially similar business.

12.10 Additional Guarantors and Transaction Security

Any Group Company (other than a Group Company incorporated in Spain as a limited liability company (*sociedad limitada*) and which is therefore not permitted to guarantee the Notes pursuant to provisions of Spanish law) which guarantees the Super Senior Revolving Credit Facility at the Issue Date or at any time thereafter shall also guarantee the Notes and shall accede to the Guarantee and the Intercreditor Agreement. Any additional security granted to the Super Senior Lenders or the Super Senior Hedge Counterparties shall also secure the Notes as set out in the Intercreditor Agreement.

12.11 Dealings with related parties

The Issuer shall, and shall procure that each Group Company (excluding dealings between (i) the Issuer and Guarantors, (ii) Guarantors and other Guarantors, and (iii) Subsidiaries that are not Guarantors and Subsidiaries that are not Guarantors) shall, conduct all dealings with (1) the direct and indirect Shareholders of the Group Companies, (2) with other Group Companies, and/or (3) with Joint Ventures and/or Joint Venture partners, in each case at arm's length terms or in accordance with applicable transfer pricing regulation.

12.12 The Guarantee, the Intercreditor Agreement, and the Security Documents

- a) Execution and perfection prior to issuance of Notes. The Issuer shall ensure that no later than on the Issue Date, immediately prior to the issuance of the Notes (i) each Guarantor listed on Schedule 1 (*The Guarantors*) has duly executed the Guarantee, (ii) each Group Company that is a party to the Intercreditor Agreement has duly executed the Intercreditor Agreement, and (iii) except as set out in sub-clause (b) below, each of the Security Documents listed on Schedule 2 (*The Security Documents*) has been duly executed by the relevant Group Companies that are parties thereto and duly perfected in accordance with the perfection requirements set out therein (other than the assignments of certain Intercompany Loans that will be perfected only upon the occurrence of an acceleration event).
- b) Exceptions. The Security Documents in relation to pledges of shares over companies incorporated in China and Poland and the negative pledges, or such other Security Documents as agreed upon by the Security Agent and the Issuer will not be executed and perfected in accordance with the requirements of sub-clause (a)(iii) above but the Issuer undertakes to ensure that each of such Security Documents will be duly executed by the relevant Group Companies that are parties thereto and duly perfected in accordance with the perfection requirements set out therein within a reasonable time.

12.13 Undertakings relating to the VP Agent Agreement

The Issuer shall, in accordance with the VP Agent Agreement:

- a) pay fees to the VP Agent;

- b) indemnify the VP Agent for costs, losses and liabilities;
- c) furnish to the VP Agent all information requested by or otherwise required to be delivered to the VP Agent; and
- d) not act in a way which would give the VP Agent a legal or contractual right to terminate the VP Agent Agreement.

13. EVENTS OF DEFAULT AND ACCELERATION OF THE NOTES

13.1 Events of Default

Each of the events or circumstances set out below in this Clause 13.1 is an Event of Default:

- a) Non-payment. The Issuer fails to pay an amount on the date it is due in accordance with the Conditions unless it is remedied within ten Business Days of the due date.
- b) Other obligations. Any Group Company fails to comply with the Transaction Documents (other than by way of a non-payment as set out under sub-clause (a) above), unless the non-compliance (i) is capable of remedy and (ii) is remedied within 20 Business Days of the earlier of the Representative giving notice to the Issuer and the Issuer becoming aware of the non-compliance.
- c) Cross-acceleration. Any Financial Indebtedness of any Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this sub-clause (c) if (i) the aggregate amount of such Financial Indebtedness is less than EUR 4,000,000, (ii) the acceleration of the Financial Indebtedness referred to in this sub-clause (c) has been cured within five days, or (iii) it is intra-Group Financial Indebtedness.
- d) Insolvency.
 1. The Parent, the Issuer or any other Guarantor or any Group Company whose shares are required to be pledged as part of the Transaction Security is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors with a view to rescheduling its Financial Indebtedness; or
 2. a moratorium is declared in respect of the Financial Indebtedness of the Parent, the Issuer or any other Guarantor or any Group Company whose shares are required to be pledged as part of the Transaction Security.
- e) Insolvency proceedings. Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 45 calendar days of commencement or, if earlier, the date on which it is advertised or (ii), in relation to Subsidiaries of the Issuer, solvent liquidations) in relation to:
 1. the bankruptcy, suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement, formal restructuring proceedings or otherwise) of the Parent, the Issuer or any other Guarantor or any Group Company whose shares are required to be pledged as part of the Transaction Security;
 2. the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Parent, the Issuer or any other Guarantor or any of its assets; or
 3. any analogous procedure or step is taken in any jurisdiction in respect of the Parent, the Issuer or any other Guarantor.

- f) Creditors' process. Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of the Issuer, the Parent or any other Guarantor having an aggregate value equal to or exceeding EUR 4,000,000 and is not discharged within 45 calendar days.
- g) Impossibility or illegality. It is or becomes impossible or unlawful for the Parent, the Issuer, or any other Guarantor to fulfil or perform any of the provisions of the Transaction Documents or if the obligations under the Transaction Documents are not, or cease to be, legal, valid, binding and enforceable.
- h) Issuer ceases to be wholly-owned by Parent. The Parent ceases to be the direct owner of 100% of the shares in the Issuer or a successor to the Issuer as permitted in Clause 12.2.

13.2 Acceleration

- a) Representative power to accelerate. Upon and following the occurrence of an Event of Default, the Representative is entitled on behalf of the Noteholders to (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Representative determines (but no later than the Final Maturity Date), and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents,
- b) Noteholders demand for acceleration. Following a demand in writing from a Noteholder (or Noteholders) representing at least 30% of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Representative and shall, if made by several Noteholders, be made by them jointly) the Representative shall take such actions as set out in sub-clause (a) above as may be instructed by such Noteholder (or Noteholders).
- c) Representative to accelerate in accordance with instructions. If an Event of Default has occurred and is continuing and the Noteholders instruct the Representative to accelerate the Notes, the Representative shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Representative, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents.
- d) Intercreditor Agreement prevails. Notwithstanding the occurrence and continuation of an Event of Default, the Notes may only be accelerated and the Transaction Security may only be enforced in accordance with the relevant provisions of the Intercreditor Agreement.
- e) No acceleration if Event of Default not continuing. The Representative may not accelerate the Notes in accordance with this Clause 13.2 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, at a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- f) No deemed waivers. Any failure by the Representative to take any action or delay in the taking of any action following the occurrence of an Event of Default shall not be deemed to be a waiver of the Representative's right, nor shall it otherwise prejudice the Representative's right, to take such action.

13.3 Payment of Call Option Amount and costs

In the event of an acceleration of the Notes in accordance with this Clause 13, the Issuer shall redeem all Notes at an amount equal to the Call Option Amount, as applicable considering when the acceleration occurs as set out in Clause 8.3 (*Voluntary total redemption (call option)*). In addition, the Issuer shall fully indemnify the Representative for all costs incurred by the Representative in connection with the Event of Default and the acceleration of the Notes.

14. DISTRIBUTION OF PROCEEDS

14.1 Order of priority

a) Payments waterfall. All payments by the Issuer and the Guarantors relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 13 (*Acceleration of the Notes*) and any proceeds received from an enforcement of the Transaction Security, subject to the terms of the Intercreditor Agreement, shall be distributed in the following order of priority, in accordance with the instructions of the Representative:

1. *firstly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Representative under the Representative and Security Agent Fee Letter (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, the enforcement of the Transaction Security or the protection of the Noteholders' rights as may have been incurred by the Representative, (iii) any costs incurred by the Representative for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2(e), and (iv) any costs and expenses incurred by the Representative in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16.7 (Costs);
2. *secondly*, in or towards payment *pro rata* of any cost and expenses incurred by a Noteholders' Committee in accordance with an agreement with the Issuer pursuant to Clause 15.3 (Costs) that have not been reimbursed by the Issuer;
3. *thirdly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
4. *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
5. *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with sub-clauses (1) to (5) above shall be paid to the Issuer.

b) If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14.1(a) (1) or (2), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14.1(a) (1) or (2).

14.2 Representative required to segregate funds

Subject to applicable limitations under Danish law, the Representative will provide that funds it receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Transaction Security constitute escrow funds and will be held on separate interest-bearing account(s) on behalf of the Noteholders and the other interested parties and will not be comingled with other funds. The Representative shall arrange for payments of such funds in accordance with this Clause 14 as soon as reasonably practicable.

14.3 Notice of payments

If the Issuer or the Representative shall make any payment under this Clause 14, the Issuer or the Representative, as applicable, shall Notify the Noteholders of any such payment at least five Business Days before the payment is made. Such Notice shall specify the payment date and the amount to be paid.

15. NOTEHOLDERS' COMMITTEE

15.1 Appointment

- a) Composition, election. The Noteholders may appoint a committee (a "Noteholders' Committee") to represent the interests of the Noteholders. A Noteholders' Committee shall consist of no less than three natural persons. All members of a Noteholders' Committee shall be elected at a Noteholders' Meeting.
- b) Procedure for appointment. Each Noteholder is entitled to nominate candidates to the Noteholders' Committee by notice to the Representative no later than two Business Days prior to the Noteholders' Meeting. At the Noteholders Meeting all candidates so nominated shall be presented to the Noteholders. Each Noteholder that is entitled to vote shall for such election have the same number of votes to cast for each EUR 1,000 in Nominal Amount held by it as the total number of persons to be elected. A Noteholder may cast its votes for one or several of the candidates. The candidates that receive the most votes shall be elected to the Noteholders' Committee.

15.2 Powers

- a) Discussion with Issuer. A Noteholders' Committee may enter into discussions with the Issuer and by majority decision among its members (i) adopt such procedural rules as it considers appropriate and (ii) prepare proposals and recommendations to the Noteholders. A Noteholders' Committee may not bind the Noteholders to any agreement or decision. The Representative shall provide reasonable assistance to the Noteholders' Committee and participate in its meetings.
- b) Non-disclosure agreement. The Noteholders' Committee may agree with the Issuer not to disclose information received from the Issuer provided that it, in the reasonable opinion of the Noteholders' Committee, is beneficial to the interests of the Noteholders. The Representative shall be a party to such agreement and receive the same information from the Issuer as the Noteholders' Committee.

15.3 Costs

The Noteholders' Committee and the Issuer may agree that the Issuer shall pay certain costs and expenses incurred by the Noteholders' Committee. Otherwise the Noteholders' Committee is not entitled to be reimbursed for any costs or expenses.

16. DECISIONS BY NOTEHOLDERS

16.1 Noteholders' Meeting or Written Procedure

- a) Noteholders' Meeting or Written Procedure. A request by the Representative for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Representative) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- b) Requests for Noteholders' decisions. Any request from the Issuer or a Noteholder (or Noteholders) representing at least 10% of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Representative and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Representative and dealt with at a Noteholders' Meeting or by way a Written Procedure, as determined by the Representative. The person requesting the decision may suggest the form for decision making, but if it is in the Representative's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting. Notwithstanding the foregoing, the appointment of a Noteholders' Committee shall always be dealt with at a Noteholders' Meeting.
- c) Noteholders' Meeting, Written Procedure not required. The Representative may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested

decision must be approved by any person in addition to the Noteholders and such person has informed the Representative that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

16.2 Voting rights

- a) Who can vote. Only a person who is, or who has been provided with a power of attorney pursuant to Clause 5 (*Right to act on behalf of a Noteholder*) from a person who is, registered as a Noteholder:
1. on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
 2. on the Business Day specified in the communication pursuant to Clause 18.1(b), in respect of a Written Procedure,
- may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the definition of Adjusted Nominal Amount.
- b) Each Noteholder not required to cast all votes in the same way. A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

16.3 Percentage of Noteholders required to consent

- a) Super-majority consent. The following matters shall require the consent of Noteholders representing at least 75% of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.1(b):
1. a change to the terms of any provision of Clause 2 (*Issuance and Status of the Notes*);
 2. a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 8 (*Redemption and repurchase of the Notes*);
 3. a change to the Interest Rate or the Nominal Amount;
 4. a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of proceeds*);
 5. a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 16 (*Decisions by Noteholders*);
 6. a change of Issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or Interest on the Notes;
 7. a release of the Transaction Security, except as contemplated in Clause 12.2 (*Mergers and demergers*) and in accordance with the terms of the Intercreditor Agreement;
 8. a mandatory exchange of the Notes for other securities; and
 9. early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 13 (*Events of Default and Acceleration of the Notes*) or as otherwise permitted or required by these Conditions.
- b) Majority consent. Any matter not covered by sub-clause (a) above shall require the consent of Noteholders representing more than 50% of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.1(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to sub-

clauses 19.1(a) (1) or (2)), an acceleration of the Notes, the appointment of a Noteholders' Committee, or the enforcement of any Transaction Security.

- c) Representative authority to act in the absence of consent. In circumstances where the Representative determines that it is necessary or desirable for it to act prior to the receipt of consent from the Noteholders, the Representative may take such action (or refrain from acting) as it considers in its discretion to be appropriate and in the best interests of the Noteholders.

16.4 Quorum

- a) Required percentage of Adjusted Nominal Amount. Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least 50% of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.3(a), and otherwise 20% of the Adjusted Nominal Amount:
 1. if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 2. if in respect of a Written Procedure, reply to the request.
- b) If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Representative or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 17.1 (*Convening a Noteholders' Meeting*)) or initiate a second Written Procedure (in accordance with Clause 18.1 (*Instigating a Written Procedure*)), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 16.4(a) shall not apply to such second Noteholders' Meeting or Written Procedure.

16.5 Issuer's, Representative's, or VP Agent's consent required

Any decision which extends or increases the obligations of the Issuer, the Representative, or the VP Agent or limits, reduces or extinguishes the rights or benefits of the Issuer, the Representative, or the VP Agent under the Finance Documents shall be subject to the Issuer's, the Representative's, or the VP Agent's consent, as the case may be, which consent shall not be unreasonably withheld or delayed.

16.6 Decisions binding on all Noteholders; information to Noteholders

- a) Decisions bind all Noteholders. A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- b) Notice of decisions. Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by Notice to the Noteholders, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Representative, as applicable.

16.7 Costs

All costs and expenses incurred by the Issuer or the Representative for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Representative, shall be paid by the Issuer.

16.8 Issuer's obligations

- a) Equal treatment of Noteholders. The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period

stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

- b) Certificate regarding Notes owned by Group Companies and Affiliates. If a decision shall be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Representative provide the Representative with a certificate specifying the number of Notes owned by Group Companies or Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Representative shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Note is owned by a Group Company or an Affiliate.

17. NOTEHOLDERS' MEETING

17.1 Convening a Noteholders' Meeting

- a) Notice of Noteholders' Meeting. The Representative may convene a Noteholders' Meeting at any time and shall convene a Noteholders' Meeting by sending a Notice thereof to each Noteholder no later than five Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).
- b) Noteholders right to convene a Noteholders' Meeting. After a request from the Noteholders pursuant to Clause 20.4(b), the Issuer shall no later than five Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 17.1(a).
- c) Contents of Notice of Noteholders' Meeting. The Notice pursuant to Clause 17.1(a) shall include: (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders) and (iv) a form of power of attorney. Only matters that have been included in the Notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the Notice.
- d) Time window for Noteholders' Meeting. The Noteholders' Meeting shall be held no earlier than 15 Business Days and no later than 30 Business Days from the Notice.

17.2 Additional procedural rules for Noteholders' Meetings

Without amending or varying these Conditions, the Representative may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Representative may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

18. WRITTEN PROCEDURE

18.1 Instigating a Written Procedure

- a) Notice of Written Procedure. The Representative may instigate a Written Procedure at any time and shall instigate a Written Procedure no later than five Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Noteholder on the Record Date prior to the date on which the communication is sent.
- b) Issuer's right to instigate Written Procedure. Should the Issuer want to replace the Representative, it may send a communication in accordance with Clause 18.1(a) to each Noteholder with a copy to the Representative and the VP Agent.
- c) Contents of Notice of Written Procedure. A communication pursuant to Clause 18.1(a) shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote

yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least 15 Business Days from the communication pursuant to Clause 18.1(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

18.2 Decisions

When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16.3 (*Percentage of Noteholders required to consent*) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.3 (*Percentage of Noteholders required to consent*) even if the time period for replies in the Written Procedure has not yet expired.

19. AMENDMENTS AND WAIVERS

19.1 Permitted amendments and waivers; consent of Noteholders; effective date

- a) Permitted amendments and waivers. The Issuer and the Representative (acting on behalf of the Noteholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
 1. such amendment or waiver is not detrimental to the interest of the Noteholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 2. such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 3. such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 16 (Decisions by Noteholders).
- b) Noteholder consent to particulars not required; authority to sign. The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment. The Representative is authorised to sign any amendment or waiver to any of the Finance Documents that is permitted pursuant to sub-clause (a) above for and on behalf of the Noteholders.
- c) Effective date. An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Representative (if such amendment is made under Clause 19.1(a)), as the case may be.

19.2 Notice to Noteholders

The Representative shall promptly Notify the Noteholders of any amendments or waivers made in accordance with Clause 19.1 (*Permitted amendments and waivers; consent of Noteholders; effective date*), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the Securities Depository and each other relevant organisation or authority.

20. APPOINTMENT AND REPLACEMENT OF THE REPRESENTATIVE

20.1 Appointment of Representative

- a) Appointment. The Issuer appoints the Representative to act as Representative for the Noteholders in all matters relating to the Notes and the Finance Documents, and the Representative is authorised to act on behalf of the Noteholders (without first having to obtain their consent, unless such consent is specifically required by these Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder. By acquiring Notes, each Noteholder confirms such appointment and authorisation for the Representative to act on its behalf. The Representative is appointed as representative (*representant*) for the Noteholders pursuant to chapter 2a of the Danish Securities Trading Act.

- b) Noteholders to provide documents requested. Each Noteholder shall immediately upon request provide the Representative with any such documents, including a written power of attorney (in form and substance satisfactory to the Representative), that the Representative deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Representative is under no obligation to represent a Noteholder which does not comply with such request.
- c) Issuer to provide documents requested. The Issuer shall promptly upon request provide the Representative with any documents and other assistance (in form and substance satisfactory to the Representative), that the Representative deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- d) Entitlement to fees. The Representative is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Representative's obligations as Representative under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- e) Entitled to act in respect of other issues of securities. The Representative may act as Representative, Security Agent, or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

20.2 Duties of the Representative

- a) Representation of Noteholders in accordance with Finance Documents. The Representative shall represent the Noteholders in accordance with the Finance Documents. The Representative is not responsible for the execution or enforceability of the Finance Documents or the perfection of the Transaction Security.
- b) Representative binds Noteholders; standard of care. When acting in accordance with the Finance Documents, the Representative is always acting with binding effect on behalf of the Noteholders. The Representative shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- c) Delegation; liability. The Representative is entitled to delegate its duties to other professional parties, but the Representative shall remain liable for the actions of such parties under the Finance Documents.
- d) Act in interests of Noteholders. The Representative shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- e) External experts. The Representative is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Representative pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Representative reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer or the Transaction Security which the Representative reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents, or (iii) a determination to be made, action to be taken, or discretion to be exercised by it under the Finance Documents. Any compensation for damages or other recoveries received by the Representative from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 14 (Distribution of proceeds).
- f) No breach of law. The Representative is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- g) Right to require indemnity. If in the Representative's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Representative) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Representative may refrain from acting in accordance with such

instructions, or taking such action, until it has received such funding, indemnities, and/or Security as it may reasonably require.

- h) Notice to Noteholders. The Representative shall give a Notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Representative under the Finance Documents or (ii) if it refrains from acting for any reason described in sub-clause (g) (Right to require indemnity).

20.3 Limited liability for the Representative

- a) Limitation of liability.
 1. The Representative will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Representative shall never be responsible for indirect loss.
 2. The Representative shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Representative or if the Representative has acted with reasonable care in a situation when the Representative considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.
 3. The Representative shall have no liability to the Noteholders for damage caused by the Representative acting in accordance with instructions of the Noteholders given in accordance with Clause 16 (Decisions by Noteholders) or a demand by Noteholders given pursuant to Clause 13.2(b) (Noteholders demand for acceleration).
- b) No liability for delay. The Representative shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Representative to the Noteholders, provided that the Representative has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Representative for that purpose.
- c) No set-off. Any liability towards the Issuer which is incurred by the Representative in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

20.4 Replacement of the Representative

- a) Resignation; deemed resignation.
 1. Subject to sub-clause (d) below, the Representative may resign by giving Notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Representative at a Noteholders' Meeting convened by the retiring Representative or by way of Written Procedure initiated by the retiring Representative.
 2. Subject to sub-clause (d) below, if the Representative is insolvent or is no longer the Security Agent under the Intercreditor Agreement, the Representative shall be deemed to resign as Representative and the Issuer shall within 10 Business Days appoint a successor Representative which shall be an independent financial institution or other reputable company which regularly acts as Representative under debt issuances.
- b) Convening Noteholders' Meeting to dismiss Representative. A Noteholder (or Noteholders) representing at least ten per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if

given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Representative and appointing a new Representative. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Representative be dismissed and a new Representative appointed.

- c) Appointment of successor. If the Noteholders have not appointed a successor Representative within 90 days after (i) the earlier of the Notice of resignation was given or the resignation otherwise took place or (ii) the Representative was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Representative which shall be an independent financial institution or other reputable company which regularly acts as Representative under debt issuances.
- d) Effectiveness of change in Representative. The Representative's resignation or dismissal shall only take effect upon the appointment of a successor Representative and acceptance by such successor Representative of such appointment and the execution of all necessary documentation to effectively substitute the retiring Representative.
- e) The retiring Representative.
 - 1. The retiring Representative shall, at its own cost, make available to the successor Representative such documents and records and provide such assistance as the successor Representative may reasonably request for the purposes of performing its functions as Representative under the Finance Documents.
 - 2. Upon the appointment of a successor, the retiring Representative shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Representative. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Representative.
- f) Issuer's further action. In the event that there is a change of the Representative in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Representative may reasonably require for the purpose of vesting in such new Representative the rights, powers and obligation of the Representative and releasing the retiring Representative from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Representative agrees otherwise, the new Representative shall be entitled to the same fees and the same indemnities as the retiring Representative.

21. APPOINTMENT OF THE SECURITY AGENT

21.1 Appointment

The Issuer appoints the Security Agent to act as Security Agent on behalf of the Noteholders in accordance with the terms of the Intercreditor Agreement. By acquiring Notes, each Noteholder confirms such appointment of the Security Agent. The Security Agent is appointed as security agent for the Noteholders pursuant to chapter 2a of the Danish Securities Trading Act.

21.2 Noteholders to provide documents to Security Agent.

Each Noteholder, promptly upon request, shall provide the Security Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Representative), that the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Security Agent is under no obligation to represent a Noteholder which does not comply with such request.

21.3 Application of Intercreditor Agreement

The rights and obligations of the Security Agent and the provisions applicable to the resignation and replacement of the Security Agent are set out in the Intercreditor Agreement.

22. LIMITED LIABILITY OF VP AGENT

The VP Agent will not be liable to the Issuer or the Noteholders for damage or loss caused by any action taken or omitted by the VP Agent under or in connection with any Finance Document, unless caused by the VP Agent's negligence or wilful misconduct. The VP Agent shall never be responsible for indirect loss. The VP Agent shall not be considered to have acted negligently if it has (i) acted in accordance with advice from or opinions of reputable external experts engaged by the VP Agent, or (ii) acted with reasonable care, or (iii) acted in accordance with instructions of the Issuer, the Representative or the Noteholders. The VP Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents, provided that the VP Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of the relevant clearing or settlement system.

23. NO DIRECT ACTIONS BY NOTEHOLDERS

23.1 No direct action

- a) No direct action by Noteholders. A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- b) Exceptions. Clause 23.1(a) shall not apply if the Representative has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 20.1(b)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Representative under the Finance Documents or by any reason described in Clause 20.2(g), such failure must continue for at least 40 Business Days after Notice pursuant to Clause 20.2(h) before a Noteholder may take any action referred to in Clause 23.1.

23.2 Preservation of rights in case of Change of Control Event

The provisions of Clause 23.1 (No direct action) shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 8.6 (*Mandatory repurchase due to a Change of Control Event (put option)*) or other payments which are due by the Issuer to some but not all Noteholders.

24. PRESCRIPTION

24.1 Prescription period

The right to receive repayment of the principal of the Notes shall be prescribed and become void ten years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders' right to receive payment has been prescribed and has become void.

24.2 Interruption of prescription period

If a prescription period is duly interrupted in accordance with the Danish Act on Limitation of Claims (*Love om forældelse af fordringer*), a new limitation period of ten years with respect to the right to receive repayment of the principal of the Notes, and of three years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of

interruption of the limitation period, as such date is determined pursuant to the provisions of the Danish Act on Limitation of claims.

25. COMMUNICATIONS AND PRESS RELEASES

25.1 Communications

- a) Addresses. Any communication to be made under or in connection with the Finance Documents:
1. if to the Representative, shall be given at the address registered with the Danish Business Authority (*Erhvervsstyrelsen*) on the Business Day prior to dispatch;
 2. if to the Issuer, shall be given at the address registered with the Danish Business Authority on the Business Day prior to dispatch; and
 3. if to the Noteholders, shall be given in accordance with the provisions of Clause 1.2(c) and/or the procedures of the Securities Depository, with a copy thereof to be provided to the Representative and the VP Agent, provided that any Notice from the Representative to the Noteholders may be given solely by way of a press release and following the listing of the Notes in accordance with the rules of the Exchange.
- b) Method of sending. Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery, letter or in accordance with the procedures of the Securities Depository and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in sub-clause a) or, in case of letter, three Business Days after being deposited postage prepaid in an envelope addressed to the address specified in sub-clause a) or, in case of a Notice in accordance with the provisions of Clause 1.2(c) as set out in that Clause or, if sent in accordance with other procedures of the Securities Depository when communicated in accordance with such procedures.
- c) Defects in Notice to a Noteholder do not affect notices to the others. Failure to send a Notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

25.2 Press releases

Any Notice that the Issuer or the Representative shall send to the Noteholders pursuant to Clauses 8.3 (Voluntary total redemption (Call option)), 8.4 (Voluntary partial redemption (call option following Equity Listing Event)), 8.5 (Early redemption due to illegality or tax event (call option)), 10.2 (Information from the Representative), 16.6(b) (Notice of decisions), 17.1(a) (Notice of Noteholders' Meeting), 18.1(a) (Notice of Written Procedure) and 19.2 (Notice to Noteholders) shall also be published by way of press release by the Issuer or the Representative, as applicable.

26. FORCE MAJEURE AND LIMITATION OF LIABILITY

26.1 Limitation of liability

- a) Force Majeure Events. Neither the Representative nor the VP Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "Force Majeure Event"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Representative or the VP Agent itself takes such measures, or is subject to such measures.
- b) Limitation of liability. The Representative and the VP Agent shall have no liability to the Noteholders if they have observed reasonable care. The Representative and the VP Agent shall never be responsible for indirect damage.

26.2 Postponement of required action

Should a Force Majeure Event arise which prevents the Representative or the VP Agent from taking any action required to comply with these Conditions, such action may be postponed until the obstacle has been removed.

26.3 Danish Trading Act prevails

The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Danish Securities Trading Act which provisions shall take precedence.

27. GOVERNING LAW AND JURISDICTION

27.1 Governing law

The issuance of the Notes, the Notes and these Conditions shall be governed by and construed in accordance with Danish law.

27.2 Jurisdiction

The Issuer submits to the non-exclusive jurisdiction of the City Court of Copenhagen (*Københavns Byret*).

We certify that the above terms and conditions are binding on us.

Dated: 26 March 2014

As Issuer,
LM Group Holding A/S:

/s/ Peder Toft Nielsen
Name: Peder Toft Nielsen
Title: Authorized Signatory

We undertake to act in accordance with the above Terms and Conditions to the extent they refer to us.

As Representative,
CorpNordic Denmark A/S:

/s/ Ulla Heurlin
Name: Ulla Heurlin
Title: CEO

/s/ Søren Søgaard
Name: Søren Søgaard
Title: Board Member

LIST OF ORIGINAL GUARANTORS

LM WP Holdings A/S	Denmark, CVR no. 34470135
LM Wind Power A/S	Denmark, CVR no. 76490511
LM WP Patent Holding A/S	Denmark, CVR no. 34619190
Friction Holding A/S	Denmark, CVR no. 31515122
4305825 Canada Inc.	Canada, Company reg. no. 4305825
LM Wind Power Blades (Canada) Inc.	Canada, Company reg. no. 429497
LM Wind Power Services (Deutschland) GmbH	Germany, Company reg. no. HRB119065
“LM Wind Power Blades (Poland)” Sp. z.o.o.	Poland, Company reg. no. KRB109583
LM Wind Power Blades Poland Sp. z.o.o.	Poland, Company reg. no. KRB321307
LM Wind Power Services Poland Sp. z.o.o.	Poland, Company reg. no. KRB165840
LM Wind Power Blades (Madrid), S.A.	Spain, Company G.I.F. A15701634
LM Wind Power Blades (Castellon), S.A.	Spain, Company G.I.F. A45340015
LM Wind Power Blades (As Pontes), S.A.	Spain, Company G.I.F. A1556331
LM Wind Power Blades (Ponferrada), S.A.	Spain, Company G.I.F. 82286543
LM Wind Power (Schiphol) B.V.	The Netherlands, Registration no. 34279102
LM Wind Power R&D (Holland) B.V.	The Netherlands, Registration no. 33256041
LM Wind Power Blades (ND), Inc.	North Dakota (Company reg. no. 603015592)
LM Wind Power Service (Americas), Inc.	Delaware (Company reg. no. 4802934)
LM Wind Power Blades (Arkansas) Inc.	Arkansas (Company reg. no. 800115920)

THE SECURITY DOCUMENTS

Share Pledges

Pledgor	Pledge in
LM WP Holdings A/S	LM Group Holding A/S
LM Group Holding A/S	Friction Holding A/S
LM Wind Power Blades (Ponferrada), S.A.	LM Wind Power A/S
LM Wind Power A/S	LM WP Patent Holding A/S
LM Group Holding A/S	LM Wind Power Blades (Ponferrada), S.A.
LM Group Holding A/S	LM Wind Power Blades (Madrid), S.A.
LM Wind Power Blades (Ponferrada), S.A.	LM Wind Power Blades (Castellón), S.A.
LM Wind Power Blades (Ponferrada), S.A.	LM Wind Power Services S.L.
LM Wind Power Blades (Castellón), S.A.	LM Wind Power Blades (As Pontes), S.A.
LM Wind Power Blades (Ponferrada), S.A.	LM Wind Power Blades Poland Sp. Z.o.o
LM Wind Power A/S	LM Wind Power Services (Poland) Sp. Z.o.o
LM Wind Power A/S	“LM Wind Power Blades” (Poland) Sp. Z.o.o
LM Wind Power A/S	LM Wind Power Blades (ND), Inc.
LM Wind Power A/S	LM Wind Power Blades (Arkansas) Inc.
LM Wind Power Blades (ND), Inc.	LM Wind Power Service (Americas), Inc.
LM Wind Power Service (Americas), Inc.	Encore Power Services Inc.
LM Wind Power A/S	4305825 Canada Inc.
LM Wind Power A/S	LM Wind Power Blades (Canada) Inc.
LM Wind Power A/S	LM Wind Power Services (Deutschland) GmbH
LM Wind Power A/S	LM Wind Power Blades (Jiangsu) Co. Ltd.
LM Wind Power A/S	LM Wind Power Blades (Qinhuangdao) Co. Ltd.
LM Wind Power A/S	LM Wind Power Blades (Tianjin) Co. Ltd.
LM Group Holding A/S	LM Wind Power (Schiphol) B.V.
LM Wind Power A/S	LM Wind Power R&D (Holland) B.V.

Assignment of Intercompany Loans

LM Wind Power A/S	Intercompany loans
LM Group Holding A/S	Intercompany loans

Negative pledges

LM Wind Power A/S	Registered negative pledge
LM Group Holding A/S	Registered negative pledge
Friction Holding A/S	Registered negative pledge
LM WP Patent Holding A/S	Registered negative pledge
LM WP Holdings A/S	Registered negative pledge

SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OTHER DATA

The tables below set forth the Issuer's audited consolidated income statement, balance sheet and cash flow information as of and for the years ended 31 December, 2012 and 2013, prepared in accordance with IFRS and interpretations of these standards as adopted by the European Union.

The Issuer's audited consolidated income statement, balance sheet and cash flow information as of and for the years ended 31 December, 2013 and 2012 have been extracted without material adjustment (except as noted herein) from the Issuer's consolidated audited annual report for the year ended 31 December, 2013, incorporated by reference. The consolidated income statement and balance sheet information as of and for the year ended 31 December, 2013 and the consolidated income statement for the year ended 31 December, 2012 reflect the Group's performance without its brakes division, which was sold in December 2013, and have been adjusted to show the Group's performance as if the brakes division had been sold on 31 December, 2011.

Consolidated Income Statement

	Year Ended December 31,	
	2012	2013
	(audited)	(audited)
	(in EUR millions)	
Revenue	687.2	488.1
Share of profit / (loss) of equity accounted investment	-	(1.7)
Other income	0.2	1.3
Operating income	687.4	487.7
Cost of sales	(310.2)	(194.9)
Other external expenses	(136.2)	(85.7)
Staff expenses	(171.8)	(143.2)
Depreciation and amortization	(62.0)	(51.9)
Operating expenses before special items	(680.2)	(475.7)
Results from operating activities before special items	7.2	12.0
Special items	(3.6)	(2.5)
Results from operating activities	3.6	9.5
Finance income	13.5	8.5
Finance expenses	(31.2)	(49.8)
Net finance costs	(17.7)	(41.3)
Profit / (loss) before income tax	(14.1)	(31.8)
Income tax	(24.1)	(14.6)
Profit / (loss) for the year from continuing operations	(38.2)	(46.4)
Profit / (loss) for the year from discontinued operations	2.1	(33.7)
Profit / (loss) for the year	(36.1)	(80.1)

Consolidated Balance Sheet

	As at December 31,	
	2012	2013
	(audited)	(audited)
	(in EUR millions)	
Intangible assets	332.0	269.1
Property, plant and equipment	215.5	182.7
Other non-current assets	52.5	36.4
Total non-current assets	600.0	488.2
Total current assets	497.2	379.0
Total assets	1.097.2	867.2
Total equity	481.0	393.2
Total non-current liabilities	310.1	84.7
Total current liabilities	306.1	389.3
Total liabilities	616.2	474.0
Total equity and liabilities	1.097.2	867.2

Consolidated Cash Flow Statement

	Year Ended December 31,	
	2012	2013
	(audited)	(audited)
	(in EUR millions)	
Cash flows from operations before financial items and tax	44.2	74.2
Cash flows from operations before tax	28.2	57.0
Cash flows from operating activities	16.5	34.2
Cash flows from investing activities	(43.0)	22.2
Cash flows from financing activities	63.7	(86.1)
Net change in cash and cash equivalents	37.2	(29.7)
Cash and cash equivalents at year end	90.3	60.6

Selected Operating and Financial Data

Other Financial and Operating Data

	Year Ended December 31,	
	2012	2013
Tons of blades produced	66,897	55,243
Numbers of blades produced	8,856	7,113
Manufacturing capacity (in MW)	8,271	7,878
Full-time employees	4,830	4,851
	Year Ended December 31,	
	2012	2013
	(audited)	(audited)
EBITDA (in EUR millions) ⁽¹⁾	65.6	61.4
EBITDA margin (%) ⁽²⁾	10	13

(1) EBITDA means results from operating activities before depreciation, amortization, impairment charges, and other income/expense as set forth in the Group's consolidated statement of operations.

The following data sets forth a reconciliation of EBITDA to result for the year for the periods indicated:

	Year ended December 31,	
	2012	2013
	(audited)	(audited)
	(in EUR millions)	
Operating income	687.4	487.7
Operating expenses	(680.2)	(475.7)
Depreciation and amortization	62.0	51.9
Special items	(3.6)	(2.5)
EBITDA	65.6	61.4

(2) EBITDA Margin is defined as EBITDA divided by revenue.

INDUSTRY

Overview

Wind power has historically served as a relatively inexpensive form of renewable energy. As the global demand for electricity intensifies and the environmental costs associated with an overreliance on fossil fuels worsen, wind power has become an increasingly cost competitive and rapidly developing industry. The growth in renewable energy sources generally and the wind market in particular has historically been driven by strong fundamentals, such as climate change mitigation, water resources management, security of supply, flexibility and mix diversification. Global primary energy demand is expected to grow by 33% between 2011 and 2035, with global electricity demand expected to increase by 68% over the same period, according to the IEA's World Energy Outlook 2013. This development is expected to be driven mainly by population growth, strong economic expansion and continued urbanization of developing countries, according to the IEA. According to the IEA, for the period 2011 to 2025, the demand for electricity generation is expected to grow at a 2.2% CAGR, with the largest percentage of growth coming from renewable energy sources at an anticipated 4% CAGR. Wind power is expected to grow at 8% CAGR over this period, according to the IEA.

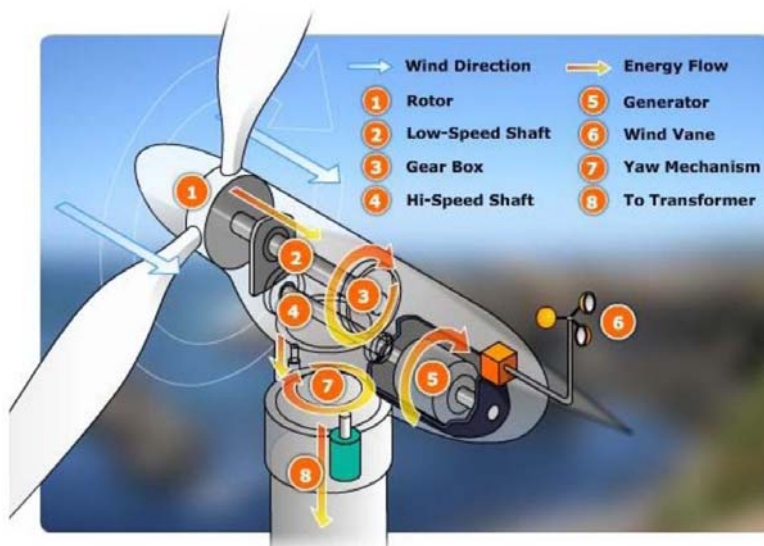
Significant investments in energy infrastructure are required in order to satisfy growing demand with sufficient and secure energy supply and to ensure price stability over the medium-term. A cumulative investment in power-supply infrastructure of \$17 trillion is expected for the period 2013 to 2035, according to the IEA. As traditional oil and gas resources continue to decline and become more expensive to exploit, dependence on a smaller number of countries that produce fossil energy resources increases. Security of supply, water constraints, and other concerns, including carbon footprint, energy price stability and safety, have driven and will likely continue to drive investments in new energy infrastructure towards renewable energy, including wind power.

Wind power has been one of the fastest growing of all renewable energy sources during the last 20 years. From 2010 to 2035, 57% of the net increase in the electricity capacity generation is expected to come from renewables, which amounts to over \$6 trillion of cumulative investment in renewables over this period, according to the IEA. The IEA's New Policy Scenario report published in November 2013 indicated that wind power will represent 51% of all renewable energy capacity by 2035, due to its scalability and cost-competitiveness.

Energy production with wind turbines

Wind turbines work by turning kinetic energy from the turning of the blades into electricity and have three main parts: nacelle, blades and tower. Towers range from 60 to 100 meters tall and are typically made from steel. The nacelle is located at the top of the tower and houses the mechanical machinery such as the generator and the gearbox.

As demonstrated in the image below, the blades and rotor transform wind energy into rotational energy:



The rotor turns the low-speed shaft that rotates at between 15 to 30 rotations per minute (or “RPM”). The gearbox increases the rotational speed of the low speed shaft and delivers the energy to the high speed shaft, which drives the generator. The generator then sends the energy to the transformer for delivery to the end user.

The ability to generate electricity is measured in watts; electricity production and consumption are most commonly measured in kilowatt-hours (or “kWh”). A kilowatt-hour refers to one kilowatt (1,000 watts) of electricity produced or consumed for one hour. The output of a wind turbine depends on the turbine’s size and the wind’s speed. A one-megawatt (or “MW”) wind turbine can generate between 2.4 million and 4 million kWh annually, depending on the average wind speed at the site of installation, effectively generating enough electricity to power 240 to 400 households (in the U.S. or Europe). Larger (2 MW to 3 MW) onshore turbines can generate more than 12 million kWh, while large offshore turbines can generate in excess of 30 million kWh. A turbine’s Annual Energy Production (or “AEP”) is a turbine’s net annual energy production, calculated as the period of time the turbine’s blades are active times the output per hour.

Blade metrics

Wind turbines are categorized according to both nominal power output and the wind speed for which they are designed. Larger turbines are typically classified as more than 2 MW, while the mainstream turbine segment refers to turbines that are less than 2 MW. Turbines are also specific to different wind speeds. A Class 3 turbine is designed for low-wind conditions, with average wind speeds up to 7.5 meters per second (or “m/s”), while Class 2 turbines—the most common class of wind turbines available—are classified for windier sites up to 8.5 m/s, and Class 1 turbines are designed to cope with the tough operating conditions experienced at sites with average wind speeds above 8.5 m/s.

Wind blades and turbines are designed for specific wind conditions, referred to as “wind classes”. Wind classes determine which blades and turbines are viable for typical wind conditions at a particular site. Wind classes are determined based on the average wind speed, extreme wind gust over the past 50 years and turbulence (which measures how much the wind typically varies over 10 minutes).

Supply chain

The wind power industry’s supply chain is predominately found in countries that have large wind power markets or host wind turbine manufacturers, reflecting the importance of proximity to customers and installation sites. Wind turbine production is characterized as either captive or non-captive blade manufacturing. Captive manufacturing refers to large wind turbine manufacturers (or “WTMs”) that either fully or partially insource blade production. According to MAKE, captive manufacturing has been steadily decreasing for the past three years due to efforts by WTMs to optimize supply chain efficiency and reduce working capital requirements. As a result, non-captive manufacturing—or, the outsourcing of blade production—has seen a correlative upturn. WTMs have increasingly looked to independent suppliers with a global reach, as their specialization permits higher-volume production capacity and more advance research and development.

Blade supply-demand gap

At the end of the last decade, the financial crisis caused a slowdown in the growth of the global wind turbine demand, which has resulted in overcapacity across the wind component value chain in all major regions, particularly in the low megawatt segments and in China. In order to align capacity with demand, manufacturers have already reduced or moved manufacturing capacities—since 2010, there has been an estimated more than 50% reduction in competitors and 21% in capacity in the industry, as measured by blade megawatt production, according to MAKE. However, despite the on-going capacity reductions, MAKE has indicated that some overcapacity is expected to remain for most components in the 1.5 MW turbine mainstream segment in most regions. Growth from onshore turbines above 2 MW will likely lead to a balanced supply and demand, while there is capacity shortage for large onshore and offshore turbines, according to MAKE.

Blades production is localized by nature due to high shipping costs, import taxes, and frequent local content requirements. This results in opportunities for component manufacturers who move production facilities to growth regions, enabling them to supply existing customers who reach out to new markets and to acquire new customers.

Industry outlook

As the wind market matures, driven by its overall scale—318 gigawatts (or “GW”) of cumulative installed base, according to GWEC—the wind turbine industry has demonstrated five major trends:

- *Wind energy efficiency improving.* The cost of energy generated by wind power has been decreasing due to technological advancements and efficiencies within the supply chain. As the cost reduces, wind has been approaching the price of other sources of power generation, also known as grid parity, through the rollout of larger blades. According to MAKE, wind is expected to increase its ability to compete with these other sources, including coal, gas and nuclear, in the near future.
- *Blade length increasing.* A key driver improving wind energy cost is blade length and tower height, as they improve the time the blades are active and enable wind turbines to deliver more AEP. As a result, the large onshore and offshore turbine market segments have been growing quickly. The growth of this market has compelled the need for longer blades. In the past 10 years, turbine blade lengths have increased from an average of 20 meters to more than 70 meters, according to MAKE.
- *Expansion into new markets.* The market has grown in all geographic regions, in particular new markets driven by a strong need for new power capacity addition. Large WTMs are seeking to gain market share by expanding their presence in South America, Asia and Africa. However, blades are difficult to transport by nature due to their large size and local manufacturing requirements. Therefore, in most cases, blades must be produced close to where they are installed. In addition to expansion into new markets, demand for wind turbine blades has produced an expansion of the offshore market. The annual installed base of offshore wind farms is expected to grow from 1.9 GW in 2013 to 7.3 GW in 2018, with a CAGR of 31% over the same period.
- *Increased outsourcing.* To optimize supply chain efficiency and improve flexibility, large WTMs have been increasingly reliant on strategic outsourcing partner for key components.
- *Emphasis on quality.* Customers are increasingly looking to blade quality as a primary buying criterion. Quality blades reduce the potential for customers to incur repair and replacement costs in the event of a defect or breakdown. In addition, blades that have been engineered to optimize quality support a higher AEP through lower downtime as well as lower lifecycle cost to customers.

Regional markets

Europe. Support schemes, tariffs and framework conditions continue to secure onshore growth in Northwestern Europe. Growth is expected to be primarily driven by the development of medium- to low-wind speed sites as well as the large unsaturated onshore potential in Eastern and Northern Europe, particularly in Sweden. Opportunities in offshore wind development are anticipated to be a key driver of growth in the North European markets. Currently, the United Kingdom and Denmark are leading the segment. Going forward, the United Kingdom, Germany and France are expected to be the main market segments. The United Kingdom is expected to remain a leader in new offshore installation in the near future. Germany is also expected to play a leading role, following the German government's decision to exit nuclear by 2022 and to strategically focus on the development of offshore wind sites. Eastern European onshore markets in particular are likely to benefit from strong energy demand growth, as already witnessed in Poland and Romania.

Americas. Notwithstanding the increase in shale gas in North America, wind power installation in the United States has continued to grow, adding 51 GW from 2008 to 2013, according to MAKE. The price of gas has increased from less than US\$2 per million BTUs in mid-2012 to over US\$5 per million BTUs by the end of 2013, according to the Henry Hub index. The renewal of the PTC incentive in early 2013 improved projects in the near-term, with over 11 GW of developments already approved for 2014 through 2015, according to MAKE. Furthermore, the Bloomberg New Energy Finance U.S. Report from November 2013 affirmed that 29 states have instituted mandatory renewable usage targets. Although Canada, Ontario and Quebec will likely lead the market growth, wind power development in Canada remains largely driven by provinces with renewable energy targets and incentive schemes, supporting a projected average 2 GW of annual installation through 2020, according to MAKE. In Latin America and particularly Brazil, a significant number of wind farms are already at or below grid parity, allowing the build-out of wind capacity without government subsidies. Growth is expected to likely accelerate through recently closed and upcoming tender processes.

Asia Pacific. China has become the world's largest wind market with 15.5 GW of new installation in 2013, representing 44% of such new installations in that year, according to MAKE. Wind generation has been a key strategic priority of the Chinese government and their 5-year central plan indicates a target of 200 GW of grid-connected wind capacity by 2020. Chinese national power targets, strong political support, and investment in grid upgrades will continue to drive growth in coming years. Therefore, China represents a large and stable wind market with expected growth supported by aggressive national wind power production targets, stable tariffs, the

building out of transmission capacity, and strong political support for sector expansion. The fundamentals of the Indian wind market continue to be driven by electricity demand and a growing stability in policy incentives and renewable energy portfolio targets. The Indian wind power market is expected to grow due to high energy demand, improved transmission lines, a smoother land acquisition framework and strong fundamental policy support, particularly due to the renewal of India's Generation Base Incentive scheme in 2013 that covers wind farms built through 2017.

Africa. African wind power development is led by Morocco, Egypt, Tunisia and South Africa, mainly driven by economic growth and increasing demand for electricity. South Africa holds greatest potential for wind power development and is expected to harbor significant onshore potential.

BUSINESS

Overview

The Group is the global leader in the design, manufacturing and supply of wind turbine blades, with approximately 23% of wind turbines installed to date globally powered by the Group's blades, according to MAKE. In 2013, the Group was the global leading manufacturer of blades with a 14% global market share and a 26% market share in the non-captive blade manufacturing sector, as measured by megawatts installed. The Group operates premier manufacturing facilities in 12 factories across four continents and maintains a workforce of over 4,800 employees, with its central headquarters in Kolding, Denmark.

The Group has a broad product portfolio covering all wind classes. In 2013, the Group sold its products and services directly to 39 customers, including four of the 10 largest wind turbine manufacturers in the world (in a market where the 10 largest wind turbine manufacturers hold 75% of the global demand), according to MAKE, and four of the six largest non-captive wind turbine manufacturers in the world. The Group's key markets are Europe and the United States, with a strong presence in China, India and Brazil. The Group is positioned to capture emerging market growth where available. The Group's ability to optimize the performance, reliability and cost-effectiveness of wind turbine systems plays a critical role in its market-leading position.

The Group's revenue was EUR 687.2 million and EUR 488.1 million for the years ended December 31, 2012 and 2013, respectively. The Group's EBITDA was EUR 65.6 million and EUR 61.4 million for the years ended December 31, 2012 and 2013, respectively. The Group's EBITDA Margin was 10% and 13% for the years ended December 31, 2012 and 2013, respectively. In 2013, the Group produced 7,113 blades, amounting to 55,243 tons.

The Group remains committed to research and development and technological leadership, with global research facility primarily based in Kolding, Denmark, and over 330 highly skilled engineers working in research and development and operational engineering. The Group also offers a globalized production network and premiere customer service. With rising energy consumption and renewable energy set to play an important role in fulfilling future energy demand, particularly in emerging markets, the Group is well-positioned to take advantage of the potential for significant growth in both onshore and offshore wind power. The Group has restructured its blade production footprint, expanding production capacity in China, India and Brazil in recognition of the need to adapt to the changing global energy landscape.

History & recent developments

The Group was founded in 1940 and began production of light-weight glass fiber technology in the 1950s. In 1978, the Group manufactured its first wind turbine blade and has manufactured over 160,000 wind turbine blades since then.

In 2001, the Group was acquired by Doughty Hanson. In 2013, the Company sold its brakes division to Altra Holdings Inc. for EUR 80.1 million as part of its strategic plan to streamline the business and focus on blade production.

In October 2013, the Group inaugurated a new factory in Suape Port, Brazil, the result of a joint venture with *Eolice Participacoes e Investimentos*. The facility will add approximately 700 MW of new capacity to the Group's footprint in North and South America. The Group is planning a new factory dedicated to offshore products in France, in partnership with a customer.

Outlook

The Group believes it is strategically and financially well-positioned going forward, given the Group's increasing alignment with growing market segments and declining competition within the industry. Net working capital is expected to be neutral to negative, while capital expenditure is expected to total EUR 40 million. Moreover, order intake is expected to develop positively. Growth in the Group's orderbook has boosted backlog. The foregoing is based on a number of assumptions and estimates that are inherently subject to significant risks and uncertainties, and the Group's results could differ materially from the results anticipated as a result of many known or unknown factors. See "*Forward Looking Statements*".

Strengths

The Group believes that its global positioning and track record over the past 35 years as one of the most experienced companies in blade design and manufacturing have contributed to its position as a leader in the wind turbine blade production industry. The Group believes that its strengths include:

Largest independent producer of blades with a broad product portfolio

With 55,243 tons of blades produced in 2013, the Group is able to leverage its scale to reduce the cost of research and development and capital investments as well as negotiate with suppliers. The Group supplies more blades than any other non-captive blade producer globally, with a 14% market share of blades produced for both captive and non-captive wind turbine manufacturers and a 26% share of blades produced for non-captive wind turbine manufacturers, according to MAKE. In addition, the Group has a broad portfolio of blades, specializing in longer blades for wind turbines above 1.5 MW, and helping the Group maintain its status as a leader in both onshore and offshore blades.

Established and diversified customer base

In 2013, the Group sold its products and services directly to 39 customers, including four of the 10 largest wind turbine manufacturers in the world and four of the six largest non-captive wind turbine manufacturers in the world. The Group's facilities, like its customers, are in Europe, North America, South America and Asia. The Group also produces blades for smaller, regional wind turbine manufacturers. Such diversification has enabled the Group to reduce its exposure to one type of customers or a single market.

Large-scale technological innovation for premier performance

The Group possesses large-scale research and development facilities, with over 330 highly skilled professionals working on developing new materials, product designs and manufacturing systems. These facilities enable the Group to design and develop customized products and develop blades optimized for length and weight. Such innovations have allowed for greater adaptability to environmental variations and customer power requirements. The Group has also enhanced the adaptability of its blades, permitting the blades to optimize low-wind environments. As a result, the group has registered over 900 patents and had the broadest product portfolio in all segments in 2013.

Agile, global manufacturing improving production and reducing costs

The Group has expanded globally using modular blade factories and an innovative flexible manufacturing technology, enabling the Group to deliver new products to new markets when its customers expand. See “—*Production and operations*”. The Group's 12 factories are positioned in key wind market regions in order to deliver quality products at an optimized cost. The network constitutes a competitive barrier to entry and enables the Group to maximize return on capital investments, reduce overhead and obtain a flexible cost structure. Such systems enable the Group to install smaller factories at more locations worldwide, reducing costs by lowering transportation time and expenses and locally sourcing materials. The Group's global footprint also gives it the flexibility to deliver consistent, quality products to customers worldwide.

Quality and customer service for blades, which are a mission critical component for wind turbines

Blades are a critical component for wind turbines, with more than 40% of future wind energy efficiency expected to be derived from increases in wind turbine performance to come from blades. Blade failure can result in significant costs to the customer, both in terms of lost energy production and repair expenditures. With over 25 years' experience in the design and production of blades, the Group has an established quality control process, submitting the blades to a rigorous in-house testing and analytics process. The Company also maintains customer service operations that operate from 15 regional centers on four continents, providing localized and immediate solutions based on customer need.

Resilient financial performance

The Group maintained an EBITDA of EUR 61.4 million in 2013 (compared to EUR 65.6 million in 2012), despite the blade market experiencing temporary volatile conditions. Such resilience demonstrates the Group's ability to flex its cost structure and rapidly adapt to market changes. The Group's historic ability to adjust its costs has enabled it to weather market shifts. Cost savings measures resulted in EUR 89.4 million in cumulative savings over the past three years, as part of the Group's adjustment to changing global markets.

Strategies

The Group's aim is to continue to be the preferred supplier of blades by promoting optimal blade performance, reducing the cost to customers of purchasing and operating the Group's blades, furthering flexibility for customers, broadening its global manufacturing footprint and delivering high quality products and customer service. The following are key elements of the Group's strategy:

Promote optimal blade performance

Wind turbine manufacturers seek to optimize their wind turbines while minimizing costs, thereby providing the cheapest possible wind energy to their customers. Upgrading a wind turbine's blades remains one of the few key ways to optimize performance. The Group intends to produce blades that deliver the highest possible AEP for a given turbine, helping maximize wind turbine manufacturer return on investment on wind farm projects. To do so, the Group plans to continue its role as a leader in new design prototypes with advanced materials technology and production methods, focusing on new platform and product families to match specific customer needs and promote modular design, add-on features to optimize noise-reduction and rotor system integration to enhance overall performance.

Reduce cost to customers of purchasing and operating the Group's blades

The Group strives to provide the best return on their customers' investment in blades. To do so, the Group intends to continue to design custom blades, roll out new, flexible manufacturing processes, introduce new materials, make blades lighter and stiffer and minimize raw material costs. The Group also intends on using its global footprint and scale to maximize research and development and capital investments while reducing supply costs.

Further flexibility for customers

Customers seek to rapidly introduce new turbines into new markets to build competitive edge. The Group intends to fully support this by quickly introducing new blades into those markets. The Group plans on leveraging its product families in certain expanding megawatt segments and using new modular product platforms that enable local manufacturing. In addition, the Group plans on developing interchangeable blade platforms that would enable customers to upgrade or change blades depending on conditions or advances in technologies.

Broaden the Group's global manufacturing footprint

The Group believes that a global footprint remains essential to an increasingly globalized wind turbine industry. To that end, the Group intends to capitalize and strengthen its network of 12 factories on four continents, leveraging the Group's access to locally sourced materials and providing local customer service. The Group plans to further expand its global reach in order to improve cost competitiveness and operational flexibility, permitting the Group to capture emerging and offshore markets as and when available and ensuring a steady and diversified revenue stream.

Deliver high quality products and customer service

The wind market has matured and the quality and reliability of the products has become a key purchasing criteria. Replacing blades is costly. Thanks to a proven track record built over 25 years, the Group has gained critical experience necessary to developing a robust quality assurance process designed to minimize significant defects passing through to the customer. The Group's customers value the Group's adherence to quality and the Group intends to maintain its focus on quality, health, safety and the environment, product reliability and customer service.

Operations

The Group is headquartered in Kolding, Denmark and has a global research and development facility centered in Kolding, Denmark, a global business office in Amsterdam, the Netherlands, production facilities in China, the United States, India, Canada, Denmark, Spain, Poland and Brazil, and support facilities locations spread across four continents as well as additional regional workshops.

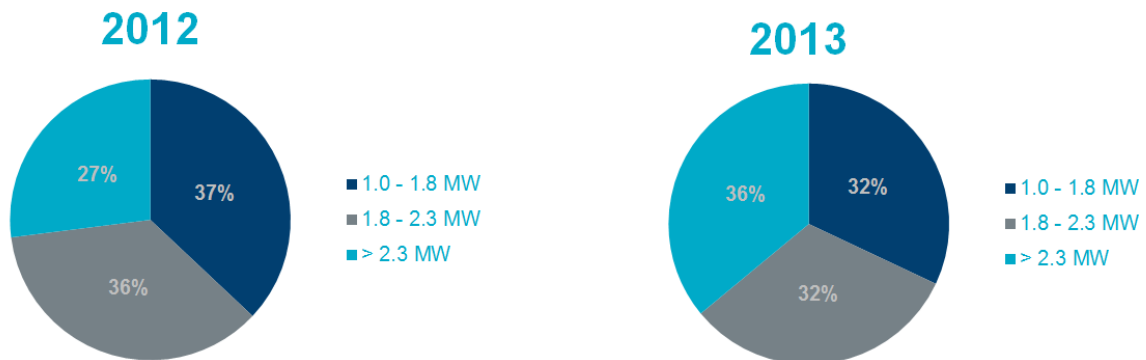
The following map shows the Group's existing and planned production facilities:



The Group's global footprint confers major strategic and financial advantages: 1) it enables the Group possesses the ability to deliver consistent quality to global customers worldwide; 2) it enables the Group to offset volatility in individual markets, providing financially stable results; and 3) it provides a barrier to entry to potential competitors, who may not have the financial resources, contacts or experience to establish a similar position.

Products

The Group has a broad product portfolio covering all wind classes. The Group's current portfolio offers about 40 blade types, with products in all megawatt classes that cater to both high- low-wind speed segments. The image below illustrates the Group's 2012 and 2013 sales in specific MW segments, demonstrating the Group's strong position in the longer blade segments. It also illustrates the increasing proportion of sales to the 1.8 MW to 2.3 MW growing onshore segment as well as the greater than 2.3 MW segment, which includes offshore. The majority of blades currently sold globally are concentrated in these segments:



The Group has consistently developed new products. This includes additions to the GloBlade® product line, a series of standardized blade types that can be reused across a variety of platforms, improving operational efficiency. The Group also designs and produces bespoke blades in partnership with customers. In addition, the Group has introduced new competitive blade lengths in the European offshore market with the 73.5 meter blade, as well as in the Chinese market with the 66 meter and 73 meter blades. The Group's 73.5 meter blade remains one of the longest blades currently in serial production.

The Group focuses its technological design and manufacturing process on maximizing its products' value. There are four critical components to value-optimization: 1) energy production, 2) product reliability, 3) cost effectiveness, and 4) service, which align with customers' key purchasing criteria for turbine blades.

Energy Production

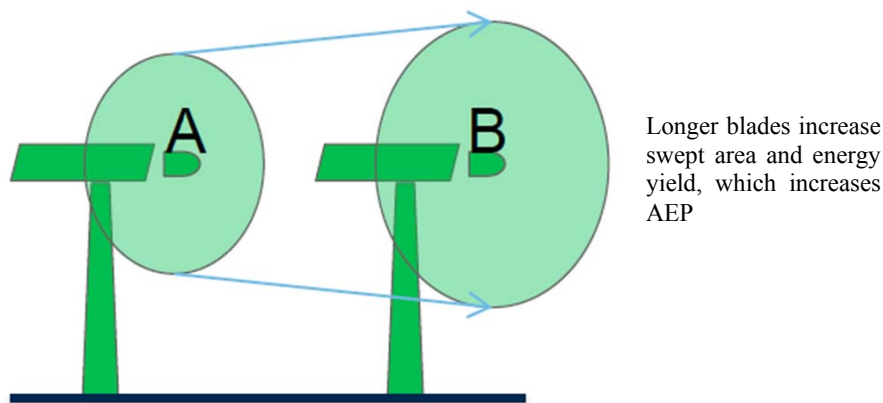
Blades are an indispensable component of turbine capacity and can improve performance while reducing operating costs, yet blades only comprise at most approximately 20% of a wind turbine's overall cost. One of the most effective ways of increasing AEP, and thereby reducing the cost of energy, is to optimize the length, weight and aerodynamics of the blade. The Group produces one of the longest wind turbine blades manufactured in serial production and does cutting edge ongoing work with 70+ meter composite structures. The Group also specializes in highly aerodynamic, stiffer blades without adding weight, thereby permitting longer blades and improving AEP. The Group has recently been bestowed with quality awards by two of its major Chinese customers, and independent consumer surveys have indicated that customers are willing to pay a premium for quality products.

Product reliability

Customer surveys consistently rank product quality as the most critical buying criterion. Blade failure can lead to considerable costs associated with blade repair and lost energy production time. Because the Group's blades constitute large, bespoke capital investments, it also invests heavily in a variety of design elements, testing capabilities and quality control firewalls to ensure blade reliability. In total, the Group employs over 250 professionals that work on quality control in the Group. The Group also has unique testing capabilities, including the world's only wind tunnel dedicated to wind blade testing, which allows the Group to optimize the aerodynamics of its blades, and advanced stress testing capabilities that permit stress testing before in-field use. In 2008, the Group implemented a major overhaul to its quality processes. Since then, quality has improved substantially across the Group's businesses, as evidenced by the fact that 80% of the Group's total spend on serial warranty defects in the years 2011 to 2013 was for products produced prior to the introduction of the new quality processes.

Cost effectiveness of blades

The use of longer blades broadens the swept area a tower can access, maximizing wind energy extraction from a single turbine. Therefore, blade length is a key driver of increasing AEP. Although early research suggested practical and logistical limitations on the size and weight of a wind turbine blade in relation to the optimization of energy extraction, such assumptions have been revised through technological innovations. Currently, there exist certain size and weight limitations on blades due to the stress on the tower and other parts of the turbine. Lower-weight blades not only reduce material costs of the blades themselves, but also the cost of the rest of the turbine, by lowering specifications required for the tower, gearbox and related parts. Lighter blades can also generate lower turbine loads for any given power output, enabling rotors to be oversized to improve turbine performance, as demonstrated by the image below:



(1) Source: MAKE

The Group has developed lighter, longer and slimmer blades that are capable of producing energy more efficiently. In addition, the Group has designed certain product lines to be highly adaptable to existing turbines, permitting higher power output without additional capital investment for mechanical upgrading.

Service

The Group has established a worldwide service capability with the objective of being close to the wind farm owner. Each service center is staffed with trained engineers and technicians that provide periodic service and maintenance to sustain and improve performance over the blade's lifetime. The Group also offers logistics services for the cost-effective and secure transportation of blades to overseas locations.

Offshore blades

The offshore market for wind farm installation has been steadily increasing—though presently comprising only 2% of global installed capacity—MAKE projects offshore wind will increase to about 15% by 2020, mainly in the European and Chinese markets. European governments have been supporting the growth of offshore wind energy with attractive subsidy payments, aiming to help lower carbon emissions in the electricity sector. According to GWEC, more than 90% of the world's offshore wind power is currently installed off northern Europe. The Group's planned facility in France will be optimally positioned to service this enormous market concentration. The Group has well-established experience in the offshore market, pioneering the installation of the first 73.5 meter blades on the largest offshore wind turbine in the world in 2012. Although the harsh environment at sea puts greater demands on turbine reliability, the Group has led the field with a proven track record from several offshore projects with blades for 5-6 MW turbines. The Group also specializes in blade length, boosting energy capture while keeping loads down, which helps lay the technological foundations for the 90+ meter blades that are expected to power future offshore turbines of up to 10 MW. The Group has also introduced two new offshore blades into the Chinese market: the 73+ meter blade and the 66.6 meter blade.

Warranties

The Group typically offers a standard two-year warranty on its products, warranting that blades comply with blade specifications and/or that blades are fit for their agreed purpose. Events such as lightning strikes, customer negligence or failure to handle or operate the blades within the blade specifications are usually exempt from warranty. Furthermore, warranty conditions normally do not cover the costs of demounting offshore blades, but rather only cover costs as of and when blades are brought onshore. The Group has warranty provisions in place that are included in the Group's audited financial statements. Historically, the Group has sought to limit its total liability under customer agreements to a fixed percentage of annual revenue under such agreements as well as to exempt the Group from liability for indirect loss.

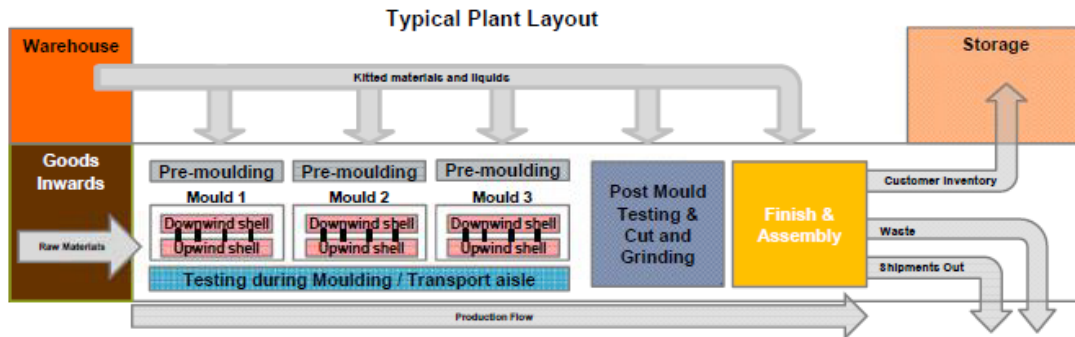
Production and operations

Production network

The Group maintains 12 blade manufacturing facilities: four in Europe, four in the Americas, three in China and one in India. The Group's flexible manufacturing system allows it to quickly align capacity with demand and to cost-effectively expand production where needed. All the Group's facilities use a standardized design and production process, which aids in improving efficiency across the operation network. The Group believes it has sufficient capacity to meet rising global demand across a variety of markets in the near future. In 2013, the Group produced 55,243 tons of blades.

Production process

The cost-efficient manufacturing of high-quality blades requires a highly standardized production process. The Company focuses on three key steps in the blade manufacturing process: 1) molding, 2) testing, cutting and grinding, and 3) finishing and assembly.



In the molding process, two fiberglass shells are integrated into the mold along with an internal web in order to create the basic blade shape. Excess fiberglass and glue is then eliminated through cutting and grinding, after which the blade is inspected for defects using ultrasonic and infrared devices. Finally, the blades are painted and any add-ons are attached.

Manufacturing 2.0 process

The Group has begun implementation of its Manufacturing 2.0 process, whereby upwind and downwind shells are placed in a line instead of in parallel. The shells are then pressed together in a cradle rather than in the line. This process enables a facility to have only one production line instead of two, opening a wider variety of plant lay-out options. Additionally, in time it may be possible for the blades to be transported in their separate upwind and downwind halves, then placed in the cradle at the wind farm site. Such a process could dramatically reduce blade transportation costs.

The benefits of this process, which is currently in place in North America, has been a 45% reduction in takt time, resulting in a 23% increase in output over the standard factory configuration. In addition, reusability of molds has resulted in a planned reduction in capital expenditure.

Transport

The size of the Group's blades requires complicated and often costly methods of conveyance. Blades must be transported using large carriers, including trucks, cargo planes, ships and barges, using methods that do not risk damage to the product. The Group is well positioned to provide blade manufacturing for a range of customers through its global footprint by manufacturing in closer proximity to installation sites, thereby reducing conveyance costs. The Group also employs sophisticated logistical systems to offer comprehensive transport services for its customers, providing transportation of blades from any of its facilities worldwide. The Group has been able to leverage its global network to improve transportation efficiency, route optimization, and contract negotiation, thereby enabling easier communication for the customer and a low total delivery cost. The Group's engineering team has developed the "Pack and Stack" model of transporting wind turbine blades, which features collapsible brackets that allow cradles to be stacked upon one another, accommodating transport either by air, sea or road.

Raw materials

The majority of the Company's products are constructed from a glass fiber and polyester matrix. The blade's composite materials are selected according to specific performance standards, which are rigorously quality controlled. The Group works with suppliers to source specially developed raw materials that align with the demands required from in-house technological development. The Company has also successfully implemented a program, PACE, designed to improve sourcing through close collaboration with suppliers, while simultaneously

reducing costs. In addition, increased localization of the sourcing of raw materials, particularly in the Group’s Asia-based divisions, has resulted in a reduction in the costs and delays associated with customs clearance.

Customers

The Company has a blade customer portfolio of 20 customers, including four of the 10 largest wind turbine manufacturers and four of the six largest non-captive wind turbine manufacturers in the world. The Company’s customer base comprises a broad geographic range, thereby limiting the risks associated with a loss of a key account or particular market downturn. In 2013, the Group’s largest single customer accounted for 24% of 2013 revenues.

The Group has developed long-standing relationships with its key customers through long-term contracts, integrated product development and business development cooperation. On average, the Group has had relationships with each of its four customers for more than 10 years. Customer success is achieved through the ability to offer a standardized product of consistent quality worldwide through the Group’s global footprint. The Group typically enters into multi-year contracts with customers under which the customer will commit either to using the Group for a defined share of their wind turbine blade installations or to defined volumes.

In addition, customer relationships have been developed through the integrated development of new blades customized to the customer’s product specification. The Group developed its 70+ meter blade in collaboration with Alstom and its 73.5 meter offshore blade in accordance with the customer’s specifications. The Group plans to inaugurate a new facility in France dedicated to producing these blades for the French offshore market. A variant of the 73+ meter blade has also been introduced into the Chinese market.

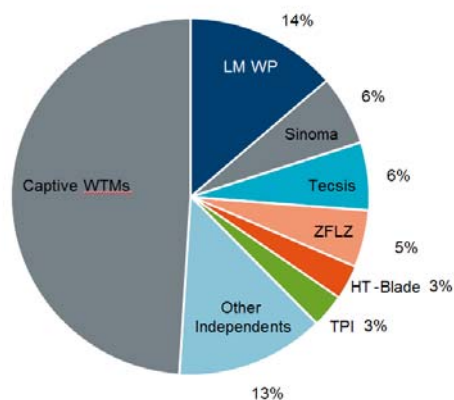
Backlog

The Group monitors its backlog as it provides the Group with visibility into its future performance. As of January 2014, the Group’s aggregate contracted backlog totaled approximately EUR 389 million, which is a 34% increase over the same period in the previous year. The Group believes the backlog figures are firm, subject only to cancellations. Although in certain circumstances projects may be delayed, in these circumstances the contract typically rolls forward and the revenue remains on the backlog until the project commences.

Key competitors

In 2013, the Group was the leading supplier of blades worldwide as measured by megawatts installed. In 2013, the Group achieved a 14% market share—approximately two times the share of its nearest competitor, as measured by MW installed—ahead of non-captive rivals such as Tecsis, Sinoma, TPI Composites, Zhongfu Lianzhong Composites Group Co., Ltd. and Zhonghang Hui Teng Windpower Equipment Co., Ltd., and in front of leading in-house rivals Vestas, Siemens, and Enercon.

Approximately half of blade production is in-house, or “captive”. The chart below illustrates the market share held by certain blade suppliers in 2013, demonstrating that in 2013 the Group held approximately 26% of the non-captive segment with the remaining competitors largely servicing regional markets:



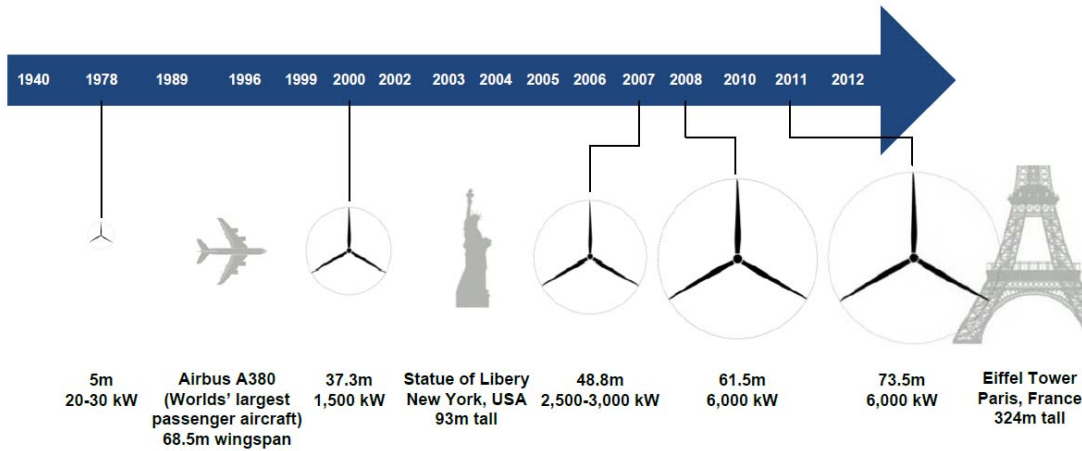
(1) Source: MAKE

The Group believes captive WTMs may increasingly use independent blade producers in order to reduce capital expenditures and introduce flexibility in the supply chain as the industry consolidates. According to MAKE, the production of outsourced blades is expected to increase from 50% in 2013 to 63% in 2018, further expanding the Group's addressable market. The Group believes its competitive position is the result of a combination of the changing competitive landscape, comprising more than 50% less competitors and 21% less capacity by blade MW production since 2010, and the Group's ability to offer quality, competitively priced products that optimize AEP through a well-established, global footprint.

Research & development

The Group has a global center of research and development in Kolding, Denmark, in addition to regional operational centers in the Netherlands and India, which are staffed with more than 330 professionals. The Group has made continuous investments in research and development, devoting more than 3% of revenue to innovation projects over the past five years. More than 70% of the Group's products have been developed over the past 5 years, driven by the goal to produce long-lasting, cost-effective products that perform in a range of environmental conditions. The Group has consistently been at the forefront of technological development, and holds over 900 patents.

As shown in the following graphic, the Group's research and development team has consistently developed longer and more complex blades over the past 35 years:



The Company conducts extensive research and development in close collaboration with both customers and leading research institutions, participating in a number of major national and international multi-stakeholder programs that seek to create breakthrough innovations for wind energy. The Group collaborates with institutions such as the National Laboratory for Sustainable Energy Risø DTU, Aalborg University and thermoplastics specialist Comfill. The Company is also involved in developing a novel microcellular polymer nanocomposite foam that would replace heavier materials in the blade manufacturing process.

Research has led to new products that the Group plans to make available in 2014 and 2015 to focus on the 2 MW and 3 MW segments as well as continued development in the key offshore segment. A significant portion of research and development capacity is also dedicated to improving quality through process and procedure improvement, in addition to reducing cost through specification changes and sourcing of more cost-effective suppliers.

Intellectual property

As a global pioneer in the technological advancement of wind power component design and production, the Group maintains over 900 patents specific to wind turbine blades. Active patents encompass the fields of lightning protection, blade aerodynamics, blade and rotor design, production technology, blade monitoring systems, service and inspection systems and logistics. Continuous investments in new product development have allowed for a constant revitalization of the Group's product portfolio, developing and launching 4 to 10 new blades or blade variants each year.

Employees

The Company has a global presence, employing over 4,800 people in 23 different locations in 12 countries, as of December 31, 2013.

Health and safety

The Group has extensive policies in place and guidelines to train managers and employee. The Group constantly introduces safer materials, equipment, processes and tools for production. The metrics used to measure health, safety and the environment performance have indicated long-term improvements.

Governmental proceedings and litigation

The Group has been in negotiations with a customer regarding alleged defects relating to a component designed by the customer which was then attached to the blades by the Group. The customer has formally claimed that the Group should initiate a repair campaign and threatened litigation. The Group is contesting the claim.

As is typical for multinational companies, the Group is subject to regular tax audits, and in some instances the Group may make additional payments as a result of tax audits. A tax audit, mainly relating to transfer pricing, in relation to LM Wind Power A/S was commenced in June 2012. On 1 May 2014, the Danish tax authorities notified LM Wind Power A/S through a pre-assessment notice of their intention to increase their assessment of LM Wind Power A/S's pre-tax income for the years 2008 through 2012. Based on this pre-assessment, which has not yet been rendered as a final assessment, the Danish tax authorities contend that the transfer pricing applied in transactions in those years between LM Wind Power A/S and the foreign subsidiaries of LM Wind Power A/S did not reflect the market prices. The Group strongly disagrees with the views of the Danish tax authorities as expressed in the pre-assessment notice. The Group intends to enter into a dialogue with the authorities with the intention of clarifying the claim's factual background. The Group believes that it may be able to correct the basis for the claim such that it is reduced or withdrawn. Additionally, if the claim is not withdrawn, the Group has the ability to contest this claim, which may take several years to resolve. To the extent additional tax liabilities in Denmark crystallize, the Group would seek reduce any additional pre-tax income recognized in Denmark against any available tax loss carry-forwards and recover such liabilities in other jurisdictions in accordance with OECD guidance. The Group does not intend to quantify any contingent tax liabilities regarding this assessment in the Group's financial statements at this time. In the opinion of the Group, the inter-Group pricing of transactions has been applied correctly. However, there can be no assurance about the outcome of the audit. The Group has already recognized this pre-tax income in other jurisdictions in which it operates and, to the extent additional tax liabilities are due on this income, it would seek to offset such tax liabilities in other jurisdictions. Some jurisdictions in which we seek to offset any additional pre-tax income assessed in Denmark may have lower tax rates than Denmark, which would limit our ability to offset such additional liabilities. To the extent the Group is unable to reduce or offset any such additional liability, this may have a material adverse effect on the Group, including on its financial position and liquidity. Indian tax authorities have challenged the deductibility of certain intercompany charges payable by LM Wind Power Blades (India) Private Ltd., relating to the fiscal years 2005 through 2010. The company has appealed these assessments. As these audits are ongoing, the potential risk associated with such audits has not yet been determined. A tax audit in relation to the Spanish entities commenced in May 2011 and concluded in December 2012, in relation to the fiscal years 2006 through 2009, mainly relating to income, non-resident withholding and VAT taxes. The Company made a full and final negotiated payment in 2013.

The Group is not currently engaged in any material litigation, arbitration, prosecution or other legal proceeding, and there are no such proceedings that are pending against the Group of which the Group is aware. The Group may become involved in such matters from time to time in the course of its business operations. Furthermore, the Group has not been engaged in any material governmental, legal or arbitration proceedings over the past 12 months, which, to the best of the Group's knowledge, may have or may have had in the recent past significant effects on the Issuer and/or the Group's financial position or profitability.

Financial position

There has been no significant change in the Group's financial or trading position since December 31, 2013. There has been no material adverse change in the prospects of the Group since December 31, 2013.

Description of material contracts

Friction Holding A/S entered into a share purchase agreement (“SPA”) on November 6, 2013 with Altra Industrial Motion Denmark APS (as “Purchaser”) and Altra Holdings, Inc. (now Altra Industrial Motion Corp.) pursuant to which it sold the Group’s brakes division to the Purchaser. The transaction completed on December 17, 2013. The SPA included typical protections given by a seller on a sale of shares, including warranties in respect of the group of companies and the businesses operated by those companies, and certain specific indemnities to address known risks. In connection with such warranties and indemnities, certain amounts have been escrowed.

Except as otherwise disclosed in this section “—*Description of material contracts*” and to the best of the Issuer’s and any Guarantors’ knowledge, there are no material contracts entered into other than in the ordinary course of the Issuer’s or Guarantors’ businesses, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer’s or the Guarantors’ ability to meet their obligations to Noteholders in respect of the Notes being issued.

Regulation

The Group’s business has been and will continue to be affected by subsidization of the wind turbine industry with its influence declining over time as wind energy reaches grid parity with traditional sources of energy. The following section addresses changes in subsidies, tax incentives and mandates that affect the Group’s customers and thereby have a significant impact on the Group’s revenue.

Europe. Large EU members have renewable energy targets for 2020 of between 13% and 49% of all energy use derived from renewable energy sources, according to MAKE. To incentivize target compliance, most member states adhere to a tariff scheme, which accelerates investment in renewable energy technologies by offering long-term contracts to renewable energy producers, or a cap and trade program. Wind power producers are typically awarded a higher per megawatt price under this policy mechanism.

Americas. Although the United States has no federal renewable mandates in place, the U.S. government employs a tax incentive structure to encourage capital investment in renewable energy. Twenty-nine states and the District of Columbia have instituted mandatory targets supporting an annual average installation rate, which have in turn driven an increase in the installation of wind turbines. The PTC was renewed in early 2013 and supports production through 2015. Most Canadian provinces offer subsidy support in the form of tariffs or energy auctions. Brazil is currently seeking to diversify its power supply through renewable energy auctions actions, with subsidized financing from the Brazilian Development Bank. Mexico has established strict targets, aiming for 35% renewable energy by 2024 and 50% by 2050, according to MAKE, which it is facilitating through tax incentives.

Asia Pacific. According to MAKE, China is currently implementing a 5-year plan with a goal of 15% total primary energy from non-fossil sources and targeting 200 GW of grid-connected wind capacity by 2020, while India has a national action plan targeting 15% of renewable energy by 2020, supported by the recently renewed Generation Base Incentive covering wind farms built before 2017. Both countries employ preferential feed-in tariff schemes, in addition to local tax-based incentives.

Africa. Many African nations have national wind targets in place. Countries typically incentivize target compliance through tax breaks, subsidizes and 20-year guaranteed power purchase agreements.

GLOSSARY OF TECHNICAL TERMS

The following technical terms and abbreviations when used in this Prospectus have the definitions ascribed to them opposite below, except where otherwise indicated.

Abbreviation	Definition
<p>“Annual Energy Production” or “AEP” “blades”</p>	<p>A turbine’s net annual energy production, calculated as the period of time the turbine’s blades are active multiplied by the output per hour. The component of a wind turbine that captures the wind and converts its motive energy into the rotation of the hub.</p>
<p>“British thermal unit” or “BTU”</p>	<p>A traditional unit of energy equal to the amount of energy needed to cool or heat one pound of water by one degree Fahrenheit.</p>
<p>“captive manufacturing” “carbon footprint”</p>	<p>Insourced production. The total sets of greenhouse gas emissions caused by an organization, event, product or person.</p>
<p>“electricity generation” “fossil energy” or “fossil fuels”</p>	<p>The process of generating electrical power from other sources of primary energy. Fuels formed by natural processes that typically contain high percentages of carbon, including coal, petroleum, and natural gas.</p>
<p>“gearbox”</p>	<p>Connects the low-speed shaft to the high-speed shaft to increase the rotational speed from roughly 30-60 RPM, to about 1,000-1,800 RPM, which is the rotational speed required by most generators to produce electricity.</p>
<p>“generator” “gigawatt” or “GW” “greenhouse gas”</p>	<p>Turbine components that produces electrical voltage One billion watts. A gas in an atmosphere that absorbs and emits radiation within the thermal infrared range, causing the greenhouse effect, which causes the warming of the Earth’s surface.</p>
<p>“grid parity”</p>	<p>Occurs when an alternative energy source can generate electricity at a cost that is less than or equal to the price of purchasing power from the electricity grid.</p>
<p>“Henry Hub Index”</p>	<p>The pricing point for natural gas futures on the New York Mercantile Exchange, used as a benchmark for the entire North American natural gas market.</p>
<p>“hub” “kilowatt-hour” or “kWh”</p>	<p>The center of the rotor to which the rotor blades are attached. A unit of energy most frequently used to measure energy production and consumption, equivalent to one kilowatt (1000 W) of power expended for one hour.</p>
<p>“kinetic energy” “megawatt” or “MW” “nacelle”</p>	<p>The energy an object possesses due to its motion. One million watts The upper enclosure of a wind turbine that contains its generating components, including the generator, gearbox, drive train, and brake assembly.</p>
<p>“non-captive manufacturing” “primary energy demand”</p>	<p>Outsourced production. The consumption of crude energy that has not been subjected to any conversion or transformation process.</p>
<p>“Production Tax Credit” or “PTC”</p>	<p>A federal subsidy regime implemented in the United States that provides financial support for the development of renewable energy facilities.</p>
<p>“revolutions per minute” or “rotations per minute” or “RPM” “rotational energy” “rotor” “shaft”</p>	<p>The number of turns completed in one minute around a fixed axis. The kinetic energy due to the rotation of an object Blades and hub together form the rotor. Connects the rotor to the generator. As the shaft spins with the rotor; the rotor transfers its mechanical, rotational energy to the shaft, which then transfers the energy to the generator.</p>
<p>“shale gas” “takt time”</p>	<p>Natural gas that is found trapped within shale formations. The pace for industrial manufacturing lines that matches production cycle times to the rate of customer demand.</p>
<p>“tower” “watt” or “W”</p>	<p>Supports the structure of the turbine. The derived unit of power, defined as one joule per second, that measures the rate of energy conversion or transfer.</p>
<p>“wind class”</p>	<p>Categorizations of wind conditions as a factor of wind speed and turbulence intensity.</p>
<p>“wind turbine” “WTM”</p>	<p>A device that converts kinetic energy from the wind into electrical power. Large wind turbine manufacturers that typically insource turbine component production.</p>

MANAGEMENT

Board of Directors

The board of directors of each of the Issuer and Parent consist of Leendert Matheus Schot, Damien Harte, Frank Virenfeldt Nielsen, Søren Høffer and John Joseph Leahy (chairman). Søren Høffer is registered as deputy chairman in the Parent (no deputy chairman is registered for the Issuer). The registered business address for the board of directors for the Parent and the Issuer is Jupitervej 6, 6000 Kolding, Denmark.

Executive Management and Management Team

The executive management (registered with the Danish Business Authority) of each of the Issuer and the Parent is composed by Leendert Matheus Schot who is the Chief Executive Officer. In addition, the management team of the Group includes Damien Harte, Miguel Angel Balbuena, Richard Andrew Bevan, Randall Hoeflein, Søren Høffer, Roel Schuring and Christopher Springham. The registered business address for executive management for the Parent and the Issuer is Jupitervej 6, 6000 Kolding, Denmark.

Neither current nor potential conflicts of interest exist between any duties to the Group by the individuals listed in this section and their private interests or other duties they perform outside the Group.

Biographies

Board of Directors

Damien Harte was appointed to the Issuer's and Parent's boards of directors in 2014. He became the Chief Financial Officer of the Group in 2010. Mr. Harte was previously the CFO at Brake Brothers Foodservices, Channel 5 and Allied Leisure. He has also held positions at Zolfo Cooper, Consensus Business Group, Whitbread and Rover Group. He holds a Bachelor of Commerce from University College Dublin and a Masters in Business Administration from the University of Chicago.

Søren Høffer was appointed to the Issuer's board of directors in 2009 and the Parent's board of directors in 2012. He became the Group's Vice President for Sales & Marketing in 2013. He was with the law firm Kromann Reumert before joining the Group. He has been in charge of the company's legal and commercial affairs for years, initially as a corporate lawyer and later on as the Vice President for Corporate Staff. He has a Master of Law/Bachelor in Business and Law from Aarhus Universitet.

Frank Virenfeldt Nielsen was appointed to the Issuer's board of directors in 2011 and the Parent's board of directors in 2012. He was Group's Vice President for Business Development & Strategic Alliances from 2012 to 2014. Mr. Nielsen was previously the Group's Chief Technology Officer. He previously held positions as manager of Vestas blade factories and group production development manager at Vestas Wind Systems.

Leendert Matheus Schot was appointed to the Issuer's and Parent's boards of directors in 2014. He became the Chief Executive Officer of the Group in 2012. Mr. Schot has wide-ranging experience from the aerospace industry and wind energy sector. He was CEO for Global Supply Chain in Siemens Wind Power and held senior executive positions at Fokker Special Products, Fokker Aircraft, Enron Wind and GE Wind Energy before joining the Group. Mr. Schot has a degree in mechanical engineering from the Institute of Technology in Rotterdam, the Netherlands.

John Joseph Leahy was appointed to the Issuer's board of directors in 2010 and the Parent's board of directors in 2012. He joined Doughty Hanson in 2002 as the founding member and Head of the Value Enhancement team. He is responsible for the identification, implementation and management of strategic processes that enhance value and the promotion of value-creating sustainable business practices across the Doughty Hanson portfolio companies. He is also a member of the Investment Committee. Prior to joining Doughty Hanson, Mr. Leahy worked in turnaround consulting for five years for PricewaterhouseCoopers and Arthur Andersen. Mr. Leahy's qualifications include a CPA from the Institute of Certified Public Accountants and a Master of Business Administration from Edinburgh University. Other directorships include Zobe Holding S.p.A. and TV3 Television Network Limited.

Executive Management and Management Team

Miguel Angel Balbuena became the Group's Vice President for Quality & Health, Safety and Environment in 2013. He has more than 20 years' experience from the Spanish renewable industry. Before joining LM Wind

Power, Mr. Balbuena was responsible for operations in the solar panel manufacturing company, BP Solar España, S.A. He has a BSc in physics, a Master of Business Administration degree and is an Environmental Certified Auditor.

Richard Andrew Bevan became the Group's Vice President for Operations & Sourcing in 2012. He has extensive international experience from several executive positions at the senior vice president level, from a range of industries including automotive, automation, apparel and packaging.

Damien Harte. See above.

Randall Hoefflein became the Group's Vice President for the Asia Pacific region in 2013. He has broad senior executive experience at global technical companies such as Rockwell Automation, Honeywell, Marconi and Otis Elevator. He holds a Bachelor of Science in electrical engineering and a Master of Business Administration degree.

Søren Høffer. See Above.

Roel Schuring became the Group's Vice President for Engineering in 2012. He was previously professor at Twente University and spent several years in management consultancy, working with a wide range of industrial companies within aerospace, automotive and electronics. He holds a Master degree in industrial engineering and mechanical engineering, in addition to a doctorate in process modeling.

Leendert Matheus Schot. See above.

Christopher Springham became the Group's Vice President for Communications and Human Resources in 2011. He has more than 25 years working in media, energy and aerospace sectors. Mr. Springham was previously with Mobil Oil in senior international roles and Rolls-Royce plc as Director, Media Relations.

Boards of Directors and Executive Management of Guarantors

Miguel Angel Balbuena. See above.

Richard Andrew Bevan. See above.

Bill Burga, Jr. was appointed to the board of directors of LM Wind Power Services (Americas), Inc. 2008. Mr. Burga is also the Head of Operations Americas in the Group. Mr. Burga was previously Vice-President of Operations at Trostel Ltd. He has also held positions at Florida Production Engineering and Cooper Standard Automotive, formerly Standard Products Co. and Inland Div GMC, where he spent 22 years. He holds a Bachelors in Management from Pacific Western University.

Manfred Egelwisse was appointed to the board of directors of Friction Holding A/S in 2012 and the Industrial Board of the Group in 2012. He is currently a managing director and owner of MER Consult. Mr. Egelwisse is also on the boards of LDW GmbH, Bremen, Germany since 2013 and Eshova Beheer BV, Terborg, Netherlands, since 2012. Mr. Egelwisse was previously the CEO of Flender AG from 2006 to 2010 and Chairman of the supervisory board in Winergy AG during the same period. His background and experiences is electro-mechanical power transmission and applications of the energy industry, in particular the wind energy sector.

Damien Harte. See above.

Søren Høffer. See above.

Yvan Laniel was appointed to the board of directors of LM Wind Power Blades (Canada) Inc. in 2009 as Canadian resident director and was also appointed to the board of 4305825 Canada Inc. at the same time. Mr. Laniel is also the Controller, Operations of the Canadian facility in the Group. Mr. Laniel holds a Master Degree in Commerce from the University of Sherbrooke, Quebec, Canada and a CPA professional designation.

Morten Kjul Larsen was appointed to the board of directors of LM Wind Power A/S in 2011 as employee representative. Mr. Larsen is also employed as a technician in the Group.

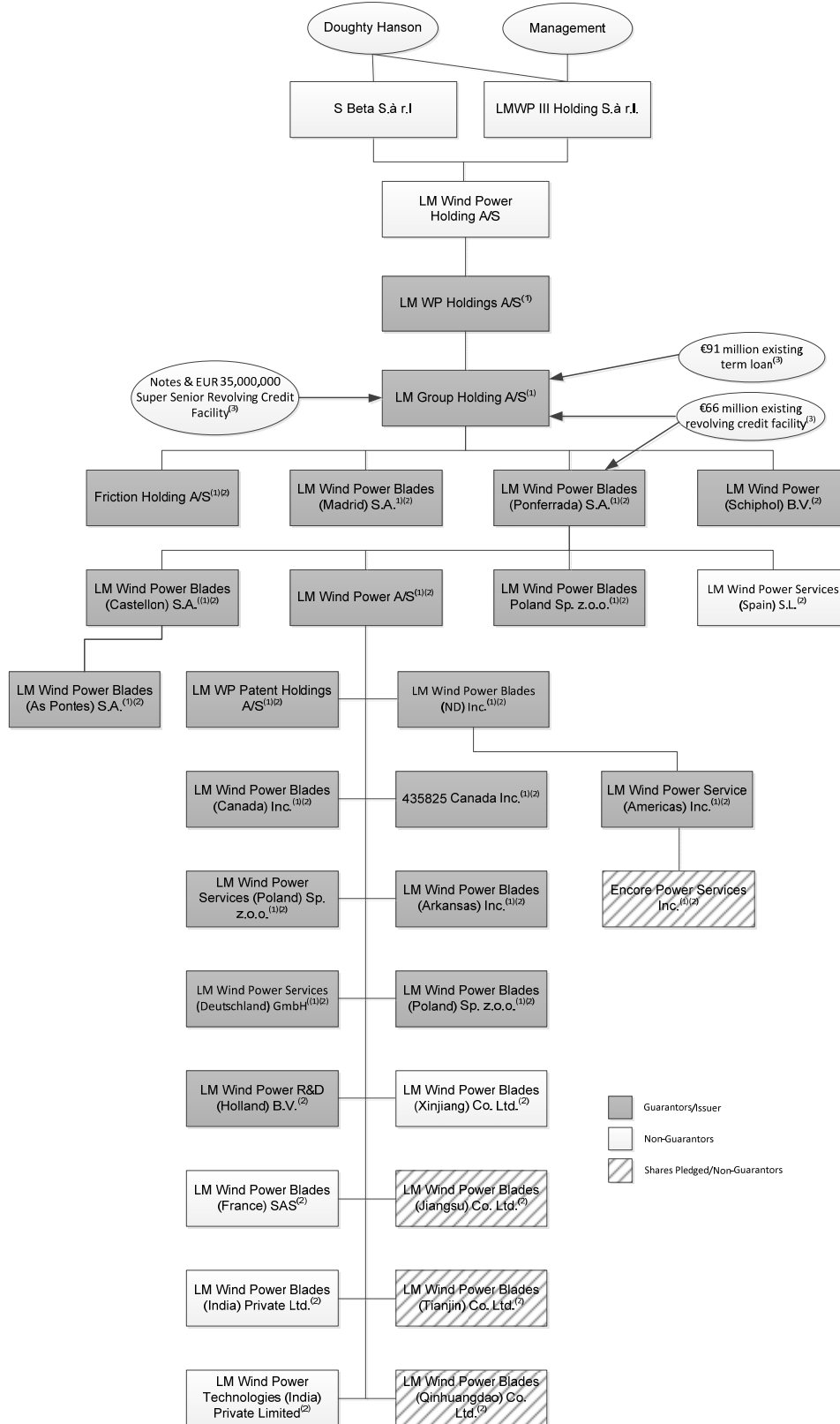
Frank Virefeld Nielsen. See above.

Leendert Matheus Schot. See above.

For a list of the Boards of Directors and Executive Management of the Guarantors see “*Other Information—Description of the Parent, Issuer and Guarantors*”.

OWNERSHIP STRUCTURE

The below chart shows the structure of the Group:



-
- (1) LM Group Holding A/S issued the Notes. LM WP Holdings A/S and certain subsidiaries of LM Group Holding A/S guarantee the Notes. The subsidiary guarantees are subject to contractual and legal limitations, and may be released under certain circumstances. The obligations of the Parent, Issuer and subsidiary guarantors under the guarantees of the Notes are secured as described under “Conditions”.
 - (2) All Subsidiaries, as defined in “Conditions”, are subject to certain restrictions as described in “Conditions”.
 - (3) The EUR 66 million existing revolving credit facility (EUR 43.1 million of which is held by the Issuer and EUR 22.7 million of which is held by LM Wind Power Blades (Ponferrada) S.A.) and EUR 91 million existing term loan are to be repaid with the proceeds from the Notes issued hereby.

LM Wind Power Holding A/S is the ultimate owner of the Parent, the Issuer and all subsidiary Guarantors. The Issuer, the Parent and all subsidiary Guarantors are wholly owned subsidiaries, as shown in the ownership structure above. As the Issuer has no revenue generating operations of its own, it is dependent upon the operation of each of its subsidiaries. Some Guarantors are dependent on other Group subsidiaries. The Group has global customers that provide business to multiple subsidiaries, has centralized funding to benefit from economies of scale serviced by global cash generation and various global cash pool arrangements.

The Group is not presently aware of any arrangements the operations of which may result in a change of control of the Issuer or any Guarantor subsequent to the date of this Prospectus.

MAJOR SHAREHOLDERS

As of the date of this Prospectus, the Issuer is a wholly owned subsidiary of the Parent, which in turn is wholly owned by LM Wind Power Holding A/S. LM Wind Power Holding A/S is partly owned by S Beta S.à r.l. and LMWP III Holding S.à r.l.

S Beta S.à r.l. is ultimately controlled by Doughty Hanson & Co V LP No.1, London, Doughty Hanson & Co V LP No.2, London (together, the “Fund V Partnerships”) and certain co-investors (mainly employees and directors of Doughty Hanson). Each shareholding is registered in the name of separate nominee companies. Doughty Hanson is the manager of each of the Fund V Partnerships and as such acts on behalf of each Fund V Partnership and is authorized, under the relevant limited partnership agreement, inter alia to direct the exercise of the voting rights by the nominee holder.

LM WP III Holdings S.à r.l. is ultimately controlled by Doughty Hanson & Co III Limited Partnership No. 1, No. 2 and Nos. 9 through 16, London and DHC Glasfiber (Bermuda) L.P., Bermuda, whose limited partners are Doughty Hanson & Co III Limited Partnership Nos. 3 through 8, London, and Doughty Hanson & Co Limited Partnership A, London are the shareholders of LMWP III Holding S.à r.l.

No specific measures have been put in place to ensure that such control is not abused.

RELATED PARTY TRANSACTIONS

There are no related party transactions that have been entered into outside the ordinary course of the Group's business that could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Noteholders in respect of the Notes being issued.

LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEE AND SECURITY INTERESTS

Set out below is a summary of certain limitations on the enforceability of the Guarantee and the security interests in each of the jurisdictions in which Guarantee or Transaction Security are being provided. It is a summary only and proceedings of bankruptcy, insolvency or a similar event could be initiated in any of these jurisdictions and in the jurisdiction of organization of a future guarantor of the notes or Transaction Security will be located. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's law should apply and could adversely affect the Noteholders ability to enforce their rights and to collect payment in full under the Notes, the Guarantees and the security interests on the Transaction Security. Also set forth below is a brief description of certain aspects of insolvency law in the European Union, Denmark, Spain, Germany, the Netherlands, Poland, China, Canada, and the United States.

European Union

The Group and several Guarantors are organized under the laws of Member States of the European Union. Pursuant to Council Regulation (EC) No. 1346/2000 of 29 May 2000 on insolvency proceedings (the "E.U. Insolvency Regulation"), which applies within the European Union, other than Denmark, the courts of the Member State in which a company's "centre of main interests" (as that term is used in Article 3(1) of the E.U. Insolvency Regulation) is situated have jurisdiction to open main insolvency proceedings. The determination of where a company has its "centre of main interests" is a question of fact on which the courts of the different Member States may have differing and even conflicting views. The courts of all Member States (other than Denmark) must recognize the judgment of the court opening main proceedings which will be given the same effect in the other Member States so long as no secondary proceedings have been opened there. The liquidator appointed by a court in a Member State which has jurisdiction to open main proceedings (because the company's center of main interests is there) may exercise the powers conferred on him by the law of that Member State in another Member State (such as to remove assets of the company from that other Member State) subject to certain limitations so long as no insolvency proceedings have been opened in that other Member State or any preservation measure taken to the contrary further to a request to open insolvency proceedings in that other Member State where the company has assets.

Denmark

The Group and several Guarantors are organized under the laws of Denmark. Accordingly, any insolvency proceedings with respect to the Group and its Danish subsidiaries may proceed under, and be governed by, the insolvency laws of Denmark. These laws may adversely affect the enforcement of Noteholders' rights under the Notes and may not be as favorable to their interests as a creditor as the laws of other jurisdictions. In a Danish bankruptcy, the debtor's assets are liquidated and the proceeds are distributed to the creditors based on a priority of claims. Such liquidation may not yield the same value to the creditors as a reorganization and sale of a going concern. As a general rule, the debtor or any creditor may present a petition for bankruptcy. A bankruptcy requires the bankruptcy court to be satisfied that the debtor is insolvent based on a statement of the debtor's liquidity status. A bankruptcy petition by a creditor is barred if the creditor is adequately protected in the event of the debtor's insolvency by means of good and valid security. If bankruptcy proceedings are commenced, payments under the Notes may be delayed and may not be made in full. Provisions on avoidance and set off may adversely affect the enforcement of rights under the Notes. Security interests (except for those qualified as "*håndpant eller anden tilsvarende sikkerhedsret*" under the Danish Insolvency Act (*Konkursloven*)) may only be enforced by the insolvency administrator, and the creditors cannot demand enforcement of such security interests until six months after the declaration of bankruptcy. Danish insolvency law also includes a scheme for reconstruction of insolvent companies. In broad terms, this scheme provides for reconstruction of an insolvent company by transfer of the business in full or in part, by a compulsory composition/moratorium or by a combination of both. During the reconstruction procedure, creditors are restricted in their ability to enforce the claims, however valid security may be enforced under certain conditions. If a restructuring procedure fails bankruptcy proceedings will be initiated against the debtor.

The Danish bankruptcy scheme is based on the fundamental principle of *pari passu* satisfaction of the debtor's creditors. However, claims against the debtor are subject to priority ranking, giving first priority to costs incurred during the bankruptcy proceedings, including the fee for the trustee. Second rank is given to claims incurred during preceding restructuring proceedings and other costs incurred with the approval of the reconstructor. Third rank, "privileged claims," are mainly salary claims, including salary income taxes (relating to salary claims being filed) but excluding salary claims from the top management. After fulfillment, if any, of these priority ranking claims, in the above order, any excess proceeds will be distributed among all ordinary,

unsecured creditors. Interest accrued on ordinary claims will rank as ordinary claims up to the date of the bankruptcy order, after which date the accrued interest will rank as a deferred claim. Deferred claims include, among others, subordinated loans and penalties. In the event of bankruptcy, claims in foreign currencies will be converted into Danish kroner using the relevant currency rate as of the date of the bankruptcy order. The status of a claim is dependent upon express statutory authority (except for subordinated loans). Danish bankruptcy law contains several provisions enabling the trustee to initiate proceedings to have certain transactions prior to the bankruptcy avoided. Some avoidance provisions require the payment or security to be granted within three months before the date of the bankruptcy petition being filed. In some cases, however, avoidance can be claimed for payments or security granted within two years or more before the date of the bankruptcy petition being filed. Under Danish bankruptcy law, payments made by a Danish Group Company could be void if, among other things (i) payments are made before they are due or with an amount that has a distinctly impairing effect on such Danish Group Company's ability to pay its debts, provided the payment does not appear to be ordinary; (ii) payments are made after the date when a petition for bankruptcy was filed, or (iii) payments are made in an improper way that favors a creditor to the detriment of the other creditors, provided that such Danish Group Company was or became insolvent by the payment and the beneficiary knew or ought to have known about the insolvency and the circumstances that made the payment improper. Granting of security could be void under Danish bankruptcy law if, among other things (i) security for the debts was not granted to the creditor before or at the time the debt was incurred; or (ii) security was not perfected without undue delay before or at the time the debt was incurred. The timing requirements in respect of granting of security and perfection are interpreted very strictly under Danish law and should be considered carefully by the creditor. The proper act of perfection with respect to the Transaction Security in the form of assignment of receivables to be granted by Danish Group Companies may not be perfected until the occurrence of an acceleration event and is therefore subject to a avoidance risk. Under Danish bankruptcy law the issuance of guarantees may be subject to avoidance if, among other things (i) the issuance was made at a time when the issuer was insolvent, (ii) the issuance is without due consideration, and/or (iii) between closely related parties. A claim for avoidance can be made against the main debtor or against the beneficiary. Any proceeds relating to a voidable claim are considered an asset of the bankruptcy estate and are to be distributed to the creditors in accordance with the rules governing priority of debts in bankruptcy.

It is a requirement under Danish law that a guarantor or security provider obtains an adequate corporate benefit from the issuance of a guarantee or granting of security. This is due to a requirement under Danish law that the management of the company must always ensure a proper management of the company's assets. Further, the management of the company is obliged to act in accordance with the company's individual interests, including consideration of the company's financial position, the benefits the company will obtain through and the risks related to the granting of security, assessment of the debtor, securing that the arrangement is on market terms, etc. If such benefit is not obtained, the directors of the a Danish guarantor or security provider may be subject to civil liability. It is not entirely clear under Danish case law to what extent such corporate benefit is established when a subsidiary guarantees and secures debt of a direct or indirect parent company. The Danish Companies Act contains restrictions on financial assistance by Danish limited companies. Generally, Danish companies and their Danish and foreign subsidiaries may not grant loans to, or issue guarantees or provide security for loans to, their shareholders or the shareholders of their parent companies. However, Danish companies may grant loans to, or issue guarantees or provide security for loans to, parent companies covered by Danish Executive Order No. 275/2010 (on loans etc. to foreign parent companies) which includes any entity in the corporate form of (a) a public limited company (*aktieselskab*), (b) a limited partnership company (*partnerselskab*), (c) a private limited company (*anpartsselskab*) or (d) a company with an equivalent corporate form, having its registered office in inter alia any EU or EEA country. Danish companies are generally prohibited from granting loans, guarantees or security in connection with the financing or refinancing of the acquisition of their own shares or shares in their parent companies and any such loan, guarantee or security will be invalid and unenforceable. To the extent that any such acquisition debt cannot be separated from other debt, such other debt may be deemed acquisition debt and any loans, guarantees or security granted by Danish companies for such other debt may then also be invalid or unenforceable. The prohibition on financial assistance does also extend to non-Danish subsidiaries of Danish companies. If loans, guarantees or security are granted in violation of the prohibitions above, such loans, guarantees or security will be invalid and unenforceable and must be repaid with interests. The directors may be subject to liability for losses suffered in this regard. In order to cater for issues on corporate benefit and financial assistance, the security and guarantee obligations of Danish Group Companies and their subsidiaries are subject to limitations.

Spain

Certain of the Guarantors are incorporated under the laws of Spain. As a general rule, in the event of an insolvency of any of the Spanish Guarantor, insolvency proceedings may be initiated in Spain and governed by Spanish law. The Spanish Act 22/2003 of July 9, 2003 on Insolvency Proceedings (the “Spanish Insolvency Act”), as further amended, regulates court insolvency proceedings. In Spain, insolvency proceedings are only triggered in the event of a debtor’s current insolvency (*insolvencia actual*) or imminent insolvency (*insolvencia inminente*). Under the Spanish Insolvency Act, a debtor is insolvent when it becomes unable to regularly meet its obligations as they become due or when it expects that it will shortly be unable to do so. A petition for insolvency may be initiated by the debtor, by any creditor (provided that it has not acquired the credit within the six months prior to the filing of the petition for insolvency, for inter vivos acts, on a singular basis and once the credit was mature) or by certain other interested third parties. Insolvency is considered voluntary (*concurso voluntario*) if filed by the debtor. The debtor is obliged to file a petition for insolvency within two months after it becomes aware, or should have become aware, of its state of insolvency. The Spanish Insolvency Act provides that insolvency proceedings conclude following either the implementation of an agreement between the creditors and the debtor (the “Company Voluntary Agreement” or the “CVA”) or the liquidation of the debtor. As a general rule, the debtor in a voluntary insolvency retains its powers to manage and dispose of its business, but is subject to the intervention of the insolvency administrators (*administración concursal*). In the case of mandatory insolvency, as a general rule, the debtor no longer has power over its assets, and management’s powers (including the power to dispose of assets) are conferred solely upon the insolvency administrators.

The Spanish Companies Act prohibits financial assistance for stock companies (“*sociedades anónimas*” or “S.A.”) and limited liability companies (“*sociedades de responsabilidad limitada*” or “S.L.”) in relation to the acquisition of their own shares or the shares of their direct or indirect controlling company. A guarantee or indemnity granted or assumed pursuant to the Guarantee by the Spanish Guarantor or any security interest created by the Spanish Guarantor may not extend to any obligation related to the acquisition of the shares representing the share capital of such Spanish Guarantor or, in the case of stock companies (“*sociedades anónimas*” or “S.A.”) shares representing the share capital of their direct or indirect controlling companies, or in the case of limited liability companies, shares representing the share capital of companies belonging to the group of such Spanish Guarantor, or to the refinancing of a previous debt incurred for the acquisition of shares representing the share capital of such Spanish Guarantor or shares representing the share capital of their direct or indirect controlling companies. There is, therefore, a risk that the obligations assumed by the Spanish Guarantor pursuant to the security intended to be created or guarantees to be granted pursuant to the Guarantee could be considered financial assistance under the Spanish Capital Companies Law to the extent that they refer to an institution of guarantees in connection with the prior acquisition of shares in the Spanish Guarantor or their direct or indirect controlling companies.

The Spanish Companies Act prohibits limited liability companies from issuing bonds or other securities, such as the Notes, or from guaranteeing or securing any issue of bonds or securities. Consequently, Spanish limited liability companies shall not act as Guarantors under this issue. Furthermore, in the event that any of the Guarantors that have been incorporated as stock companies convert into limited liability companies, any security or guarantee given by such companies would become null and void.

Germany

A Guarantor of the Notes is organized under the laws of Germany (“German Guarantor”). Consequently, in the event of an insolvency of that Guarantor (or any future Guarantor organized under the laws of Germany), subject to the information presented in “—European Union,” insolvency proceedings may be initiated in Germany. Such proceedings would then be governed by German law. However, pursuant to the EU Insolvency Regulation, where a German company conducts business in more than one member state of the European Union, the jurisdiction of the German courts may be limited if the company’s “centre of main interests” is found to be in a member state other than Germany (see “—European Union”). The insolvency laws of Germany and, in particular, the provisions of the German Insolvency Act (*Insolvenzordnung*) may be less favorable to the Noteholders’ interests as creditors than the insolvency law of other jurisdictions including in respect of the priority of creditors, the ability to obtain post-petition interest and the duration of the insolvency proceedings. Under German law, insolvency proceedings can be initiated either by the debtor or by a creditor in the event of over-indebtedness (*Überschuldung*) or illiquidity (*Zahlungsunfähigkeit*) of the debtor. The debtor is over-indebted if its liabilities exceed the value of its assets (based on their liquidation value) unless its continuation as a going concern is highly likely. The debtor is illiquid if it is unable to pay its debts as and when they fall due. In addition, the debtor can file for insolvency proceedings if it is imminently at risk to be unable to pay its debts as and when they fall due (*drohende Zahlungsunfähigkeit*). The insolvency proceedings are court controlled, and

upon receipt of the insolvency petition, the insolvency court may take preliminary protective measures to secure the property of the debtor during the preliminary proceedings. All creditors, whether secured or unsecured, unless they have a right to segregate an asset from the insolvency estate (*Aussonderungsrecht*), who wish to assert claims against the debtor need to participate in the insolvency proceedings. Any individual enforcement action (*Zwangsvollstreckung*) brought against the debtor by any of its creditors is subject to an automatic stay once insolvency proceedings have been opened. Secured creditors are generally not entitled to enforce their security interests outside the insolvency proceedings. However, secured creditors have certain preferential rights. Depending on the legal nature of the security interest, entitlement to enforce such security is either vested with the secured creditor or the insolvency administrator. The enforcement proceeds minus certain contributory charges for (i) assessing the value of the secured assets and (ii) realizing the secured assets are paid to the creditor holding a security interest in the relevant transaction security up to an amount equal to its secured claims. Remaining amounts are distributed among the unsecured creditors. If the German Guarantor grants security over their assets to other creditors than the holders of the Notes, such security may result in a preferred treatment of creditors secured by such security. The proceeds resulting from such transaction security may not be sufficient to satisfy the holders of the Notes under the guarantee granted by the German Guarantor after such secured creditors have been satisfied. While in ordinary insolvency proceedings, the value of the debtor's assets is realized by a piecemeal sale or, as the case may be, by a bulk sale of the debtor's business as a going concern, a different approach aiming at the rehabilitation of the debtor can be taken based on an insolvency plan (*Insolvenzplan*). If the debtor is a corporate entity, the shares or, as the case may be, the membership rights in the debtor can also be included in the insolvency plan, e.g. these can be transferred to third- parties, including a transfer to creditors based on a debt-to-equity swap. Under the German Insolvency Act, the insolvency administrator may avoid (*anfechten*) transactions, performances or other acts that are deemed detrimental to insolvency creditors and which were effected prior to the commencement of formal insolvency proceedings during applicable avoidance periods. Generally, if transactions, performances or other acts are successfully avoided by the insolvency administrator, any amounts or other benefits derived from such challenged transaction, performance or act will have to be returned to the insolvency estate. The administrator's right to avoid transactions can, depending on the circumstances, extend to transactions having occurred up to ten years prior to the filing for the commencement of insolvency proceedings.

The Guarantor of the Notes that is organized under German law is incorporated or established in the form of a GmbH (Limited Liability Company). Consequently, the grant of Transaction Security or any guaranty by this Guarantor (or of other German collateral providers in such legal form or in the legal form of a German limited partnership with a German limited liability company as general partner (*GmbH & Co. KG*)) is subject to certain capital maintenance provisions under German law. Therefore, in order to enable German subsidiaries to grant guarantees and transaction security to secure liabilities of a direct or indirect parent or sister company without the risk of violating Sections 30 and 31 of the German Limited Liability Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*), it is standard market practice for credit agreements, security agreements and guarantees to contain so-called "limitation language". In particular, if and to the extent payments under any such guarantee or, as the case may be, the enforcement of security documents would cause such German Guarantor's net assets to fall below the amount of its registered share capital (*Stammkapital*) or if and to the extent payments under any such guarantee or, as the case may be, the enforcement of security documents would deprive the German Guarantor of the liquidity necessary to fulfill its financial liabilities to its creditors, the extent of such payments or such enforcement may be restricted. German capital maintenance rules are subject to ongoing court decisions, which could further limit the access of shareholders to assets. Under German law, the validity, extent and enforceability of a pledge are strictly linked ("accessory") to the validity, extent and enforceability of the secured claims. In particular, a pledge may cease to exist if the claims secured by the pledge are transferred to new creditor(s) by way of novation or at a time when no amounts are outstanding under the secured claims. Therefore, the security interests granted as pledges have been created in favor of the Security Agent acting in its capacity as creditor of a so-called parallel debt. Pursuant to the parallel debt, the Security Agent becomes the holder of a claim equal to each amount payable by an obligor under, in particular, the Notes. It is widely believed that a parallel debt can effectively be secured by a pledge. However, there are no published court decisions confirming the validity of the parallel debt structure and of the pledges granted under German law to secure such parallel debt, and hence there is no certainty that German courts will uphold such pledges.

The Netherlands

Certain Guarantors are incorporated in the Netherlands (the "Dutch Guarantors"). In the event of an insolvency, insolvency proceedings with respect to those entities would likely proceed under, and be governed by, Dutch insolvency law. Dutch insolvency laws are different from the insolvency laws of other jurisdictions, and this may limit the Noteholders' ability to recover payments due on the Notes to an extent exceeding the limitations

arising under other insolvency laws. Under Dutch law, there are two applicable corporate insolvency proceedings: moratorium of payments (*surseance van betaling*) and bankruptcy (*faillissement*). A moratorium or suspension of payments (“moratorium”) is a court-ordered general suspension of a debtor’s obligations to its creditors. Its purpose is to facilitate the reorganization of a debtor’s debts and enable the debtor to continue as going concern. A moratorium is available at the request of the debtor on the ground that the debtor will be unable to continue payments when they fall due and could be used as a defense by the debtor against a bankruptcy application by a third-party. Upon the filing of the request for a moratorium, the court will automatically grant the moratorium on a provisional basis and appoint at least one administrator (*bewindvoerder*) of the debtor’s estate. Subsequently, the unsecured creditors must vote in a meeting convened by the court as to whether a definitive moratorium should be granted. The court will then decide whether to grant a definitive moratorium or, alternatively, the court may declare the debtor bankrupt. During both a provisional and definitive moratorium, unsecured and non-preferential creditors (including subordinated creditors) are precluded from recovering their claims from the assets of the debtor. Secured and preferential creditors (such as tax and social security authorities) may, however, proceed against the assets that secure their claims or seek to recover their claims, as the case may be, although certain conditions and restrictions apply. In Dutch bankruptcy proceedings, the assets of a debtor are generally liquidated and the proceeds are distributed to the debtor’s creditors on a pro rata basis. However, estate creditors (*boedelcrediteuren*) and preferential creditors (such as tax and social security authorities) have a right to have their claims paid before those of unsecured creditors. In addition, secured creditors can generally proceed against the assets that secure their claims without any restriction and regardless of any pending bankruptcy proceeding insofar as their claims can be satisfied out of the proceeds of the relevant collateral. Dutch tax authorities (*Belastingdienst*) have a preferential claim in respect of the collection of certain taxes, pursuant to which they are entitled to attach certain movable property found on the debtor’s premises (*bodembeslag*). The liquidator in bankruptcy can force a secured creditor to enforce its security interest within a reasonable period of time, failing which, the liquidator in bankruptcy will be entitled to sell the secured assets (if any) and the secured creditor will have to share in the bankruptcy costs, which may be significant. Unsecured creditors must submit their claims to the liquidator in bankruptcy for “verification”. Verification takes place in a creditors’ meeting that will usually only be scheduled if the liquidator in bankruptcy foresees that the proceeds of the assets will allow for a distribution to unsecured creditors. In this ‘verification meeting’, the liquidator in bankruptcy will acknowledge or contest the existence, admissibility, ranking and value of the claim. An unsecured creditor may also contest another unsecured creditor’s claim. Unsecured creditors that wish to dispute the rejection or valuation of their claims may commence proceedings before the relevant Dutch court after the verification meeting. In both a suspension of payments and bankruptcy, a freezing period (*afkoelingsperiode*) may be applicable for a period of four months. During such period secured and preferred creditors are prohibited from enforcing their security rights over assets without the prior approval of the supervising judge.

Noteholders may not be able to enforce, or recover any amounts under, the Guarantee of, and security interests granted by or in, any Dutch Guarantor due to restrictions on the validity and enforceability of security interests and Guarantees under Dutch law. Under Dutch law, it is uncertain as to whether security interests can be granted to a party other than the creditor of the claim purported to be secured by such security interests. For that reason, the security documents pursuant to which a security interest have been granted in the assets of the Dutch Guarantor use a parallel debt structure, whereby the relevant Guarantor (pledgor), as separate and independent obligations, undertakes to pay to the trustee on behalf of the Noteholders amounts equal to the amounts due by it to the Noteholders. A Dutch law security interest can serve as security for monetary claims (*geldvorderingen*) only and can only be enforced upon default (*verzuim*) of the obligations secured thereby. Foreclosure on security interest property is to be carried out in accordance with the applicable provisions and limitations of the Netherlands Civil Code (*Burgerlijk Wetboek*) and the Netherlands Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). Pursuant to Dutch law, payments under a Guarantee may be withheld under doctrines of reasonableness and fairness (*redelijkheid en billijkheid*), force majeure (*niet toerekenbare tekortkoming*) and unforeseen circumstances (*onvoorziene omstandigheden*) and other defenses afforded by Dutch law generally. Other general defenses include claims that a Guarantee should be avoided because it was entered into through undue influence (*misbruik van omstandigheden*), fraud (*bedrog*), duress (*bedreiging*) or error (*dwalings*). Furthermore, under Dutch law, a party to an agreement may under certain circumstances suspend performance of its obligations under such agreement pursuant to the *exceptio non-adimpleti contractus* or otherwise.

Under Dutch law, receipt of any payment made by the any Dutch Guarantor under a Guarantee may be adversely affected by specific or general defenses available to debtors under Dutch law in respect of the validity, binding effect and enforceability of such Guarantee. The validity and enforceability of a Guarantee granted may also be successfully contested by the any Dutch Guarantors (or their liquidator in bankruptcy) on the basis of an

ultra vires claim. The validity and enforceability of the obligations of the Dutch Guarantors under a Guarantee may successfully be contested (i) in bankruptcy of the relevant Dutch Guarantor and may be nullified by the liquidator in bankruptcy and (ii) outside bankruptcy, by any of the creditors of the relevant Dutch Guarantor, if (a) the Dutch subsidiary performed such acts without an obligation to do so (*onverplicht*), (b) the creditor concerned or, in the case of the Dutch Guarantor's bankruptcy, any creditor, was prejudiced in its means of recovery as a consequence of the act, and (c) at the time the act was performed both the Dutch Guarantors and the counterparty to the transaction knew or should have known that one or more of its creditors (existing or future) would be prejudiced in their means of recovery, unless the act was entered into for no consideration (*om niet*) in which case such knowledge of the counterparty is not necessary for a successful challenge on the grounds of fraudulent conveyance. Furthermore, in case of bankruptcy and in the absence of evidence to the contrary, the Dutch Guarantor and the counterparty are presumed to have knowledge of prejudice by virtue of law if voluntary payments were made within one year before the bankruptcy. Payments that were due and payable to a creditor may be successfully contested by the liquidator in bankruptcy if: (i) the creditor receiving the payment knew that an application for bankruptcy had been filed at the time the payment was made, or (ii) the debtor and the recipient of the payment conspired in order to benefit the recipient of the payment to the detriment of the debtor's other creditors. As a result, the value of the Guarantee provided by the Dutch Guarantors may be limited.

Poland

Certain of the Guarantors are incorporated under the laws of Poland ("Polish Guarantors"). A register pledge under Polish law is perfected upon its entry into the registry of pledges which is subject to the order of a court maintain the registry. The registration of the pledges over shares of Polish Guarantors were not completed before the Issue Date. Before the registered pledges are registered the security interest over the shares of Polish Guarantors have been established in form of ordinary pledge. As a general rule, the establishment of the pledges (registered and ordinary or financial) over the assets of a Polish Guarantor will not prevent third-party creditors from initiating enforcement proceedings under the Polish Code of Civil Procedure (the "PCCP") to satisfy their claims from the assets encumbered by the pledges. In such event, the Security Agent will be able to participate in the distribution of funds resulting from such enforcement. In such case, claims will have priority over unsecured claims of third parties (except for certain court-enforcement expenses, alimony claims and employee and pension claims) and claims secured with the lower-ranking pledges or mortgages according to the order of priorities set forth in accordance with the PCCP. In the event that a Polish Guarantor is declared bankrupt, only ordinary pledges, financial pledges, or registered pledges will allow secured creditors to rely on such security instruments in enforcing their claims. Claims secured by registered pledges and ordinary pledges or financial pledges will be satisfied directly from the sale proceeds of the assets encumbered with such pledges (after subtracting the costs of such sale). However, the proceeds of the sale of shares will be of limited economic value when the issuer of such shares becomes insolvent. In addition, in respect of the registered pledges, the applicable Security Agent will generally have the right to satisfy claims secured with such registered pledges by assuming title to the pledged assets on the terms set out in the respective pledge agreements or by the sale of such assets via an auction made by a notary public or a court enforcement officer. However, if third-party creditors initiate enforcement proceedings to satisfy their claims from the assets encumbered by such pledges, the applicable Security Agent may not be able to exercise any specific methods of enforcement of the registered pledges (e.g., by taking the title to the encumbered assets or by sale of such assets via an auction made by a notary public or a court enforcement officer), but may only be entitled to enforcement of such pledges via a standard court enforcement process which is usually more lengthy and costly for the secured creditor.

Under the Polish Civil Code, any creditor may request from the court to declare a given transaction ineffective towards such creditor. The court will do so if it finds that a party to such a transaction entered into it when it was insolvent or it became insolvent as a result of entering into such a transaction, to the extent that the beneficiary of such a transaction knew of the above or to the extent that such transactions were entered for no consideration. In addition, the effectiveness of the up-stream and cross-stream guarantees may be limited under Polish law. The Polish Companies Code ("Companies Code") (Article 189 and/or by Art. 344) prohibits the return of capital to shareholders of limited liability companies and joint stock companies other than in the forms set out in the Companies Code. In the Polish legal doctrine opinions are expressed that in certain situations, e.g. when the financial standing of a company entering into a transaction is poor and the shareholder of such a company benefits from such a transaction, such a transaction may constitute in fact the return of capital to the shareholder. This issue is not clearly regulated in Polish legal regulations, case law or legal doctrine and thus, must be analyzed on a case-by-case basis, subject to such limitations and risks.

Canada

Certain of the Guarantors are incorporated under the laws of Canada. The ability and the rights of holders of the Notes to enforce their rights or remedies may be significantly impaired by the provisions of applicable Canadian federal bankruptcy, insolvency and other restructuring legislation or by Canadian federal or provincial receivership laws. For example, the Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada) and the Winding-up and Restructuring Act (Canada) contain provisions enabling an insolvent debtor to obtain a stay of proceedings against its creditors and others and to prepare and file a proposal or a plan of arrangement and reorganization for consideration by all or some of its creditors, to be voted on by the various classes of creditors affected thereby. Such a restructuring proposal or arrangement and reorganization, if accepted by the requisite majority of each class of affected creditors and if approved by the relevant Canadian court, would be binding on all creditors of the debtor within the affected classes, including those creditors who vote against such a proposal. Moreover, certain provisions of the relevant Canadian insolvency legislation permit an insolvent debtor to retain possession and administration of its property in certain circumstances, subject to court oversight, even though such debtor may be in default in respect of certain of its obligations during the period that the stay of proceedings remains in place. The powers of the court under Canadian bankruptcy, insolvency and restructuring legislation and Canadian federal and provincial receivership laws, and particularly under the Companies' Creditors Arrangement Act (Canada), are exercised broadly to protect a debtor and its estate from actions taken by creditors and others. The Group cannot predict whether payments under the Notes or Guarantees, as the case may be, would be made during any proceedings in bankruptcy, receivership, insolvency or other restructuring, whether or when each holder of the Notes, or the trustee, or any co-trustee, could exercise their rights under the Conditions or Guarantees or whether, and to what extent, the holders of the Notes would be compensated for any delays in payment of principal, interest and costs, including fees and disbursements of the trustee. Accordingly, if the Guarantors incorporated under the laws of Canada were to become subject to such proceedings, each holder of the Notes and the trustee, or any co-trustee, may not be able to exercise its rights following commencement of or during such proceedings without leave of the court.

United States

Certain of the Guarantors are incorporated under the laws of certain states within the United States. If a bankruptcy proceeding were to be commenced under the federal bankruptcy laws of the United States ("U.S. Bankruptcy Law") by or against the Group or any Guarantor, the ability of the Security Agent to enforce remedies, including with respect to the Transaction Security securing the Notes and the Guarantees, would likely be limited and/or prohibited by the automatic stay that goes into effect immediately upon a filing for relief under U.S. Bankruptcy Law. Provisions of U.S. Bankruptcy Law or general principles of equity that could result in the impairment of Noteholders' rights include, but are not limited to an automatic stay, actions commenced by a trustee or debtor-in-possession, substantive consolidation, limitations on the collectability of unmaturing interest or attorney fees, and forced restructuring of the Notes. Additionally, pursuant to U.S. Bankruptcy Law, a debtor is generally permitted to continue to retain and to use collateral, including capital stock, after the commencement of a bankruptcy case, provided that the secured creditor's interest in the collateral is "adequately protected" from any diminution in value. The interpretation of the term "adequate protection" may vary according to circumstances, but it is intended in general to protect the value of the secured creditor's interest in collateral. Because the term "adequate protection" is subject to varying interpretation, and because of the broad discretionary powers of a bankruptcy court and fluctuating collateral values, it is impossible to predict (1) whether payments under any of the Notes would be made following commencement of and during a bankruptcy case, (2) whether or when the lenders under the new credit facilities could foreclose upon or sell any collateral or (3) whether and to what extent holders of the Notes would be compensated for any delay in payment or loss of value of the collateral under the doctrine of "adequate protection".

Under the U.S. Bankruptcy Law or comparable provisions of state fraudulent transfer or fraudulent conveyance laws, the transfer of an interest in property or the incurrence of an obligation, including the incurrence of the obligations under the Notes, the issuance of the Guarantee and the grant of the Transaction Security, whether now or in the future, by the Issuer and the Guarantors could be avoided, if, among other things, at the time such transfer was made or such obligation was incurred, the Issuer and the Guarantors (i) intended to hinder, delay or defraud any present or future creditor or (ii) received less than reasonably equivalent value or fair consideration for the transfer or obligation and (a) were insolvent on the date the transfer was made or obligation incurred or were rendered insolvent by the transfer or obligation; (b) were engaged in a business or transaction or about to be engaged in a business or transaction for which the Issuer's and the Guarantors' remaining assets constituted unreasonably small capital; or (c) intended to incur, or believed that they would incur, debts beyond their ability to pay such debts as they mature. Moreover, a debtor-in-possession may obtain new credit secured by a lien that

is senior or equal to existing liens. Debtors also possess the ability to confirm a Chapter 11 plan notwithstanding the dissenting votes of creditors.

China

Certain pledged companies are incorporated in China. Creating a pledge over shares in a company incorporated in the People's Republic of China ("PRC" or "China", for the purposes of this section, excluding Hong Kong, Macao and Taiwan) is subject to certain regulatory procedures. Any pledge over shares in an entity incorporated in China which is wholly or partially owned by foreign investors, commonly known as a foreign-invested enterprise ("FIE"), (a "Chinese Equity Pledge") is required to be (i) approved by the Ministry of Commerce of the PRC or its local authorized branch, as the case may be, and (ii) registered with the relevant administration for industry and commerce authority ("AIC"). Without the aforesaid approval and registration, a Chinese Equity Pledge cannot be validly granted under the laws of China. There is no assurance that the approval and registration of a Chinese Equity Pledge can be obtained in practice. In the event that a Chinese Equity Pledge is not approved or registered with the competent PRC authority, there is no assurance that a Chinese court will issue an order for specific performance in favor of the beneficiary of such pledge.

A Share Pledgee may not be able to possess pledged shares without agreeing to a purchase price for the relevant shares with the PRC pledgor, or going through an auction/sale process or applying to the competent Chinese court for the enforcement of the pledge. If the value of the pledged shares realized on a sale or auction exceeds the amount of debts in respect of which the pledge was provided, an amount equal to the difference shall be refunded to the Share Pledgor. In the event that a Share Pledgee applies for enforcement of a Chinese Equity Pledge to the competent Chinese court, the Chinese court will make a decision taking into various factors. An insolvency proceeding against an entity whose shares have been pledged will be subject to Chinese insolvency law.

OTHER INFORMATION

Clearing and settlement

The Notes amount in total to a maximum of EUR 130,000,000. The nominal amount in respect of each Noteholder's holding of Notes is a minimum of EUR 100,000 or, if greater, an even multiple of EUR 1,000, and all trades in Notes shall be in a minimum amount of EUR 100,000 and, if more, in even multiples of EUR 1,000. The ISIN for the Notes is DK0030336276.

The Notes have been issued in accordance with Danish law and will not be evidenced by any physical bond or document of title other than statements of account made by VP Securities A/S. Ownership of the Notes will be recorded and transfer effected only through the book entry system and registered maintained by VP Securities A/S in accordance with the rules and procedures of VP Securities A/S. Payment of principal, interest and, if applicable, withholding tax will be made through the system of VP Securities A/S. VP Securities A/S's address is Weidekampsgade 14, P.O. Box 4040, DK-2300 Copenhagen S, Denmark (CVR number 21599336).

Description of the Parent, Issuer and Guarantors

The Issuer is LM Group Holding A/S. The Guarantors are the Parent, LM Wind Power A/S, LM WP Patent Holding A/S, Friction Holding A/S, 4305825 Canada Inc., LM Wind Power Blades (Canada) Inc., LM Wind Power Services (Deutschland) GmbH, "LM Wind Power Blades (Poland)" Sp. Zoo, LM Wind Power Blades Poland Sp. Zoo, LM Wind Power Services Poland Sp. Zoo, LM Wind Power Blades (Madrid), S.A., LM Wind Power Blades (Castellon), S.A., LM Wind Power Blades (As Pontes), S.A., LM Wind Power Blades (Ponferrada), S.A., LM Wind Power (Schiphol) B.V., LM Wind Power R&D (Holland) B.V., LM Wind Power Blades (ND), Inc., LM Wind Power Blades (Arkansas) Inc., LM Wind Power Services (Americas), Inc.

The Issuer's legal name is LM Group Holding A/S. The Issuer is registered in Denmark with the Danish Business Authority with the registration number (CVR number) 25 71 17 77. The Issuer was incorporated on November 13, 2000, and the life of the Issuer is indefinite. The Issuer is a limited liability company incorporated in Denmark and subject to the Danish Companies Act and other relevant Danish legislation. The Issuer has its registered office and address at Jupitervej 6, 6000 Kolding, Denmark, telephone number: +45 79 84 00 00.

The Parent's legal name is LM WP Holdings A/S. The Parent is registered in Denmark with the Danish Business Authority with the registration number (CVR number) 34 47 02 35. The Parent was incorporated on March 30, 2012, and the life of the Parent is indefinite. The Parent is a limited liability company incorporated in Denmark and subject to the Danish Companies Act and other relevant Danish legislation. The Parent has its registered office and address at Jupitervej 6, 6000 Kolding, Denmark, telephone number: +45 79 84 00 00.

LM Wind Power A/S is registered in Denmark with the Danish Business Authority with the registration number (CVR number) 76 49 05 11. LM Wind Power A/S was incorporated on October 30, 1985 and the life of the company is indefinite. LM Wind Power A/S is a limited liability company incorporated in Denmark and subject to the Danish Companies Act and other relevant Danish legislation. LM Wind Power A/S has its registered office and address at Jupitervej 6, 6000 Kolding, Denmark, telephone number: +45 79 84 00 00. The directors of LM Wind Power A/S are Søren Høffer (chairman), Frank Virenfelt Nielsen, Miguel A. Balbuena, Damien Harte and Morten Kjul Larsen. Leendert Matheus Schot is the Chief Executive Officer and Damien Harte is the Chief Financial Officer.

LM WP Patent Holding A/S is registered in Denmark with the Danish Business Authority with the registration number (CVR number) 34 61 91 90. LM WP Patent Holding A/S was incorporated on July 18, 2012 and the life of the company is indefinite. LM WP Patent Holding A/S is a limited liability company incorporated in Denmark and subject to the Danish Companies Act and other relevant Danish legislation. LM WP Patent Holding A/S has its registered office and address at Jupitervej 6, 6000 Kolding, Denmark, telephone number: +45 79 84 00 00. The directors of LM WP Patent Holding A/S are Søren Høffer (chairman), Damien Harte and Frank Virenfelt Nielsen. Frank Virenfelt Nielsen is the Chief Executive Officer.

Friction Holding A/S is registered in Denmark with the Danish Business Authority with the registration number (CVR number) 31 51 51 22. Friction Holding A/S was incorporated on June 25, 2008 and the life of the company is indefinite. Friction Holding A/S is a limited liability company incorporated in Denmark and subject to the Danish Companies Act and other relevant Danish legislation. Friction Holding A/S has its registered office and address at Jupitervej 6, 6000 Kolding, Denmark, telephone number: +45 79 84 00 00. The directors of Friction Holding A/S are Søren Høffer (chairman), Leendert Matheus Schot, Damien Harte, Manfred Egelwisse and Frank Virenfelt Nielsen. Leendert Matheus Schot is the Chief Executive Officer.

4305825 Canada Inc. is registered in Canada with the Corporations Canada under the registration number 4305825. 4305825 Canada Inc. was incorporated on May 30, 2005 and the life of the company is indefinite. 4305825 Canada Inc. is incorporated in Canada and subject to the Canada Business Corporations Act and other relevant Canadian legislation. 4305825 Canada Inc. has its registered office and address at 7 rue Des Cerisiers, Gaspé QC G4X 2M1, Canada, telephone number: +1 418 361 3890. The directors of 4305825 Canada Inc. are Damien Harte (chairman), Søren Høffer and Yvan Laniel. Søren Høffer is the president and Yvan Laniel is the general manager.

LM Wind Power Blades (Canada) Inc. is registered in Canada with the Corporations Canada under the registration number 4294971. LM Wind Power Blades (Canada) Inc. was incorporated on June 4, 2006 and the life of the company is indefinite. LM Wind Power Blades (Canada) Inc. is incorporated in Canada and subject to the Canada Business Corporations Act and other relevant Canadian legislation. LM Wind Power Blades (Canada) Inc. has its registered office and address at 7 rue Des cerisiers, Gaspé QC G4X 2M1, telephone number: +1 418 361 3890. The directors of LM Wind Power (Canada) Inc. are Damien Harte (chairman), Søren Høffer and Yvan Laniel. Søren Høffer is the president and Yvan Laniel is the general manager.

LM Wind Power Services (Deutschland) GmbH is registered in Germany in the Commercial Register (Handelsregister) of District Court of Hamburg with the registration number HRB 119065. LM Wind Power Services (Deutschland) GmbH was incorporated on July 18, 2011 and the life of the company is indefinite. LM Wind Power Services (Deutschland) GmbH is a limited liability company incorporated in Germany and subject to the German Limited Liability Companies Act (GmbHG) and other relevant German legislation. LM Wind Power Services (Deutschland) GmbH has its registered office and address at Borselstraße 16 (Borselhof), 22765 Hamburg, Germany, telephone number: +45 79 840 151. LM Wind Power Services (Deutschland) GmbH does not have a board of directors. Søren Høffer is the manager director.

"LM Wind Power Blades (Poland)" Sp. z.o.o. "LM Wind Power Blades (Poland)" Sp. z.o.o. is registered in Poland with the Polish National Court Registry with the registration number KRS 109583. "LM Wind Power Blades (Poland)" Sp. z.o.o. was incorporated on April 30, 2002 and the life of the company is indefinite. "LM Wind Power Blades (Poland)" Sp. z.o.o. is a limited liability company incorporated in Poland and subject to the Polish Commercial Companies Code (Kodeks spółek handlowych) and other relevant Polish legislation. "LM Wind Power Blades (Poland)" Sp. z.o.o. has its registered office and address at Łozienica, at Nowa 3, 72-100, Goleniów, Poland, telephone number: +48 91 46 997 00. The directors of LM Wind Power Blades (Poland) Sp. z.o.o. are Søren Høffer and Miguel Balbuena. Søren Høffer and Miguel Balbuena are the managers.

LM Wind Power Blades Poland Sp. z.o.o. is registered in Poland with the Polish National Court Registry with the registration number KRS 321307. LM Wind Power Blades Poland Sp. z.o.o. was incorporated on January 9, 2009 and the life of the company is indefinite. LM Wind Power Blades Poland Sp. z.o.o. is a limited liability company incorporated in Poland and subject to the Polish Commercial Companies Code (Kodeks spółek handlowych) and other relevant Polish legislation. LM Wind Power Blades Poland Sp. z.o.o. has its registered office and address at Łozienica, at Nowa 3, 72-100, Goleniów, Poland. LM Wind Power Services Poland Sp. z.o.o. LM Wind Power Services Poland Sp. z.o.o. is registered in Poland with the Polish National Court Registry with the registration number KRS 165840, telephone number: +48 91 46 997 00. The director of LM Wind Power Blades Poland Sp. z.o.o. is Søren Høffer. Søren Høffer is the manager.

LM Wind Power Services Poland Sp. z.o.o. was incorporated on June 26, 2003 and the life of the company is indefinite. LM Wind Power Services Poland Sp. z.o.o. is a limited liability company incorporated in Poland and subject to the Polish Commercial Companies Code (Kodeks spółek handlowych) and other relevant Polish legislation. LM Wind Power Services Poland Sp. z.o.o. has its registered office and address at Szczawiowa 53 D, 72-100 Szczecin, Poland, telephone number: +48 91 43 51 000. The director of LM Wind Power Services Poland Sp. z.o.o. is Richard Andrew Bevan. Richard Andrew Bevan is the manager.

LM Wind Power Blades (Madrid), S.A. is registered in Spain with the Central Mercantile Register with the tax identification number A15701634. LM Wind Power Blades (Madrid), S.A. was incorporated on June 17, 1999 and the life of the company is indefinite. LM Wind Power Blades (Madrid), S.A. is a public limited liability company (sociedad anónima) incorporated in Spain and subject to the Spanish Public Limited Companies Act and other relevant Spanish legislation. LM Wind Power Blades (Madrid), S.A. has its registered office and address at c/o Anabel Secura 11 – Centro de Dengcios Albatros, Alcobendas, Madrid, Spain, telephone number: +34 91 490 72 00. The directors of LM Wind Power Blades (Madrid), S.A. are Søren Høffer (chairman), Miguel A. Balbuena and Frank Virenfeldt Nielsen. Miguel Balbuena is the manager.

LM Wind Power Blades (Castellon), S.A. is registered in Spain with the Central Mercantile Register with the C.I.F. identification number A45340015. LM Wind Power Blades (Castellon), S.A. was incorporated on November 8, 1994 and the life of the company is indefinite. LM Wind Power Blades (Castellon), S.A. is a public limited liability company (sociedad anónima) incorporated in Spain and subject to the Spanish Public Limited Companies Act and other relevant Spanish legislation. LM Wind Power Blades (Castellon), S.A. has its registered office and address at c/o Anabel Secura 11 – Centro de Dengcios Albatros, Alcobendas, Madrid, Spain, telephone number: +34 964 158 811. The directors of LM Wind Power Blades (Castellon), S.A. are Søren Høffer (chairman), Miguel A. Balbuena and Frank Virefeldt Nielsen. Miguel Balbuena is the manager.

LM Wind Power Blades (As Pontes), S.A. is registered in Spain with the Central Mercantile Register with the C.I.F. identification number A15563331. LM Wind Power Blades (As Pontes), S.A. was incorporated on July 4, 1996 and the life of the company is indefinite. LM Wind Power Blades (As Pontes), S.A. is a public limited liability company (sociedad anónima) incorporated in Spain and subject to the Spanish Public Limited Companies Act and other relevant Spanish legislation. LM Wind Power Blades (As Pontes), S.A. has its registered office and address at Poligono Industrial Os Airilos, parcela 71, As Pontes De Garcia Rodriguez, La Coruña, 15320 Spain, telephone number: +34 914 907 200. The directors of LM Wind Power Blades (As Pontes), S.A. are Søren Høffer (chairman), Miguel A. Balbuena and Frank Virefeldt Nielsen. Miguel Balbuena is the manager.

LM Wind Power Blades (Ponferrada), S.A. is registered in Spain with the Central Mercantile Register under the C.I.F. identification number A82286543. LM Wind Power Blades (Ponferrada), S.A. was incorporated on March 16, 1999 and the life of the company is indefinite. LM Wind Power Blades (Ponferrada), S.A. is a public limited liability company (sociedad anónima) incorporated in Spain and subject to the Spanish Public Limited Companies Act and other relevant Spanish legislation. LM Wind Power Blades (Ponferrada), S.A. has its registered office and address at c/o Dinamarca S/N – Zona Industrial la llanada, PED, City Ponferrada, Leon, Spain, telephone number: +34 987 44 60 19. The directors of LM Wind Power Blades (Ponferrada), S.A. are Søren Høffer (chairman), Miguel A. Balbuena and Frank Virefeldt Nielsen. Miguel Balbuena is the manager.

LM Wind Power Blades (ND), Inc. is registered in North Dakota, USA with the Secretary of State of North Dakota under the registration number 13974500. LM Wind Power Blades (ND), Inc. was incorporated on June 10, 1998 and the life of the company is indefinite. LM Wind Power Blades (ND), Inc. is a Corporation incorporated in the State of North Dakota, USA and subject to the North Dakota Business Corporation Act and other relevant US legislation. LM Wind Power Blades (ND), Inc. has its registered office and address at 1580 S 48th St PO Box 5637 Grand Forks, ND 58206-5637, telephone number: +1 701 780 9910. The directors of LM Wind Power Blades (ND), Inc. are Søren Høffer and Damien Harte. Søren Høffer is the president and secretary.

LM Wind Power Blades (Arkansas) Inc. is registered in Arkansas, USA with the Secretary of State of Arkansas with the registration number 800115920. LM Wind Power Blades (Arkansas) Inc. was incorporated on August 8, 2007 and the life of the company is indefinite. LM Wind Power Blades (Arkansas) Inc. is a Corporation incorporated in the State of Arkansas, USA and subject to the Arkansas Business Corporation Act and other relevant US legislation. LM Wind Power Blades (Arkansas) Inc. has its registered office and address at 7400 Scott Hamilton Dr Little Rock, AR, 72209 United States, telephone number: +1 501 801 6300. The directors of LM Wind Power Blades (Arkansas) Inc. are Søren Høffer and Damien Harte. Søren Høffer is the president and secretary.

LM Wind Power Services (Americas), Inc. is registered in the USA with the Secretary of State of Delaware with the registration number 4802934. LM Wind Power Services (Americas), Inc. was incorporated on March 23, 2010 and the life of the company is indefinite. LM Wind Power Services (Americas), Inc. is a Corporation incorporated in the State of Delaware, USA and subject to the General Corporation Law of the State of Delaware and other relevant US legislation. LM Wind Power Services (Americas), Inc. has its registered office and address at Corporation Trust Centre, 1209 Orange Street, Wilmington, New Castle County, Delaware, 19801, telephone number: +1 501 801 6342. The directors of LM Wind Power Services (Americas) are Søren Høffer, Damien Harte and Bill Burga, Jr. Bill Burga, Jr. is the president and Søren Høffer is the secretary.

LM Wind Power (Schipol) B.V. is registered in the Netherlands with the Trade Registry (Handelsregister) of the Chamber of Commerce (Kamer van Koophandel) under the registration number KvK 34279102. LM Wind Power (Schipol) B.V. was incorporated on July 20, 2007 and the life of the company is indefinite. LM Wind Power (Schipol) B.V. is a private limited liability company incorporated in the Netherlands and subject to the Netherlands Civil Code (as amended by Act on the Simplification and Flexibilization of the Law governing BVs (Wet vereenvoudiging en flexibilisering bv-recht) and the related Implementation Act on the Simplification and Flexibilization of the Law governing BVs (Invoeringswet vereenvoudiging en flexibilisering bv-recht) and other

relevant Dutch legislation. LM Wind Power (Schipol) B.V. has its registered office and address at Schiphol Boulevard 357, 1118BJ, Schiphol, the Netherlands, telephone number: +31 2 03 04 37 00. LM Wind Power (Schipol) B.V. has no board of directors. Leendert Matheus Schot is the manager.

LM Wind Power R&D (Holland) B.V. is registered in the Netherlands with the Trade Registry (Handelsregister) of the Chamber of Commerce (Kamer van Koophandel) under the registration number KvK 33256041. LM Wind Power R&D (Holland) B.V. was incorporated on January 28, 1994 and the life of the company is indefinite. LM Wind Power R&D (Holland) B.V. is a private limited liability company incorporated in the Netherlands and subject to the the Netherlands Civil Code (as amended by Act on the Simplification and Flexibilization of the Law governing BVs (Wet vereenvoudiging en flexibilisering bv-recht) and the related Implementation Act on the Simplification and Flexibilization of the Law governing BVs (Invoeringswet vereenvoudiging en flexibilisering bv-recht) and other relevant Dutch legislation. LM Wind Power R&D (Holland) B.V. has its registered office and address at J. Duikerweg 15 A, 1703DH Heerhugowaard, the Netherlands, telephone number: +31 7 25 75 20 00. The board of directors and managing directors of LM Wind Power R&D (Holland) B.V. is Frank Virenfeldt Nielsen and Søren Høffer. Frank Virenfeldt Nielsen is the manager.

Description of the Auditor

The auditor of the Parent, Issuer and the Guarantors (where statutory accounts are provided) is PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab, Herredsvej 32, DK-7100 Vejle, authorized by the Danish Business Authority and regulated by the Danish Act on State Authorized Public Accountants and otherwise by the law of Denmark, who conducts audits in accordance with accounting standards, as defined in the Conditions, and who has audited the Issuer's consolidated financial statements in accordance with such statements for the financial year ended 31 December, 2013 and the Parent's consolidated financial statements in accordance with such statements for the financial year ended 31 December, 2012, and issued an auditor's report on such consolidated financial reports without any qualifications.

The Issuer's consolidated financial statements for the financial year ended 31 December 2013, the Parent's unconsolidated financial statements for the year ended 31 December 31, 2013, the Parent's consolidated financial statements for the financial year ended 31 December, 2012 and the Issuer's unconsolidated financial statements for the financial year ended 31 December, 2012 have been audited by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab, Herredsvej 32, DK-7100 Vejle, represented by State Authorized Public Accountants Lars Almskou Ohmeyer, who is member of FSR Danish Auditors (The Institute of State Authorised Public Accountants in Denmark). The consolidated income statements, consolidated balance sheets and consolidated cash flow statements in "*Summary Historical Consolidated Financial and Other Data*" have been audited. The reconciliation of operating income to EBITDA in "*Summary Historical Consolidated Financial and Other Data*" has also been audited. Except as stated in this paragraph, no other information in this Prospectus has been audited.

Description of the Security Agent

The Security Agent is CorpNordic Denmark A/S. The Security Agent is incorporated in Denmark and registered with the Danish Business Authority with the registration number (CVR number) 21 21 07 81. Its registered address is Harbour House, Sundkrogsgade 21, 2100 Copenhagen Ø, Denmark. CorpNordic has offices in Copenhagen, Stockholm, Oslo and Helsinki. For more information please visit www.corpnordic.com.

Description of the Senior Secured Note Representative

The Senior Secured Note Representative is CorpNordic Denmark A/S. The Senior Secured Note Representative is incorporated in Denmark and registered with the Danish Business Authority with the registration number (CVR number) 21 21 07 81. Its registered address is Harbour House, Sundkrogsgade 21, 2100 Copenhagen Ø, Denmark.

Information incorporated by reference

The additional information explicitly listed in the table below has been incorporated by reference in the Prospectus pursuant to section 18 of the Prospectus Order. Direct and indirect references in the reports to other documents or websites are no incorporated by reference and do not form part of the Prospectus. The reports speaks only as of the date of their respective publications and have not been updated and in some cases they have been made superfluous by the information in this Prospectus. The Group's and the Issuer's business, financial condition, cash flows and results of operations may have changed since those dates.

The information is hereby incorporated in this Prospectus by reference as set out in the cross reference table below, and is available for inspection in electronic form on the Group's website (www.lmwindpower.com) and at the Group's head office at Jupitervej 6, 6000 Kolding, Denmark, on weekdays during the Group's regular office hours throughout the period of validity of the Prospectus.

<u>Document</u>	<u>Pages</u>
LM Group Holding A/S's consolidated management's review for the financial year ending 31 December, 2013	5-22
LM Group Holding A/S's consolidated audited financial statements for the financial year ending 31 December, 2013	4, 26-63
LM Group Holding A/S's consolidated management's statement for the financial year ending 31 December, 2013	24
LM Group Holding A/S's consolidated auditors' report for the financial year ending 31 December, 2013	25
LM WP Holdings A/S's unconsolidated management's review for the financial year ending 31 December, 2013	5
LM WP Holdings A/S's unconsolidated audited financial statements for the financial year ending 31 December, 2013	7-12
LM WP Holdings A/S's unconsolidated management's statement for the financial year ending 31 December, 2013	6
LM WP Holdings A/S's unconsolidated auditor's report for the financial year ending 31 December, 2013	4
LM WP Holdings A/S's consolidated management's review for the financial year ending 31 December, 2012	8-21
LM WP Holdings A/S's consolidated audited financial statements for the financial year ending 31 December, 2012	3, 25-58
LM WP Holdings A/S's consolidated management's statement for the financial year ending 31 December, 2012	23
LM WP Holdings A/S's consolidated auditor's report for the financial year ending 31 December, 2012	24
LM Group Holding A/S's unconsolidated audited financial statements for the financial year ending 31 December, 2012	9-20
LM Group Holding A/S's unconsolidated management's statement for the financial year ending 31 December, 2012	8
LM Group Holding A/S's unconsolidated auditor's report for the financial year ending 31 December, 2012	4-5
LM Group Holding A/S's consolidated unaudited financial statements for the quarter ending March 31, 2014	All
LM Group Holding A/S's approval decision by the board of directors	All
Guarantee, dated 26 March 2014, by and among each guarantor listed in Schedule 2 thereto in favor of the Representative, CorpNordic Denmark A/S, and the Senior Secured Noteholders (as defined therein) and accepted by CorpNordic Denmark A/S	All

Additional documents available for inspection

In addition to the documents in the above section ("*Information incorporated by reference*"), the following documents are available in electronic form on the Group's website (www.lmwindpower.com). Copies of the documents are also available at the Group's head office at Jupitervej 6, 6000 Kolding, Denmark, on weekdays during the Group's regular office hours throughout the period of validity of the Prospectus:

- the Prospectus; and
- the Intercreditor Agreement.

Copies of the following documents are also available at the Group's head office at Jupitervej 6, 6000 Kolding, Denmark, on weekdays during the Group's regular office hours throughout the period of validity of the Prospectus:

- LM Group Holding A/S's Memorandum and Articles of Association;

- LM Wind Power Blades (Castellon) S.A.’s Memorandum and Articles of Association;
- LM Wind Power Blades (Ponferrada) S.A.’s Memorandum and Articles of Association;
- LM Wind Power Blades (Madrid) S.A.’s Memorandum and Articles of Association;
- LM Wind Power Blades (Canada) Inc.’s Articles of Association;
- 4305825 Canada Inc.’s Articles of Association;
- LM Wind Power Blades (Arkansas) Inc.’s Articles of Association;
- LM Wind Power Services (Poland) Sp. z.o.o.’s Memorandum of Association;
- LM Wind Power Blades (Poland) Sp. z.o.o.’s Articles of Association;
- LM Wind Power Service (Americas), Inc.’s Bylaws;
- LM Wind Power Blades (ND) Inc.’s Articles of Amendment;
- LM Wind Power Blades (Arkansas) Inc.’s Articles of Amendment;
- LM Wind Power Services (Deutschland) GmbH’s Articles of Association;
- LM Wind Power Blades (Poland) Sp. z.o.o.’s Articles of Association;
- LM Wind Power R&D (Holland) B.V.’s Articles of Association;
- LM Wind Power A/S’s Articles of Association;
- LM Wind Power Blades (AS Pontes) S.A.’s Memorandum and Articles of Association;
- Friction Holdings A/S’s Articles of Association;
- LM WP Holdings A/S’s Articles of Association;
- LM Wind Power (Schiphol), B.V.’s Articles of Association; and
- LM WP Patent Holding A/S’s Articles of Association.

Certain material interests

The Bookrunner, Nordea Bank Danmark A/S and its affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. It should particularly be noted that Nordea Bank Danmark A/S was a lender under the Existing Senior Debt both in respect of term loans and revolving credit facility loans and that the proceeds of the issue of the Notes have been used to repay the lenders under the Existing Senior Debt. Following the Issue Date, Nordea Bank Danmark A/S is a Super Senior Bank Debt Provider under the Super Senior Revolving Credit Facility which has been provided to the Issuer and certain of its subsidiaries and Nordea Bank Finland Plc is expected to become a Super Senior Hedge Counterparty. The Super Senior Bank Debt Providers and the Super Senior Hedge Counterparties will have priority over the Noteholders to receive any enforcement proceeds from the enforcement of Transaction Security and other payments made to the Security Agent as further described in “*Description of other indebtedness—Intercreditor Agreement*” and may therefore have a conflicting interest with the Noteholders. Accordingly, conflicts of interest may exist or may arise as a result of Nordea Bank Danmark A/S having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Third party information

LM Group Holding A/S confirms that any such third party information has been accurately reproduced and that as far as LM Group Holding A/S is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Statement regarding competitive position

Statements made in this Prospectus referring to the Group's competitive position are based on the Group's belief, and in some cases rely on a range of sources, including reports from MAKE, independent market studies and the Group's internal assessment of market share based on publicly available information about the financial results and performance of market participants. Market share estimates contained in this document are based on management estimates unless otherwise indicated.

Listing information

The Notes will be admitted to trading and official listing on the regulated market of NASDAQ OMX Copenhagen A/S with effect from 19 May 2014. The Issuer estimates that the total expenses related to the admission to trading and official listing on NASDAQ OMX Copenhagen A/S amounts to DKK 400,000.