
PROVENTUS

**ADMISSION TO TRADING ON NGM
OF A MAXIMUM AMOUNT OF
SEK 3,300,000,000 PARTICIPATION LOAN DEBENTURES**

issued by

Proventus Capital Partners Alpha AB (publ)

*(incorporated under the laws of Sweden as a public limited liability company (Sw:
publikt aktiebolag) with corporate registration number Reg. No. 556805-9660)*

Important information

In this prospectus (the “**Prospectus**”), the “**Issuer**” means Proventus Capital Partners Alpha AB (publ) and the “**Parent**” means Proventus Capital Management AB. “**NGM**” refers to Nordic Growth Market NGM AB. “**SEK**” refers to Swedish kronor and “**EUR**” refers to Euro.

Words and expressions defined in the terms and conditions for Proventus Capital Partners Alpha maximum debentureholder participation SEK 3,300,000,000 dated 10 August 2015, as attached hereto (the “**Terms and Conditions**”), have the same meanings when used in this Prospectus, unless expressly stated otherwise follow from the context.

Notice to investors

The Issuer has issued a total of 189 participation loan debentures (the “**Debentures**”) in a total aggregate principal amount of SEK 189 million. In addition, Debentureholders have made undertakings to subsequently subscribe for new Debentures in an aggregate principal amount of SEK 1,701 million at the request of the Issuer. The Debentures are issued for the purpose of financing, *inter alia*, the Issuer’s indirect provision of, and/or indirect investment through Proventus Capital Partners Alpha Kommanditbolag (the “**Limited Partnership**”) and, together with the Issuer the “**PCPA Entities**”) in, senior loans, bonds, unitranche facilities, notes, debentures and any other form of senior debt. The PCPA Entities may also make investments by purchasing assets to be utilised for financial leasing. The Issuer acts as general partner in the Limited Partnership and the PCPA Entities shall together act as one operating unit. In accordance with the Swedish Alternative Investment Fund Managers Act (2013:561) (the “**AIF Act**”), which is based on the EU AIFM Directive, the Parent is authorised and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFA**”) as an alternative investment fund manager. The PCPA Entities will be considered as an alternative investment fund being managed by the Parent.

This Prospectus has been approved by the SFA which is the Swedish competent authority for the purpose of Directive 2003/71/EC (the “**Prospectus Directive**”). Application has been made for the Debentures to be admitted to listing on the Official List and trading on the NGM.

The Prospectus constitutes a prospectus for the purpose of Article 5 of the Prospectus Directive and for the purpose of giving information with regard to the Issuer and the Debentures which, according to the particular nature of the Issuer and the Debentures, is necessary to enable investors to make an investment decision and an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and of the rights attaching to the Debentures.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy the Debentures and no person is authorised to give any information or make any representation not contained in this Prospectus in connection with the Debentures and, if given or made, such information or representation must not be relied upon as having been authorised. Neither the delivery of this Prospectus (including the offering, sale or delivery of any Debenture) implies that there has been no change in the business and affairs of the Issuer since the date hereof or that the information herein is correct as of any time subsequent to such date.

This Prospectus may not be distributed, in any jurisdiction other than Sweden where such distribution is restricted by law or regulation, or requires further measures by the Issuer. Persons who come into possession of this Prospectus are required to inform themselves about, and to observe, such restrictions. The Debentures have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are not subject to U.S. tax law requirements. Subject to certain exemptions, the Debentures may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.

The Debentures have been registered with the central securities depository, Euroclear Sweden AB, in the denomination of SEK 1,000,000 and such amount may subsequently be reduced pursuant to the Terms and Conditions. The Debentures are registered on behalf of the Debentureholders on VP Accounts and are in book-entry form. No physical debentures will be issued.

This Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus.

Forward-looking statements

This Prospectus includes forward-looking statements relating to the Issuer’s financial position, business strategy, plans and objectives of management for future operations (including objectives relating to the Issuer’s businesses). When used in this document, the words “anticipates”, “estimates”, “expects”, “believes”, “intends”, “plans”, “aims”, “seeks”, “may”, “will”, “should” and any similar expressions generally identify forward-looking statements.

These forward-looking statements are contained in “*Risk Factors*” and other sections of this document. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer’s present and future business strategies and the environment in which the Issuer will operate in the future. These assumptions reflect the best judgment of management but involve uncertainties and are subject to certain risks the occurrence of which could cause actual results to differ materially from those predicted in the Issuer’s forward-looking statements and from past results, performance or achievements. Although the Issuer believes that the estimates and the projections reflected in its forward-looking statements are reasonable, if one or more of the risks or uncertainties materialise or occur, including those which the Issuer has identified in this Prospectus, or if any of the Issuer’s underlying assumptions prove to be incomplete or incorrect, the Issuer’s actual results of operations may vary from those expected, estimated or projected. These forward-looking statements speak only as of the date of this Prospectus.

Except to the extent required by law, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Prospectus any updates or revisions to any forward-looking statements made in this Prospectus whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuer or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained throughout this Prospectus. As a result of these risks, uncertainties and assumptions, a prospective purchaser of the Debentures should not place undue reliance on these forward-looking statements. Moreover, no assurance can be given that any of the historical information, data, trends or practices mentioned and described in this Prospectus are indicative of future results or events.

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RISK FACTORS

Potential investors in the Debentures should consider and make their own assessment of the following risk factors before investing in the Debentures. Potential investors in the Debentures should also inform themselves of, and where appropriate consult their professional advisers, as to the tax consequences of application for buying, holding, exchanging, redeeming or otherwise disposing of Debentures under the law of their country of citizenship, residence or domicile. The following risk factors constitute examples only, and should not to be regarded as a complete description of all risks associated with investing in the Debentures.

The investments made by the PCPA Entities are subject to normal market fluctuations and other risks relating to investments in loans and other debt obligations and of owning assets for the purpose of providing financial leasing. There is a risk that no appreciation of the value of the Portfolio occurs and/or that a certain net annual return will not be achieved. The value of the investments and the income derived from them may fall as well as rise and there is a risk that the Debentureholders may not recoup the original amount invested in the Debentures. There is a risk that the investment objectives of the PCPA Entities will not be achieved.

There is a risk that factors such as (i) increased interest rates (market rates generally as well as expected margins relating to certain credit risks), (ii) increased taxes and fees on corporate earnings, dividend and securities trading, (iii) weakening of local or global economies, and (iv) political changes and changes in laws and regulations, could negatively affect the debt and capital markets and consequently the value of the investments made by the PCPA Entities and the income derived from them.

Risks relating to the PCPA Entities

Investments in loans and other debt obligations

Investments in loans and other debt obligations are subject to specific risks, including:

- (a) **Non-payment risk:** Loans and other debt obligations are subject to the risk of non-payment of interest and principal. Any such non-payment could result in a reduction in the PCPA Entities' income, a decline in the market value of the particular investment so affected and a decline in the net assets of the PCPA Entities. The PCPA Entities' ability to receive the principal of, and interests on, a loan or other debt obligation will depend primarily on the financial status of the borrower or issuer.
- (b) **Collateral impairment:** While collateral may provide some protection against the non-payment risk on a debt obligation, losses may not be completely covered by the liquidation or sale of collateral. To the extent the debt obligation is secured by shares in the borrower/issuer and/or its subsidiaries and affiliates, such shares may lose all of its value in the event of a bankruptcy or insolvency of the borrower/issuer. As a result, there is a risk that the PCPA Entities will not receive payments to which they are entitled and that they thereby may experience a decline in the value of the investment and their net assets.
- (c) **Further Risks:** Further risks include, but are not limited to, (i) the possible recovery of an underlying transaction as a fraudulent conveyance under relevant creditors' right laws, (ii) so called lender-liability claims by the borrower/issuer, (iii) limitations on the ability of the PCPA Entities to enforce directly their rights with respect to such debt obligation, and (iv) transfer restrictions in the relevant documentation that may affect the liquidity of the investment.

Investments in leveraged loans

The PCPA Entities may invest in leveraged loans. Leveraged financing, in general, is characterised by higher levels of debt, increased volatility of corporate earnings and cash flow.

Higher debt levels increase the risk of default. Leveraged borrowers' higher debt levels relative to their equity, income, and cash flow make it more difficult for them to withstand adverse economic conditions or business plan variances, to take advantage of new business opportunities, and to make necessary capital expenditures. Also, as a result of the higher debt-to-equity ratio, the debt service (payment of interest and repayment of principal) absorbs a larger part of the cash flow generated by the borrower. Consequently, the risk of such borrowers not being able to service the debt is higher and thus investments in leveraged loans are subject to greater risk of loss of principal and interest than investments in loans to borrowers with a lower debt-to-equity ratio.

As investors generally perceive that there are greater risks associated with leveraged loans, the yields and prices of these investments may be more volatile than those applicable to non-leveraged loans. The market for leveraged loans is thinner, often less liquid and less active than that for non-leveraged loans, which can adversely

affect the prices at which these investments can be sold and may even make it impossible to sell such investments.

It should be recognised that an economic downturn or increase in interest rates is likely to have a negative effect on the ability of highly leveraged borrowers and issuers to service principal and interest payment obligations. If a borrower or issuer fails to meet its payment obligations, there is a risk that the PCPA Entities incur additional expenses to seek recovery and the possibility of any recovery can be subject to the expense and uncertainty of insolvency proceedings.

Investments in assets for financial leasing

The PCPA Entities may make investments by purchasing assets to be utilised for financial leasing. There is a risk that the PCPA Entities will not be able to make correct estimates of the amounts that will be realised upon disposal or release of the assets utilised for financial leasing at the end of the lease term, which may result in losses and additional costs for the PCPA Entities.

Bonds and other securities

The risks associated with investments in bonds and other securities include fluctuations in market prices, adverse issuer or market information and the fact that certain securities are subordinated in, amongst other things, the right of payment to other corporate securities.

The PCPA Entities may invest also in unlisted securities which have been sold directly to a small number of investors. Although certain of these securities may be readily sold, other may be illiquid, and there is a risk that their sale involve substantial delays and additional costs.

When investing in securities, the PCPA Entities may engage in over-the-counter transactions with banks or brokers acting as a counterparty. Participants in such markets are not protected against defaulting counterparties in their transactions because such contracts are not guaranteed by a clearing house.

Interest rate fluctuations

The value of investments in fixed-income obligations will change in response to fluctuations in interest rates and currency exchange rates. Except to the extent that values are independently affected by currency exchange rate fluctuations, when interest rates decline, the value of fixed-income obligations can be expected to rise. Conversely, when interest rates rise, the value of fixed-income obligations can be expected to decline. The performance of investments denominated in a specific currency will also depend on the interest rate environment in the country issuing the currency.

Exchange rate fluctuations

Because the value of the Portfolio shall be calculated in Swedish kronor, the performance of investments denominated in other currencies than Swedish kronor will also depend on the strength of such currencies against Swedish kronor and the interest rate environment in the country issuing the currency. Absent other events that could otherwise affect the value of non-Swedish kronor investments (such as a change in the political climate or a borrower's or issuer's credit quality), appreciation in the value of the other currencies generally can be expected to increase the Swedish kronor value of non-Swedish kronor investments. A rise in interest rates or decline in the value of the other currencies relative to Swedish kronor generally can be expected to depress the value of non-Swedish kronor investments.

Cash management

In addition to credit risks on borrowers and issuers, the PCPA Entities will also have a credit risk on counterparties in conjunction with management of cash and cash equivalents.

Indirect investments

The PCPA Entities may, for regulatory and/or tax purposes and provided that it is in the best interest of the Investors, make investments through the Issuer, an Affiliate or an independent credit institution, in each case owning the relevant asset. Also, the PCPA Entities may make Investments through PCP III.

The payments to be made by the Issuer under the Terms and Conditions may be impaired by the occurrence of insolvency or (voluntary or judicial) liquidation proceedings with respect to such Affiliate, independent credit institution or PCP III. Since the credit institution will not be directly related to the PCPA Entities, the PCPA Entities' ability to control, and to keep fully informed of, the credit institution, will most likely be more limited than with respect to an Affiliate and/or PCP III.

Implementation of investment objectives

Depending on the development of the relevant markets, there is a risk that the Parent, acting as manager of the Portfolio, does not find attractive investment opportunities to relevant prices. Thus, there is a risk that the PCPA Entities may not be able to fully invest their funds. The Parent, acting as manager of the Portfolio, decides on investments but there is a risk that such investment decisions will not increase the value of the Portfolio.

Depending on factors such as the total assets of the PCPA Entities, the required minimum amount in each investment and such other factors, the PCPA Entities may not be able to achieve a well-diversified portfolio of investments.

The PCPA Entities' ability to invest will depend also on it being able to reach agreements with potential borrowers, issuers and sellers on commercial terms satisfactory to the PCPA Entities and to enter into binding agreements with such parties. While key personnel are experienced in negotiating, there is a risk that such negotiations will not succeed as planned.

Borrowers and issuers of securities are subject to different information requirements depending on origin, documentation, regulations and other factors. There is a risk that the PCPA Entities do not receive sufficient information from the borrowers and issuers in order to make suitable investments decision or to monitor properly their investments.

Borrowing by the PCPA Entities

The PCPA Entities may at the Issuer's discretion or with the consent of the Investors, however in each case subject to certain limits, incur financial indebtedness for the purpose of making investments. Such financing may generate interest costs which may be higher than the income and capital gains produced by the investments made by the PCPA Entities. Borrowing money to make investments may provide the PCPA Entities with an opportunity to increase the return on their investments, but, at the same time, will increase the PCPA Entities' exposure to the loss of capital and higher interest expenses.

Legal risks

The PCPA Entities may invest in loans and debt obligations in different countries with different legal systems. The PCPA Entities may also enter into subscription agreements, confidentiality undertakings and other agreements. When investing, the PCPA Entities will partly rely on due diligence and other reports produced by third parties where available, information that may be incomplete or false. There is a risk that, if the PCPA Entities do not achieve a certain level of quality of relevant agreements or if the PCPA Entities do not fully understand the consequences of such agreements, the PCPA Entities become subject to potential losses arising from such agreements.

Key personnel

The PCPA Entities' ability to successfully implement their business strategy and to operate profitably depends on the quality and experience of the investment organisation of the Parent. The Parent has a relatively small organisation, which results in a dependency on individual employees. The future development of the PCPA Entities depends highly on the commitment of Daniel Sachs, Anders Thelin and other key persons. If Daniel Sachs, Anders Thelin or other key persons become unable or unwilling to continue in their present positions, the PCPA Entities would be negatively affected, and there is a risk that the Parent will not be able to replace them in a timely manner to continue the operations of the PCPA Entities as currently anticipated.

Conflicts of interest

The PCPA Entities will primarily make Investments alongside or through PCP III. Pursuant to the Terms and Conditions, PCP III, the PCPA Entities and the Parent shall enter into co-investment agreements or intercreditor agreements in relation to such investments, reflecting certain co-investment principles aiming at preserving the PCPA Entities interests in relation to PCP III.

Although the provisions in the Terms and Conditions and co-investment agreements will limit the risks of any conflicts of interest in relation to (i) the Parent and/or Proventus AB, (ii) any company or other legal entity controlled by the Parent and/or Proventus AB, (iii) investment professionals in the investment organisation of the Parent and/or Proventus AB and (iv) PCP III, as applicable, such risks are not completely eliminated. With respect to co-investments with PCP III, such potential conflicts of interest may e.g. arise in case the Parent in a default situation would take certain decisions to improve recovery for PCP III instead of preserving the PCPA Entities' interest.

In case the PCPA Entities fail to preserve the Investors' interests in relation to PCP III's interests with respect to a particular Investments, the Investors may (at their own cost) decide that the Parent shall be replaced by another

entity as manager of such Investment. However, if a situation described above would occur, it may, for practical and other reasons, be difficult for the Investors to actually use such right and to execute a replacement of the Parent.

Compliance with the Terms and Conditions

The Debentureholders' ability to receive payment in accordance with the Terms and Conditions is dependent on the PCPA Entities and the Parent complying with their respective obligations under the Terms and Conditions in relation to the business of the PCPA Entities.

Any taxes related to the Management Fee and taxes on the PCPA Entities' income shall, pursuant to the Terms and Conditions, not affect the Debentureholders' right to payment of interest and principal. If the PCPA Entities and/or the Parent do not pay such taxes or offset them against losses, the Debentureholders' ability to receive payment in accordance with the Terms and Conditions may nevertheless be affected.

Unsecured obligations of the PCPA Entities

The obligations of the PCPA Entities under the Terms and Conditions will be unsecured and unsubordinated obligations, and will at all times rank *pari passu* with all their other unsecured and unsubordinated obligations to the extent permitted by applicable laws relating to creditors' rights in the event of insolvency.

Final repayment

The PCPA Entities shall, during the six months preceding the Final Repayment Date, dispose of all investments in the Portfolio in a commercially sound manner, settle all their external debts and liabilities and place the remaining funds received on short term bank deposits. However, there is a risk that this will not be possible to achieve and that the Debentureholders may instead on the Final Repayment Date receive remaining investments as distributions in kind.

The PCPA Entities' insolvency or liquidation

In the event of insolvency or (voluntary or judicial) liquidation proceedings affecting the PCPA Entities, the payments to be made by the PCPA Entities under the Terms and Conditions may be impaired.

ERISA investors

In case 25 per cent or more of the Debentureholders are qualified as so called ERISA investors (typically certain U.S. private sector retirement plans), the U.S. Employee Retirement Income Security Act of 1974 (ERISA) will impose duties, obligations and restrictions on the PCPA Entities. For example, the PCPA Entities may have to implement additional administration procedures and be prohibited to enter into certain transactions in order to comply with ERISA. Although an unlikely scenario, if the PCPA Entities become subject to the ERISA requirements, the administrative burden would most likely negatively affect the PCPA Entities and the contemplated investment strategies may not be carried out as anticipated. In order to mitigate this risk, each relevant Debentureholder will (i) confirm to the Issuer that it will not be classified as an ERISA investor and (ii) undertake towards the Issuer that it shall not transfer its Debentures to any ERISA investor. However, there is a risk that such relevant Debentureholders do not comply with the aforementioned undertaking.

Legislative changes

The Terms and Conditions are based on Swedish legislation in effect on the date of this Prospectus. There is a risk that future legislative changes or changes in administrative praxis will have an impact on these terms. Such legislative changes might e.g. include additional regulatory burdens caused by financial authorities' regulation of the financing sector.

AIF Act

In order to comply with the AIF Act, which is based on the EU AIFM Directive, the Parent is authorised and registered by the SFA as an alternative investment fund manager. The Parent is therefore subject to the requirements imposed on fund managers pursuant to the AIF Act (including, but not limited to, requirements on conduct of business, regulatory capital and marketing). The PCPA Entities will be considered as an alternative investment fund being managed by the Parent.

The Parent has evaluated the requirements under the AIF Act and has taken all measures deemed necessary to be fully compliant with the AIF Act. However, the AIF Act is a newly adopted legal framework and it is hard to predict how the requirements thereunder will be interpreted and implemented going forward. As a result, there is a risk that the SFA deems the Parent non-compliant with the AIF Act requirements, which could result in the SFA imposing additional requirements on the Parent or, in the worst case, revoking the Parent's authorisation as an alternative investment fund manager. In case the Parent's authorisation as an alternative investment fund

manager is revoked by the SFA, the Parent may be prohibited from conducting its business, and the SFA may decide on how the winding-up of the Portfolio shall be carried out.

Risks relating to the Debentures

There is a risk that an active trading market for the Debentures will not develop

The Debentures are new securities that may have limited distribution and for which there is currently no established trading. There is a risk that an active trading market for the Debentures will not develop, or, if one does develop, that it will not be maintained. If an active trading market for the Debentures does not develop or is not maintained, the market or trading price and liquidity of the Debentures may be adversely affected. The Debentures may consequently trade at a discount to their initial issue price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the PCPA Entities. Although application has been made for the Debentures to be admitted to listing on the Debt Securities segment of Nordic Growth Market NGM in Stockholm, there is a risk that such application will not be accepted or that an active trading market will not develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Debentures.

Market price of the Debentures may be volatile

The market price of the Debentures could be subject to significant fluctuations in response to actual or anticipated variations in value and yield of the Portfolio, adverse business developments, changes to the regulatory environment in which the PCPA Entities operate, as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations which, if repeated in the future, could adversely affect the market price of the Debentures without regard to the value and yield of the Portfolio.

Majority decisions by the Investors or the Debentureholders

According to the Terms and Conditions, certain majorities of the Investors (i.e. the Debentureholders and Proventus AB) or the Debentureholders, as the case may be, have the right to make decisions and take measures that bind all Debentureholders. Consequently, there is a risk that the actions of a majority of Investors could impact the Debentureholders' rights in accordance with the Terms and Conditions in a manner that is undesirable for some of the Debentureholders.

Proventus AB will, in its capacity as Investor, have the right to participate in making certain decisions and taking certain measures that bind all Investors. There is a risk that the interests of Proventus AB and certain Debentureholders are not aligned, which could impact other Debentureholders' rights in accordance with the Terms and Conditions in an undesirable manner for such Debentureholders.

RESPONSIBILITY STATEMENT

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 is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Board of Directors of the Issuer is, to the extent provided by law, responsible for the information, relating to the Issuer, 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 is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Stockholm, Sweden, 2 March 2015

the Board of Directors

Proventus Capital Partners Alpha AB (publ)

OVERVIEW OF THE DEBENTURES

This section contains a brief summary of the terms and conditions of the Debentures and is not a complete description of them. A decision to invest in the Debentures must be based on the investors' assessment of the Prospectus as a whole, including the Terms and Conditions and documents incorporated through reference. The complete Terms and Conditions are attached hereto.

Loan amount

The total loan amount depends on to what extent the Issuer will draw down amounts under the Subscription Undertakings made by the Debentureholders.

The total funds available for the PCPA Entities for investment purposes will not exceed SEK 3,500,000,000 (comprising of the loan outstanding under the Debentures and the contribution by Proventus AB, the Parent and any Participating Party).

Nominal amount

The nominal amount of each Debenture is SEK 1,000,000, as reduced from time to time.

Issue dates

The First Closing Issue Date was 10 August 2015.

The Issuer may within twelve (12) months after the First Closing Issue Date invite other investors to subscribe for Debentures on Subsequent Closing Issue Dates.

The Subsequent Closing Investors shall contribute on a *pro rata* basis the same amounts as the Investors admitted on the First Closing Issue Date *plus* interest at a rate of STIBOR plus 2 per cent per annum to such amounts for the period between the relevant issue date and any relevant Subsequent Closing Issue Date.

Final repayment date

14 May 2024.

Transferability

The Debentures are, without restriction, freely transferable.

Calculation of interest

For each relevant Interest Period, the net cash return on the Portfolio (including capital gains on the realisation of investments) *less* (i) management fees payable to the Parent and (ii) permitted costs (including costs relating to management and administration of the Portfolio), for such Interest Period, shall constitute Interest for each relevant Interest Period.

The calculation of interest as set out above shall be made without taking into account any tax payable by the Issuer (other than if a permitted cost). Proventus AB, the Parent, any Participating Parties and each Debentureholder is entitled to their respective share of any interest so calculated, based on their respective nominal contributions to the funds paid in to the Issuer or the Limited Partnership, as applicable, for investment purposes.

The Issuer will make all calculations of interest.

Payment of interest

The Debentures initially issued will earn interest from the First Closing Issue Date. Debentures subsequently issued will earn interest from the end of the previous Interest Period for which interest has been paid.

The first Interest Period was from the First Closing Issue Date until 30 September 2015. Thereafter, each Interest Period shall be three months and end on 31 December, 31 March, 30 June and 30 September in each year. The last Interest Period shall end on the Final Repayment Date. If an Interest Period would otherwise end on a day that is not a Business Day, that Interest Period will instead end on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

Interest is payable ten (10) Business Days after the last day of each Interest Period.

Repayment prior to the Final Repayment Date

If the unutilised funds held by the PCPA Entities on the Final Investment Date, being 14 May 2019 (or such earlier date as the Terms and Conditions stipulate in the event (i) a Key Executive's employment ends or (ii) the Parent is replaced as manager for a certain Investment), exceed 10 per cent of the total funds paid in to the PCPA Entities for investment purposes, such excess amount shall be used to repay *pro rata* the Debentures and the participation from Proventus AB, the Parent and any Participating Parties. Such repayment to take place twenty (20) Business Days after the last day of the Interest Period in which the Final Investment Date falls. The nominal amount of each Debenture will be reduced as a result of such repayment.

Any amounts received by the PCPA Entities from the realisation of an Investment before the Final Investment Date may, after repayment of any financial indebtedness attributable to such Investment, be retained and reinvested by the PCPA Entities and shall otherwise be applied towards repayment, twenty (20) Business Days after the last day of the relevant Interest Period, *pro rata* of the Debentures and the participation from Proventus AB, the Parent and any Participating Parties, up to an amount which together with any amount retained and any repayment of financial indebtedness is equivalent to the purchase price or original investment amount. The nominal amount of each Debenture will be reduced as a result of such repayment.

Any amounts received by the PCPA Entities from a realisation of an investment on or after the occurrence of the Final Investment Date (but prior to the Final Repayment Date) shall, after repayment of any financial indebtedness attributable to such investment, be applied towards repayment, twenty (20) Business Days after the last day of the relevant Interest Period, *pro rata* of the Debentures and the participation from Proventus AB, the Parent and any Participating Parties, up to an amount which together with any repayment of financial indebtedness is equivalent to the purchase price or original investment amount. The nominal amount of each Debenture will be reduced as a result of such repayment.

Repayment on the Final Repayment Date

The PCPA Entities shall, during the six (6) months preceding the Final Repayment Date, dispose of all investments in the Portfolio in a commercially sound manner, settle all their external debts and liabilities and place the remaining funds received on short term bank deposits. On the Final Repayment Date such funds shall be used towards repayment *pro rata* of the Debentures and the participation from Proventus AB, the Parent and the Participating Parties, up to an amount which together with any repayment of financial indebtedness is equivalent to the purchase price or original investment amount.

Any assets which are not possible to dispose of in a commercially sound manner, and therefore remain on the Final Repayment Date, shall be distributed in kind in accordance with the above.

Early redemption by the Issuer

If it becomes unlawful, or such unlawfulness is imminent, for the PCPA Entities to perform their obligations under the Terms and Conditions or should any substantial decrease in revenue occur, or be imminent, for the PCPA Entities, or substantial additional or increased cost be incurred or suffered by, or be imminent for, the PCPA Entities, as a result of the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or compliance with any law or regulation made after the date of the Terms and Conditions, the Parent may on behalf of the Issuer declare the Debentures prematurely due and payable on a date determined by the Issuer, by giving the Debentureholders at least six (6) months' notice.

Management of the Portfolio

The Parent shall manage the Portfolio on behalf of the PCPA Entities and shall make Investments and divestment decisions in accordance with the Terms and Conditions on behalf of the Issuer. The Board of Directors shall supervise the Parent's management of the Portfolio. Unless agreed otherwise by the Investors, the Key Executives (currently Daniel Sachs and Anders Thelin) shall be responsible for the management of the Portfolio.

The Board of Directors of the Issuer shall consist of up to five members, appointed by the Parent, among which at least half of the board members shall be independent and at least one of these independent board members shall possess auditing and/or accounting expertise as required by the Swedish Companies Act.

The Parent must, under the AIF Act, be authorised and registered by the SFA as an alternative investment fund manager in order to manage the Portfolio. The Parent will hence be subject to the requirements imposed on fund managers pursuant to the AIF Act (including, but not limited to, requirements on conduct of business, regulatory capital and marketing).

If the Parent, the Issuer or the Limited Partnership fails to preserve the Investors' interests in relation to PCP III's interests with respect to a particular Investment, the Investors may decide that the Parent shall be replaced by another entity as manager of such Investment.

Period of limitation

The right to receive repayment of the Participation Loan Amount shall be time barred and become void ten years from the Final Repayment Date. The right to receive payment of Interest shall be time barred 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 Debentureholders right to receive payment has been time barred and become void.

If such term of limitation periods are duly interrupted, in accordance with the Swedish Act on Limitations (*Preskriptionslag 1981:130*), a new limitation period of ten (10) years with respect to the participation loan, and of three (3) years with respect to Interest payments will commence, in both cases calculated from the date of interruption of the limitation period as such date is determined pursuant with the provisions of the Swedish Act on Limitations.

Limitation of claims

The Parent and the Participating Parties shall not have any liability to the Debentureholders for any loss suffered by the Debentureholders, which arises out of any action or inaction of the Parent, the Participating Parties or the Board of Directors of the Issuer, unless such course of conduct constituted fraud, wilful misconduct or negligence on the part of the Parent or the Participating Parties in relation to the Debentureholders, or a breach of the Terms and Conditions.

Neither the Issuer nor any member of the Board of Directors shall be liable for any loss suffered by the Debentureholders, which arises out of their respective managerial and/or commercial decisions, actions or inactions under, or in connection with, the Terms and Conditions, unless such decisions, actions or inactions constituted fraud, wilful misconduct or negligence, or a breach of the Terms and Conditions.

Neither the Issuer, any member of the Board of Directors, the Parent nor the Participating Parties 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.

Acceleration

Any Debentureholder is entitled to declare all of its Debentures immediately due and payable, (i) in case of the Issuer's insolvency, (ii) if the Parent ceases to hold (directly or indirectly) all votes and outstanding shares of the Issuer, (iii) if the Limited Partnership is dissolved due to any of the Issuer, Proventus AB or a Participating Party, as the case may be, due to any of the Issuer, Proventus AB or a Participating Party, as the case may be, materially neglecting its obligations under the Limited Partnership Agreement, (iv) if any of the Parent, the Issuer or a Key Executive commits fraud or is acting with gross negligence in relation to the Debentureholders, provided that a Debentureholder (or Debentureholders) representing at least 50 per cent of the Debentureholder have notified the Issuer in reasonable detail of the relevant fraud and/or occurrence of gross negligence, or (v) if any debentureholder in PCP III is entitled to declare all of its debentures immediate due and payable.

If the Issuer or (where applicable) the Parent or the Limited Partnership fails to comply with, or in any way acts in violation of, a material obligation under the Terms and Conditions, a Debentureholder (or Debentureholders) representing at least 50 per cent of the total outstanding Debentures may notify the Issuer in reasonable detail of the relevant failure and/or violation. If the Issuer, the Parent or the Limited Partnership, as the case may be, does not remedy such failure or violation within twenty (20) Business Days from the day of receipt of such notification, or if the failure or violation cannot be remedied, each Debentureholder may declare its Debentures due and payable.

Amendments to the Terms and Conditions

The Terms and Conditions contain provisions to the effect that a certain qualified majority of the Investors may decide to amend the Terms and Conditions (see further description in section "*Decisions by Investors (or Debentureholders)*" below).

Ranking - no security

The obligations of the PCPA Entities under the Terms and Conditions constitute direct and unsecured obligations of the PCPA Entities, and shall at all times rank *pari passu* and without any preference among them, with all their other present and future, unsecured and unsubordinated obligations. The payment obligations of the

PCPA Entities under the Debentures shall, subject to the provisions of applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the PCPA Entities, present and future.

Listing of the Debentures

The Issuer has applied for the Debentures to be admitted to listing on the Official List and to trading on the regulated market of NGM. Trading in the Debentures is expected to start on or about 21 March 2016, provided that the application is approved by NGM.

The cost for arranging for the Debentures to be admitted to trading on the regulated market of NGM will be borne by the Issuer.

Specific undertakings

As long as the Debentures are outstanding, the PCPA Entities or the Issuer, as applicable, undertake, *inter alia*;

- (a) to make Investments, subject to and in accordance with the Terms and Conditions;
- (b) to incur financial indebtedness only for the purpose of making Investments in accordance with the Terms and Conditions;
- (c) not to create or permit to subsist any security over any of part of the Portfolio, or enter into any other preferential arrangement having a similar effect, other than in relation to financial indebtedness permitted under the Terms and Conditions;
- (d) to procure that it obtains and maintains all necessary authorisations, consents and other relevant regulatory approvals or permits;
- (e) to keep the Portfolio separated from their other assets (whether physically or by way of book-keeping);
- (f) to enter into hedging arrangements for the purpose of currency protection of Swedish kronor against other currencies in which the investments are denominated and (if deemed appropriate) interest rate protection; and
- (g) to provide each Debentureholder with (i) its and the Limited Partnership's annual audited financial statements together with certain additional information, (ii) quarterly unaudited statements with a narrative description of material developments of the Portfolio, (iii) a quarterly report on the value of the Portfolio, (iv) advance notice of any payment to be made, (v) on request, yearly information for tax returns, and (vi) certain other information, however in each case excluding any information which may be considered as insider information under Swedish law.

Defaulting Debentureholder

A Subscription Undertaking may include a pledge by a Debentureholder of its existing Debentures as Security for due payment of its commitment to the Issuer. If the Debentureholder defaults, the Issuer may acquire the pledged Debentures from the Debentureholder, cancel them and set off the purchase price (which may not be higher than the Capital Amount) against any amounts owed to it.

Decisions by Investors (or Debentureholders)

A decision by the Investors or the Debentureholders, as the case may be, on a matter relating to the Terms and Conditions, may at any time be requested (in writing) by each of the Issuer, Proventus AB, the Parent and (a) Debentureholder(s), if at least 10 per cent of the Debentureholder Participation is represented, and shall be dealt with at an Investors' Meeting or by way of a Written Procedure.

The Investors' Meeting shall be convened and the Written Procedure shall be instigated, as the case may be, by the Issuer by sending each Debentureholder a notice or communication, as the case may be, (which meets the requirements as set out in the Terms and Conditions). The Investors' Meeting shall be held no earlier than fifteen (15) and no later than thirty (30) Business Days from the Issuer's notice and the Written Procedure shall be instigated no later than five (5) Business Days after receipt of a request from the Investor(s).

Certain matters, as further described in the Terms and Conditions, require the consent of (some or all of) the Debentureholders and certain matters require the consent of (some or all of) the Investors. For example, changes to the articles of association of the Issuer, changes to the Terms and Conditions and the retention of additional unused funds (or new investments) after the Final Investment Date require a consent of Investors representing at least 67 per cent of the relevant Investor Participation. Matters regarding for example changes to the Limited

Partnership Agreement and matters in which Proventus AB or an affiliate of Proventus AB, the Parent or an Affiliate has (or will in the future have) a conflicting interest, require a consent of 67 per cent of the relevant Debentureholder Participation. Changes to the general nature of the PCPA Entities' businesses, the issue of further Debentures other than in accordance with the Terms and Conditions, a change to the terms for allocation and distribution of interest and proceeds, a change to the terms dealing with Investor consent and early termination of the Debentures require the consent of all Investors voting or replying in writing, as the case may be, while an extension of the term of the Debentures and a transfer by the Parent of any shares or interest in the Issuer require the consent of all Debentureholders voting or replying in writing, as the case may be.

Any matters not covered by the paragraph above shall require the consent of Investors or Debentureholders, as the case may be, representing more than 50 per cent of the relevant Investor Participation or relevant Debentureholder Participation, as the case may be.

Quorum only exists if (an) Investor(s) or (a) Debentureholder(s), as the case may be, representing at least 20 per cent, or in some cases 50 per cent, as set out in the Terms and Conditions, of the Investor Participation or Debentureholder Participation, as the case may be, (i) if at an Investors' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives), or (ii) if in respect of a Written Procedure, reply to the request.

The Debentures may not be suitable investments for all investors

Each potential investor in the Debentures must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Debentures, the merits and risks of investing in the Debentures and the information contained in this Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Debentures and the impact such investment will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Debentures, including where the currency for principal and interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Debentures and be familiar with the behaviour of markets in which the PCPA Entities invest; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment in the Debentures and its ability to bear the applicable risks.

Applicable law

The Debentures are constituted by the Terms and Conditions which, together with any non-contractual obligations arising out of or in connection with Terms and Conditions, are governed by and shall be construed in accordance with the laws of Sweden. Any dispute, controversy or claim arising out of or in connection with the Terms and Conditions, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three (3) arbitrators. The place of arbitration shall be in Stockholm and the language to be used in the arbitral proceedings shall be English unless the arbitral tribunal decides otherwise.

Account-keeping institution and paying agent

Euroclear Sweden AB, Swedish Reg. No. 556112-8074, with registered address at Box 191, SE-101 23, Stockholm, Sweden.

International Securities Identification Number (ISIN)

The Debentures have been registered with the central securities depository, Euroclear Sweden AB. The International Securities Identification Number (ISIN) for the Debentures is SE0007278296.

THE ISSUER

History and corporate information

Establishment, Duration and Domicile

The Issuer was established on 12 April 2010 as a private limited liability company under the laws of Sweden and the incorporation was registered on 21 April 2010. On 29 May 2015, the corporate form was changed to a public limited liability company and the Issuer was registered under its current name, Proventus Capital Partners Alpha AB (publ).

The corporate registration number of the Issuer is 556805-9660 and the seat of the Board of Directors is Stockholm, Sweden. The registered address of the Issuer is c/o Proventus AB, Box 1719, SE-111 87 Stockholm, Sweden. The telephone no. for the Issuer is +46 8 723 31 00.

The registration certificate and the articles of association of the Issuer (as adopted by the extraordinary shareholders' meeting on 29 May 2015), are incorporated herein by reference.

The Limited Partnership, in which the Issuer is general partner and Proventus AB is limited partner (and in which the Participating Parties shall accede as limited partners in accordance with the Terms and Conditions), was established pursuant to the Limited Partnership Agreement on 10 June 2015 and was registered under its current name, Proventus Capital Partners Alpha Kommanditbolag, on 4 February 2015. The purpose of the Limited Partnership is to make investments in accordance with the Terms and Conditions and each partner's ownership interest in the Limited Partnership shall be equal to the *pro rata* amount of capital contributed to the Limited Partnership under the Terms and Conditions.

Share Capital

The share capital of the Issuer amounts to SEK 550,000 and is divided into 5,000 ordinary shares of series A and 500 preference shares of series B. The share capital is fully paid up. Each (i) preference share entitles its holder to one vote at shareholders' meetings and (ii) ordinary share entitles its holder to ten votes at shareholders' meetings.

Operations of the Issuer and the Limited Partnership

Neither the Issuer nor the Limited Partnership shall conduct any other business than as contemplated and/or permitted by the Terms and Conditions. During the year immediately preceding the Issuer's initial issue of Debentures, the Issuer and the Limited Partnership were dormant companies and did not conduct any business at all.

Ownership - group

The Parent holds approximately 91 per cent of the share capital in the Issuer. The Parent exercises its control over the Issuer in accordance with applicable law, regulations and the Issuer's Articles of Association. Furthermore, the Parent has undertaken to act in accordance with the Terms and Conditions (to the extent they refer to the Parent). Although this will limit the risk of any abuse by the Parent of its control over the Issuer, such risks are not completely eliminated.

Proventus AB, originally founded in 1969, is the founder of the Proventus Capital Partners funds. Following the management buyout in 2013, the Parent, being wholly owned by a management team working actively in the Parent, is today acting as manager for the Proventus Capital Partners funds. The Parent's equity amounts to SEK 86,967,266 as per 30 September 2015.

The Issuer is not aware of any present or future arrangement for direct or indirect control over the Issuer other than the control by the Parent.

Except for the Limited Partnership (in which the Issuer is general partner), the Issuer does not have any subsidiaries.

Alternative Investment Fund Manager

The Parent will act as an alternative investment fund manager and manage the Portfolio on behalf of the PCPA Entities and make all Investment and divestment decisions on behalf of the Issuer, in accordance with the AIF Act. The PCPA Entities will hence be considered as an alternative investment fund from an AIF Act perspective, being managed by the Parent.

Depositary

The PCPA Entities' assets are held by Skandinaviska Enskilda Banken AB (publ) as a depositary (the “**Depositary**”). The Depositary shall receive and hold the assets of the PCPA Entities and shall, in addition, ensure e.g. that the Parent follows the AIF Act, the SFA's Regulatory Code on Alternative Investment Funds (FFFS 2013:10) (the “**FFFS 2013:10**”) and the PCPA Entities' investment policy with respect to matters concerning the PCPA Entities' cash flows, investments, calculations of the net asset value and the sale, issue, repurchase, redemption and cancellation of Debentures.

Delegation of functions and prime brokers

The Parent has entered into certain delegation agreements with respect to the provision of various services that are included in Parent's support function as an alternative investment fund manager. For example, delegation agreements have been entered into with Moneo Business Integration AB regarding internal audit services and with Proventus AB regarding bookkeeping and accounting services.

Neither the PCPA Entities nor the Parent have any arrangements with any prime brokers.

Financial Year

The financial year of the Issuer and the Limited Partnership is the calendar year, respectively.

Independent Auditors

The independent auditor of the Issuer is Peter Emil Clemedtsson, Thaliavägen 72, 167 75 Bromma. Peter Emil Clemedtsson is authorised by, and is a member of, FAR SRS¹ and he was re-appointed auditor by the annual shareholders' meeting held on 23 June 2015. Peter Emil Clemedtsson has audited the financial statements of the Issuer for the year ended 31 December 2014 and has issued an auditor's statement.

The independent auditor of the Limited Partnership is Ulf Göran Westerberg, Folkungagatan 85, 116 22 Stockholm. Ulf Göran Westerberg is authorised by, and is a member of, FAR SRS.

Both of the independent auditors are affiliated with PricewaterhouseCoopers AB.

The independent auditors have not made an independent review of this Prospectus.

Liability insurance

The Parent has taken out insurance policies with AIG Europe Limited in respect of crime against property and liability insurance.

Objective

The principal objective of the Issuer is to indirectly provide, and/or invest indirectly through the Limited Partnership in senior loans, unitranche facilities, notes, and any other form of senior debt with a target net annual return on the Total Participation to Investors in excess of 5 per cent. The PCPA Entities (i.e. the Issuer and the Limited Partnership) may also make investments by purchasing assets to be utilised for financial leasing.

Investment focus

The investment focus with respect to senior loans is generally unsecured bilateral loans to companies in need of capital for expansion, refinancing or restructuring. Except for customary working capital facilities, such senior loans are not subordinated to other lenders. The PCPA Entities have a flexible approach to loan structures. The loans typically have a term of three to seven years with bullet repayment and cash coupon only. The size of an investment may be SEK 50-200 million (larger investments are often made with co-investors) with a target size of SEK 100-200 million. No single investment (or series of related investments) may exceed 15 per cent of the Available Participation, with the exception of two cases when such investments (or series of related investments) may amount to 20 per cent of the Available Participation. The loans shall originate from companies incorporated in any of the Approved Jurisdictions (subject to certain exceptions as described below). Investments representing one single business sector may not exceed a total of 25 per cent of the Available Participation at the date of the relevant Investment, unless previously approved by the Investors.

The PCPA Entities may also make Investments by way of purchasing assets to be utilised for financial leasing, provided, however, that the aggregate amount of each such Investment and previously made financial leasing Investments may not exceed 25 per cent of the Available Participation at the date of the relevant Investment.

¹ The Institute for the accountancy profession in Sweden and The Swedish association of auditors.

Notwithstanding the above, the PCPA Entities may, at their discretion, make Investments in other countries, provided that the aggregate amount of all such Investments in other countries does not exceed 10 per cent of the Available Participation. Any unutilised part of the Total Participation shall be invested in Swedish kronor denominated corporate investment-grade bonds with a maximum of two years remaining to maturity or be placed on short-term bank deposits.

The PCPA Entities will primarily make Investments alongside or through PCP III but may in some cases also make investments on a stand-alone basis (such stand-alone Investments shall not exceed in total 25 per cent of the Available Participation at the date of the relevant Investment). Investments made alongside PCP III shall have an expected IRR to maturity in the 6.5 per cent to 9.0 per cent range. The PCPA Entities may not make any Investments that prevent PCP III from making investments or that replace investments made by any of the PCP Funds (unless such investments are being made alongside PCP III, banks or other senior credit funds).

Investment strategy and approach

The PCPA Entities' investment strategy is to provide long-term senior credit financing to mature companies in Northern Europe with stable cash flows and/or strong asset coverage. Key features of the PCPA Entities' investment strategy are (i) a fundamental analysis of the relevant industry, business and capital structure, (ii) an entrepreneurial approach based on experience and longstanding reputation, (iii) an active involvement in each investment, manifesting itself by continuous dialog with management and other stakeholders in the companies invested in, and (iv) downside protection whereby the PCPA Entities seek to minimise the risk of default and/or maximise recovery in the event of default by, among other things, selecting risk-adjusted investment opportunities. Another essential element of the PCPA Entities' downside protection strategy is to strive for a position that enables the PCPA Entities to control proceedings in the event of default, which in private loan transactions is primarily achieved through controlling a sufficiently large share of total external funding.

The PCPA Entities will in each Investment have a long-term focus on the borrower's or issuer's potential to generate profits in the longer run; supporting the businesses of the borrower or issuer regarding tactical as well as strategic decisions and encouraging the borrowers or issuers to also consider long-term profit maximisation rather than just short-term savings.

In general, the Investments will be held until maturity and the objective of the PCPA Entities' strategy is to generate an attractive risk-adjusted return targeting an annual return on the Total Participation in excess of 5 per cent. The PCPA Entities have no specific industry focus.

Investment process

The investment process for loan investments follows a comprehensive framework, and includes the following steps: deal sourcing, initial screening, due diligence, legal structuring, documentation, closing, detailed monitoring and active investment management. During the deal sourcing phase, the PCPA Entities focus on sourcing situations with limited competition for capital. The PCPA Entities leverage their long term relationships with advisors and key individuals and employ a proactive approach in their deal sourcing. Once an attractive opportunity is identified, the PCPA Entities target direct relationships with companies and existing lenders where they may be able to provide financing solutions. The PCPA Entities also leverage from their extensive experience of working alongside financial institutions and other intermediaries such as specialist debt advisors, consultants, investment banks and private equity firms.

When structuring the investment, and in order to achieve their objectives regarding risk adjustment, the PCPA Entities aim to tailor each loan for the specific situation and to require sufficient control mechanisms such as maintenance covenants. In relation to the investment approval and documentation process, the PCPA Entities' internal process includes several stages including preliminary analysis of the potential investment, legal and financial due diligence, review of management and an investment decision by the Parent based on the previous analysis. As parts of the investment monitoring process, the PCPA Entities will seek to ensure that the following conditions are fulfilled: quarterly updates with the borrower's senior executives, regular internal reviews of market, proactive role in stressed and distressed situations and regular internal team updates. As exit strategy, the PCPA Entities will evaluate expected exit routes and timing at the time of investment in each Portfolio company, and also assess the performance of the Portfolio on a regular basis.

Limited Partnership and indirect investments

The purpose of the Limited Partnership is to facilitate funding of investments by the Participating Parties and Proventus AB. The Issuer and the Limited Partnership shall function as one operating unit and parts of the Portfolio may be held in either entity. The Issuer shall ensure that funds available are transferred between the

Issuer and the Limited Partnership so that payments can be made in accordance with the Terms and Conditions and the Limited Partnership Agreement.

The Limited Partnership may, for regulatory and/or tax purposes and provided that it is in the best interest of the Investors, make Investments by way of providing funding, through limited recourse loans, sub-participations, total return swaps or otherwise, to (i) the Issuer, (ii) an Affiliate or (iii) an independent credit institution, in each case owning the relevant asset, provided, however, that the aggregate amount of such Investments may not exceed 25 per cent of the Available Participation without the consent of the Investors.

Development of the Portfolio and reporting to Debentureholders

As of the date of this Prospectus, the PCPA Entities have invested SEK 177.6 million corresponding to 8.4 per cent of the Available Participation. Cash and bank receivables amount to SEK 43.0 million. The Portfolio consists of two investments. Two loan facility agreements have been entered into which have not yet been utilised.

The Portfolio value as of 31 December 2015 was SEK 213.9 million, corresponding to 10.1 per cent of the Available Participation.

The PCPA Entities' net asset value ("NAV") will be set on a quarterly basis and when the value of the Total Participation is increased or decreased and will be based on the value of the Portfolio. Five Business Days after the end of each calendar quarter a report containing the current NAV will be distributed to all Debentureholders. Before such report is being distributed to the Debentureholders, the NAV will be announced through a press release. In addition to the quarterly reports, the PCPA Entities' annual audited financial statements together with certain additional information will be distributed to all Debentureholders within three months following the end of each relevant financial year. Further, semi-annual reports regarding the NAV will be published at the Parent's web site.

All reports regarding the NAV will be prepared in accordance with the AIF Act, the FFFS 2013:10 and the Terms and Conditions.

Principles and procedures for valuation of the Portfolio

The Portfolio shall be valued on the basis of the current market value. In establishing such market value of the Portfolio, Chapter 31, Section 27 of the Swedish Financial Supervisory Authority's Regulatory Code on investment funds (FFFS 2013:9) ("FFFS 2013:9") shall provide guidance.

In order to ensure that the valuation of the Portfolio complies with Swedish law and the Parent's internal regulations, the board of directors of the Parent has approved and adopted certain valuation instructions. The valuations of the Portfolio shall be performed in accordance with these instructions. The Parent has an internal valuation function that is separated from the management of the Portfolio.

Currencies and hedging

The accounting currency of the Issuer and the Limited Partnership is Swedish kronor, as well as the denomination of Debentures. The Issuer shall enter into hedging arrangements for the purpose of (i) currency protection of Swedish kronor against the currency in which the Investment is denominated so that at least 90 per cent of the total value of the Investments from time to time is denominated in Swedish kronor or hedged against Swedish kronor, and (ii) (if deemed appropriate by the Issuer) interest rate protection. A majority of the Investments is expected to be denominated in Euros, and a minority in other currencies such as U.S. dollar, British pound, Swedish kronor, Danish kroner and Norwegian kroner.

Leverage

The PCPA Entities may incur financial indebtedness from third party lenders for the purpose of making Investments, subject to the consent of the Investors.

The PCPA Entities also has a right to, at the Issuer's discretion, incur such financial indebtedness for as long as any Subscription Undertaking is in force, provided that such financial indebtedness (i) does not at any time exceed 10 per cent of the Available Participation, (ii) is repaid in full within six months after disbursement.

In order to secure financial indebtedness as described above, the Issuer may grant Security over its rights under the Subscription Undertakings to the lender(s). Whenever such Security is granted, the Issuer shall notify the relevant Debentureholder(s) thereof in writing, setting out which amount that the Security is limited to. If such Security is enforced, the lender(s) may require that the relevant Debentureholder subscribes for Debentures in accordance with its Subscription Undertaking, provided, however, that (i) instead of the relevant

Debentureholder making the payment for the Debentures to the Issuer, such payment shall be made to an account specified by the lender(s) and (ii) the aggregate initial capital amount for such Debentures may not exceed the amount that the Security is limited to.

The aggregate financial indebtedness incurred by the PCPA Entities may not at any time exceed 50 per cent of the Available Participation.

Duration

The Final Repayment Date is 14 May 2024. The Final Investment Date is 14 May 2019. The Available Participation is estimated to be invested evenly over time until the Final Investment Date.

Legal and Arbitration proceedings

The PCPA Entities are not, nor have they been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the PCPA Entities are aware) during the twelve months before the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the PCPA Entities.

PCPA Entities' solvency

No recent events have occurred which are particular to the PCPA Entities and to a material extent relevant to the evaluation of the PCPA Entities' solvency.

Trend information

There has been no material adverse change in the prospects of any of the PCPA Entities since the date of their respectively last published audited financial statements.

Material contracts

Other than the Limited Partnership Agreement and the co-investment agreements between PCP III, the Parent and the PCPA Entities, there exists no contract which is material for the purpose of this Prospectus.

The management services necessary for the operations of the PCPA Entities are carried out by the Parent pursuant to the Terms and Conditions (see further description in section "*Management of the Portfolio*" below).

Significant change in the PCPA Entities' financial or trading position

Since 31 December 2014 – being the end of the last financial period – the Parent has injected capital in the amount of SEK 0.5 million, Proventus AB has injected capital in the amount of SEK 21.0 million, the Participating Parties have injected capital in the amount of SEK 0.5 million and the Debentureholders have injected capital in the amount of SEK 189.0 million.

SEK 177.6 million of the funds of the PCPA Entities have been invested in two private loans and SEK 43.0 million have been invested in cash and bank receivables.

Board of Directors and management

Board of Directors

Anders Thelin, chairman of the Board of Directors

c/o Proventus AB
Box 1719
SE-111 87 Stockholm
Sweden

Other principal activities performed by Anders Thelin, outside the Issuer:

- Member of the board of directors St Petersburg Property Company AB;
- Member of the board of directors Decem AB; and
- Member of the board of directors of Nordic Capital Markets Forum.

Gabriella Sahlman, member of the Board of Directors

c/o Proventus AB

Box 1719
SE-111 87 Stockholm
Sweden

Other principal activities performed by Gabriella Sahlman, outside the Issuer:

- Member of the board of directors of Institutet för Internationell Utbildning i Stockholm AB; and
- Member of the board of directors of Gabriella Sahlman AB.

Åsa Hansdotter, member of the Board of Directors

Södra Storgatan 27
SE-252 23 Helsingborg
Sweden

Other principal activities performed by Åsa Hansdotter, outside the Issuer:

- Partner, Mannheimer Swartling Advokatbyrå AB;
- Member of the board of directors of Åsa Hansdotter Advokat AB;
- Member of the board of directors of Deflamo AB (publ); and
- Member of the board of directors of Deflamo Förvaltning AB.

Lars Åberg, member of the Board of Directors

Hammarby Allé 82
SE-120 61 Stockholm
Sweden

Other principal activities performed by Lars Åberg, outside the Issuer:

- Member of the board of directors of Tryggstiftelsen;
- Deputy member of the board of directors Gamla Livförsäkringsaktiebolaget SEB (publ); and
- Senior advisor and member of the investment committee of Infranode AB.

Management

Management will be carried out by the Parent in accordance with the Terms and Conditions, with the exemption of certain investment related services which are carried out by investment professionals employed by the Issuer.

Conflicts of Interest

The Parent may not manage investment programmes in respect of Investments other than (i) the existing investment programmes in the PCP Funds, (ii) any investment programmes in respect of investments solely in the Issuer and (iii) as set out in, and in accordance with, the Terms and Conditions, unless at least 85 per cent of the Available Participation has been invested (or been committed to be invested), at the time of commencement of the management of such other investment programme. Except for this restriction, the above persons in the Board of Directors may potentially make investments that could compete with the investments made by the PCPA Entities or be acting in companies that make such investments. However, as of the date of this Prospectus there are no such conflicts of interest.

The Issuer may make Investments alongside or through PCP III provided that the amount of the Investment may not exceed the principal amount(s) invested by PCP III in such co-investment. Certain co-investment principles aiming at preserving the PCPA Entities' interests in relation to PCP III shall apply for the relevant investments. Such principles shall be reflected in co-investment agreements entered into among PCP III, the PCPA Entities and the Parent.

HISTORICAL FINANCIAL INFORMATION

The annual reports for the Issuer for 2013, as regards the audited historical financial information on pages 3–5 and the audit report on page 6, and for 2014, as regards the audited historical financial information on pages 3–5 and the audit report on page 6, are incorporated herein by reference.

GENERAL INFORMATION

The Debentures constitute participation loan debentures. 189 Debentures have been issued by the Issuer. The Debentures have been accepted for clearing through Euroclear Sweden AB. The Debentures are registered on behalf of the Debentureholders on VP Accounts and are in book-entry form. The ISIN of the Debentures is SE0007278296.

This Prospectus has been approved by the SFA and application has been made for the Debentures to be admitted to listing on the Official List and trading on the regulated market of NGM.

As long as any of the Debentures are outstanding, copies (and English translations where the documents in question are not in English) of the following documents will, when published, be available at the specified office of the Issuer during normal business hours on any weekday (except Saturdays, Sundays and public holidays):

- (a) the registration certificate and articles of association of the Issuer;
- (b) copies of the authorisations listed below;
- (c) a copy of this Prospectus, together with any supplement to this Prospectus; and
- (d) the annual report of the Issuer for the year ended 31 December 2014.

The Issuer has obtained all necessary resolutions, authorisations and approvals required in connection with the Debentures and the performance of its obligations in relation thereto. The issue of the Debentures was authorised by resolutions of the Parent on 27 July 2015.

This Prospectus does not refer to any expert opinions.

This Prospectus shall be published on the Issuer's website at www.proventus.se and will be available on the SFA's website at www.fi.se.

The costs in connection with the admission to trading of the participation loan debentures and in connection with the preparation and filing of this Prospectus amount to (i) SEK 200,000 for the preparation of the Prospectus, (ii) SEK 35,000 for the filing with and approval of the Prospectus by the SFA and (iii) SEK 7,000 for the admission to trading. As at the date of this Prospectus, the cost for having the participation loan debentures admitted to trading amounts to SEK 10,000 in aggregate per year, as long as the nominal amount of the participation loan debentures exceed the equivalent of EUR 100,000.

DOCUMENTS INCORPORATED BY REFERENCE

Each document incorporated herein by reference is current only as at the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the affairs of the Issuer, as the case may be, since the date thereof or that the information contained therein is current as at any time subsequent to its date. Any statement contained therein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a subsequent statement contained herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The audited statutory financial statements of the Issuer (including the notes thereto and the auditors' reports) as at, and for the years ended 31 December 2013 and 2014, have been prepared in accordance with generally accepted accounting principles in Sweden and are incorporated herein by reference. The registration certificate and the articles of association as at the date hereof are incorporated herein by reference.

Documents incorporated by reference into this Prospectus will, for so long as any Debentures are outstanding, be physically available free of charge at the office of the Issuer, c/o Proventus AB, Katarinavägen 15, SE-116 45 Stockholm, Sweden. Prospective investors in the Debentures are advised to obtain and read the documents incorporated by reference herein before making any investment decision in relation to the Debentures.

ADDRESSES

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