

INVESTMENT AGREEMENT

by and among

**Hemsö Fastighets AB and Hemsö TTP Oy,
the Shareholders and Turun ammattikorkeakoulu Oy**

and

Turun Teknologia kiinteistöt Oy

[date] 2019

AVANCE

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INVESTMENT AGREEMENT

THIS INVESTMENT AGREEMENT (the **Agreement**) is entered into on [dd] [mm] 2019 (the **Signing Date**), by and among:

1. **Hemsö Fastighets AB**, a limited liability company having its registered domicile in Stockholm Sweden, and the business identity code 556779-8169 (**Hemsö**);
2. **[[Hemsö TTP Oy]**, a limited liability company having its registered domicile in [], Finland, and the business identity code [] (**Subscriber**);
3. **The City of Turku**, a Finnish municipality having its registered domicile in Turku, Finland, and the business identity code 0204819-8;
4. **Pensionsförsäkringsaktiebolaget Veritas**, a pension insurance company having its registered domicile in Turku, Finland, and the business identity code 0141187-2;
5. **Stiftelsen Eschnerska Frilasarettet sr**, a foundation having its registered domicile Turku, Finland, and the business identity code 0902161-7;
6. **Stiftelsen för Åbo Akademi sr**, a foundation having its registered domicile Turku, Finland, and the business identity code 0197602-1;
7. **Turun Seudun Osuuspankki**, a cooperative bank having its registered domicile Turku, Finland, and the business identity code 0142126-1;
8. **Turun TeknologiaKiinteistöt Oy**, a limited liability company having its registered domicile in Turku, Finland, and the business identity code 2349955-3 (the **Company**); and
9. **Turun ammattikorkeakoulu Oy**, a limited liability company having its registered domicile in Turku, Finland, and the business identity code 2528160-3.

Parties 2 – 6 hereinafter collectively referred to as **Shareholders**, and each individually as a **Shareholder**.

Hemsö, the Shareholders, Turun ammattikorkeakoulu Oy and the Company hereinafter collectively referred to as **Parties**, and each individually as a **Party**.

Recitals

- A. The Company is a real estate investment company operating mainly in Turku Kupittaa region, owning and developing properties in the area and leasing premises to companies and organizations. The lettable floor area of the Properties and the Minority MREC Premises is approximately [132,000] sqm, with an average utilization rate of approx. [97] %. Prior to the execution of the transactions contemplated in this Agreement, the Shareholders own all (100%) of the issued and outstanding shares and other equity securities of the Company, and the Convertible Loan Holders own all (100%) of the option rights entitling to new shares in the Company.
- B. The Shareholders and the Company have offered to Hemsö the opportunity to invest in the Company. Hemsö has, after diligent and independent assessment of the rights, obligations, risks and opportunities, which said investment and the Transaction Documents confer, decided to make such an investment, via its fully owned subsidiary the Subscriber, on and subject to the terms and conditions set forth in the Transaction Documents.

- C. In connection with Hemsö's investment in the Company contemplated in this Agreement, the Shareholders and Turun ammattikorkeakoulu Oy shall make an equity investment in the Company by way of converting their current convertibles loans with an aggregate amount of approximately EUR 71 million into shares of the Company.
- D. The Parties shall, upon Closing, enter into a shareholders agreement (the **Shareholders Agreement**) governing the rights and obligations of the shareholders in, and the organization and administration of, the Company, in the form attached hereto as **Schedule A**.
- E. Having regard to the above, the Parties hereby agree as follows.

1. DEFINITIONS

As used in this Agreement, the following capitalized terms have the following meanings:

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| 1.1 | Affiliate | means, in respect of a Person, another Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person, provided, however, that the Company shall not, for the purposes of this Agreement, be considered an Affiliate of any Shareholder, Hemsö, the Subscriber or Turun Ammattikorkeakoulu Oy. |
| 1.2 | Agreement | has the meaning set out in the introductory paragraph of this Agreement. |
| 1.3 | Annual Accounts | means the audited annual accounts of the Company as at and for the financial period ending on [31 December 2017], as set out in Schedule 1.3 . |
| 1.4 | Business Day | means a day on which banks are generally open for business in Finland and Sweden, excluding Saturdays, Sundays and public holidays. |
| 1.5 | Closing | has the meaning set out in Section 4.1. |
| 1.6 | Closing Date | has the meaning set out in Section 4.1. |
| 1.7 | Common Warranties | has the meaning set out in Section 5.1(c). |
| 1.8 | Company | has the meaning set out in the introductory paragraph of this Agreement. |
| 1.9 | Company Warranties | has the meaning set out in Section 5.1(a). |

1.10	Company's Knowledge	means the actual knowledge of any of the members of the Board of Directors of the Company and the knowledge that any of them should have had based on his/her respective position in the Company, after the review of the Company's Warranties and after due enquiry with MD Mikko Lehtinen and CFO Ulla Sjöblom.
1.11	Confidential Information	means any and all non-public information of any kind or nature whatsoever, whether written or oral, including, without limitation, financial information; trade secrets and other proprietary business information regarding this Agreement or the Parties or the Company, as the case may be. For clarity, the existence of this Agreement and the terms hereof shall constitute Confidential Information.
1.12	Control	means the power to direct or cause the direction of the management and policies of a party, whether through the ownership of voting securities, by contract or otherwise. The terms "Controlled by", "under common Control with" and "Controlling" shall have correlative meanings.
1.13	Convertible Loan Holders	means the Shareholders and Turun ammattikorkeakoulu Oy.
1.14	Convertible Loans	means the convertible loans granted by the Convertible Loan Holders to the Company, identified in Schedule 5.6(a) .
1.15	Disclosure Material	means (i) the documents and written information, of which an index and an agreed form copy (in the form of a DVD-ROM or memory stick) is attached hereto as Schedule B and (ii) this Agreement.
1.16	Easement	means a registered, contractual or a statutory right directed to a property, which has been founded in favour of another property, permanently or for a limited period of time, and which serves the appropriate use of the entitled property (Fi. <i>rasiteoikeus</i>).
1.17	Encumbrance	means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including

retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law). The verb “**Encumber**” shall be construed accordingly.

- 1.18 Fairly Disclosed** means that a fact, matter, occurrence or event is disclosed in a manner enabling a professional and prudent investor acting with professional diligence and due care to identify and assess the relevance of such fact, matter, occurrence or event.
- 1.19 Fundamental Warranties** means the Warranties included in Sections 5.2 (Organization), 5.3 (Authorization), 5.4 (Non-violation), 5.5 (Valid Issuance), 5.6 (Capitalization), 5.9(a) through 5.9(b) (both inclusive) (Properties), 5.10(c) and 5.10(d) (Absence of Certain Changes), 5.17 (Taxes), 5.19 (Transactions with Affiliates) and 5.20 (Brokerage and Commissions).
- 1.20 Group** means the Company and the Subsidiaries, and a **Group Company** means any one of them.
- 1.21 Hemsö** has the meaning set out in the introductory paragraph of this Agreement.
- 1.22 Indemnified Parties** has the meaning set out in Section 7.1(a).
- 1.23 Law** means any applicable law, order, decree, ordinance, statute, regulation, rule or directive in force from time to time.
- 1.24 Lease Agreement** means any lease agreement governing the terms of an arrangement whereunder any premises on the Properties or any Minority MREC Premises are leased by the Group.
- 1.25 Loss** means any direct loss (including loss of rent) or cost (including, for avoidance of doubt reasonable attorneys’ fees and reasonable costs of investigation) or damage.
- 1.26 Interim Accounts** means the interim accounts of the Company (including balance sheet) as at, and for the period ending, on 30 September 2018 set out in **Schedule 1.26**.

1.27	Material Adverse Effect	means any material adverse effect on the overall financial condition or the assets or business of the Group taken as a whole, <u>provided</u> , <u>however</u> , only an effect in excess of EUR 12,000,000 in value by application of the same yield and other valuation metrics reasonably applied for the purpose of the transactions contemplated hereunder shall be considered a Material Adverse Effect, and provided further that any adverse effects or circumstances arising solely out of any changes in general economic, market, regulatory, political or other similar conditions shall not be considered a Material Adverse Effect.
1.28	Material Contracts	means the contracts listed in Schedule 1.28 .
1.29	Material Lease Agreements	means the lease agreements of the Group identified as “material” in Schedule 5.11(a) .
1.30	Minority MREC	means any mutual limited liability real estate company (Fi. <i>keskinäinen kiinteistöosakeyhtiö</i>) and limited liability housing company (Fi. <i>asunto-osakeyhtiö</i>), in which a Group Company’s share ownership percentage is less than fifty per cent (50%).
1.31	Minority MREC Premises	has the meaning set out in Section 5.6(f).
1.32	New Shares	has the meaning set out in Section 2(a).
1.33	Ordinary Course of Business	means the ordinary course of business of the Group as a going concern at the Signing Date, as conducted consistent with past business practices and on an arms' length basis.
1.34	Party	has the meaning set out in the introductory paragraph of this Agreement.
1.35	Person	means any individual, corporation, partnership, limited liability company, firm, joint venture, association, governmental body or other entity.
1.36	Properties	mean the real estate properties owned or leased by the Group, including all buildings and other structures located thereon and fixtures, fittings and appurtenances (Fi. <i>tarpeisto ja ainesosa</i>)

thereof.

- 1.37 Resolutions** means the unanimous resolutions of the Shareholders regarding, among other things, (i) issuing New Shares to Hemsö as contemplated by this Agreement, (ii) amendments to the articles of association of the Company and (iii) electing the Board of Directors of the Company; and the resolutions of the Board of Directors, among other things, approving execution of this Agreement and the other Transaction Documents, in each case materially in the form attached hereto as **Schedule 1.38**.
- 1.38 Shareholder** has the meaning set out in the introductory paragraph of this Agreement.
- 1.39 Shareholder Loans** means the loans granted by the Shareholders to the Group as specified in **Schedule 1.40**, excluding the Convertible Loans, which are due at Closing and will be paid off to the Shareholders after the Closing.
- 1.40 Shareholders Agreement** has the meaning set out in the Recital D.
- 1.41 Shareholders Knowledge** means the actual knowledge of any of the members of the board of directors of the Shareholder and the knowledge that any of them should have had based on his/her respective position in the Shareholder. For the avoidance of doubt, matters resolved in the board of directors of the Company are deemed to be in the knowledge of such Shareholders who had a representative in the board at the time the resolution was made.
- 1.42 Shareholder Warranties** has the meaning set out in Section 5.1(b).
- 1.43 Shares** means the Company's shares and other equity securities entitling to the Company's shares.
- 1.44 Signing** means the execution of this Agreement on the Signing Date.
- 1.45 SOTE SPA** means the sale and purchase agreement (including appendices thereto) entered into by and between the City of Turku as the seller and Hemsö as the buyer, regarding the sale and

purchase of all (100%) the shares in Turun seudun sosiaali- ja terveystalvelukiinteistöt Oy (business identity code 2718451-6), dated [date] 2018.

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| 1.46 | Subscriber | has the meaning set out in the introductory paragraph of this Agreement. |
| 1.47 | Subscriber Warranties | has the meaning set out in Section 6. |
| 1.48 | Subsidiaries | means the subsidiaries of the Company as listed in Schedule 1.48 (for the avoidance of doubt, excluding any Minority MREC). |
| 1.49 | Tax | means any and all taxes, tax-like mandatory charges and duties (including income tax, corporate tax, value-added tax, stamp duty, withholding tax or similar tax and property tax) as applicable in Finland and collected by the Finnish Tax Administration (Fi. <i>Verohallinto</i>). The term Taxes includes any fee, interest, adjustment, tax increase or penalty payable in respect of any Taxes. |
| 1.50 | Territory | has the meaning set out in the Recital A. |
| 1.51 | Total Investment Amount | means EUR [49,999,998.84]. |
| 1.52 | Transaction Documents | has the meaning set out in Section 5.3(a). |
| 1.53 | Warranties | means the Company Warranties, the Shareholder Warranties and the Common Warranties. |
| 1.54 | Warrantors | means the Company and/or the Shareholders, as applicable. |

The definitions set forth or referred to above apply equally to both the singular and plural forms of the terms defined. The words "include", "includes" and "including" are deemed to be followed by the phrase "without limitation". All references herein to Sections, Subsections and Schedules are deemed to be references to Sections and Subsections of, and Schedules to, this Agreement unless the context otherwise requires. Unless the context otherwise requires, any reference to any contract, instrument or Law is a reference to it as amended and supplemented from time to time. Any reference in this Agreement to a "day" or a number of "days" (without the explicit qualification of "Business") shall be interpreted as a reference to a calendar day or number of calendar days. Unless a contrary indication appears, any reference in this Agreement to a time of day is a reference to Finnish time.

2. ISSUANCE AND SUBSCRIPTION OF SHARES

- (a) Subject to the terms and conditions of this Agreement, and in reliance on the Warranties, at the Closing, the Company shall issue to Hemsö, and Hemsö shall subscribe for, [37,878,787] new Shares in the Company (the **New Shares**).
- (b) In consideration for the issuance of the New Shares by the Company to Hemsö, at the Closing, Hemsö shall pay to the Company the Total Investment Amount as a subscription price for the New Shares.
- (c) By signing this Agreement the Convertible Loan Holders undertake also in relation to the other Shareholders and the Company to enter into any and all Resolution and take the actions needed for the conversion of the Convertible Loans at the Closing.
- (d) Each of the Shareholders and (with respect to board resolutions) the members of the board of directors of the Company undertakes to vote in favor of the Resolutions and the Shareholders and the Company hereby irrevocably waive or procure the waiver of all or any pre-emption rights it may have pursuant to the Company's articles of association or otherwise so as to enable the issue of the New Shares and the conversion of the Convertible Loans contemplated by this Agreement to proceed free of any such pre-emption rights.
- (e) Hemsö has the right to appoint the subscription and ownership of the New Shares, and the related rights and obligations under this Agreement, to its fully owned Affiliate, the Subscriber, which is a new holding company established for such purpose. Hemsö and the Subscriber hereby undertake to be fully liable for and to perform any and all contractual obligations, undertakings and actions of the each other, as if they were their own obligations, undertakings and actions, including but not limited to making the subscription for the New Shares and the payment of the Total Investment Amount. Similarly, the Subscriber receives for its benefit the rights granted to Hemsö under this Agreement (including but not limited to the Warranties). The liability of Hemsö and the Subscriber under this agreement towards the other Parties is joint and several.

3. DETERMINATION OF THE SUBSCRIPTION PRICE

- (a) The total subscription price for the New Shares (and therefore the Total Investment Amount) has been determined based on a mutually agreed valuation between the Company and Hemsö (being EUR 1.32 per each New Share).
- (b) For the avoidance of doubt, the subscription price for the New Shares (and therefore the Total Investment Amount) shall not be subject to any adjustments.

4. CLOSING

4.1 Closing Date and Venue

- (a) The Closing shall take place on [date] 2019, provided, however, that if the Conditions Precedent are not fulfilled or waived on [date] 2019, the Closing shall take place on the [tenth (10) Business Day] after the date on which the Conditions Precedent have been fulfilled or waived, or any other date mutually agreed between the Parties in writing (the "**Closing Date**").

- (b) The Closing shall take place on the Closing Date starting at [10 a.m.] (Finnish time) at the office of Astrea Attorneys at Law Ltd, Kauppiaskatu 5, Turku or at such other location as may be agreed between the Parties in writing.

4.2 Conditions Precedent

- (a) The obligation of Hemsö to proceed to Closing shall be subject to the fulfilment of the following conditions (to the extent not expressly waived in whole or in part by Hemsö):
 - (i) there shall not have been any breach of the Warranties;
 - (ii) no Material Adverse Effect shall have occurred;
 - (iii) there shall not have been any breach by the Company or the Shareholders of their respective undertakings and covenants under this Agreement;
 - (iv) the City of Turku having been in compliance with the terms of the SOTE SPA;
and
 - (v) [the Company having completed the Refinancing].
- (b) The obligation of the Company and the City of Turku to proceed to Closing shall be subject to the fulfilment of the following conditions (to the extent not expressly waived in whole or in part by the Company and the City of Turku, as applicable):
 - (i) there shall not have been any breach of the Subscriber Warranties;
 - (ii) there shall not have been any breach by Hemsö of its undertakings and covenants under this Agreement; and
 - (iii) Hemsö having been in compliance with the terms of the SOTE SPA.
- (c) [The obligation of the Parties to proceed to Closing shall be subject to the fulfilment of the following condition (to the extent not expressly waived in whole or in part by all Parties):
 - (i) Hemsö and [the City of Turku] having received an unconditional approval of the Finnish Competition and Consumer Authority required for the lawful and valid consummation of the transactions contemplated by this Agreement - TBC].
- (d) Hemsö may, by written notice to the Company, Turun ammattikorkeakoulu Oy and the Shareholders, waive part or all of Hemsö's Conditions Precedent set out in Section 4.2(a). The effect of such waiver shall be limited to eliminating the respective Condition Precedent and shall not limit or prejudice any claims Hemsö may have with respect to any non-fulfilment of such or any other Condition Precedent set out in Section 4.2(a).
- (e) The Company and the City of Turku may, by written notice to Hemsö, waive part or all of their Conditions Precedent set out in Section 4.2(b). The effect of such waiver shall be limited to eliminating the respective Condition Precedent and shall not limit or prejudice any claims the Company, the Shareholders or Turun ammattikorkeakoulu Oy may have with respect to any non-fulfilment of such or any other Condition Precedent set out in Section 4.2(b).

- (f) If the conditions precedent for Closing set out in Sections 4.2(a), 4.2(b) and 4.2(c)] are not fulfilled or otherwise waived in accordance with this Agreement by [long stop date], each Party may terminate this Agreement.
- (g) In the event that this Agreement is terminated pursuant to Section 4.2(f)(e), all further obligations of the Parties under this Agreement (other than pursuant to Sections 4.2(f)(e), 4.2(g) (Conditions Precedent) and Section 1 (Miscellaneous) shall terminate. Nothing in this Section 4.2(g) shall be deemed to release any Party from any liability for any breach of this Agreement.

4.3 Conduct between Signing and Closing

During the period between the Signing and Closing, the Shareholders, Turun ammattikorkeakoulu Oy and the Company shall procure that the business of the Group will be carried out in the Ordinary Course of Business. Without limiting the aforesaid, the Shareholders, Turun ammattikorkeakoulu Oy and the Company specifically undertake to procure that none of the actions listed in 5.10(a) through 5.10(l) (both inclusive) are taken during the period between the Signing and Closing, unless consented to by Hemsö in writing in advance.

If it appears that action(s) listed in 5.10(a) through 5.10(l) (both inclusive) or other actions outside the Ordinary Course of Business are objectively necessary in order for the Group's business to be carried out diligently during the period between Signing and Closing, Hemsö shall not unreasonably withhold its consent to such actions.

4.4 Closing Actions

Subject to the terms and conditions and in reliance on the Warranties and covenants set forth in this Agreement, at the Closing:

- (a) the Company shall issue to Hemsö the New Shares;
- (b) Hemsö shall subscribe for the New Shares and shall pay the Total Investment Amount for the New Shares to the Company's bank account [bank account];
- (c) the Company shall deliver to Hemsö a copy of the duly executed Resolutions;
- (d) the Company shall deliver to Hemsö evidence of the conversion of the Convertible Loans into new shares in the Company;
- (e) the Parties shall execute the Shareholders Agreement;
- (f) [Other Closing actions – subject to discussions and due diligence]; and
- (g) the Parties shall execute a closing memorandum evidencing the completion of the actions and deliveries set out in Sections 4.4(a) through [(e)].

All deliveries of documents and actions contemplated by this Agreement to be taken place at Closing shall be deemed to have been taken place simultaneously as part of a single transaction and none of which shall be considered to have taken place unless and until all of such actions have taken place.

4.5 Post-Closing

Immediately after Closing, the Company shall file all notices with the Finnish trade register in relation to the matters effected hereunder upon such Closing and, upon registration of the Shares in the Trade Register, enter the name of Hemsö and the number of Shares owned by Hemsö in the shareholder register of the Company.

5. REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE SHAREHOLDERS

5.1 General Provisions

- (a) The Company represents and warrants to Hemsö that on the Signing Date and on the Closing Date (unless expressly stated that the representation and warranty is given only as per the Signing Date or per the Closing Date, or that the representation and warranty addresses a matter only as of a particular date or only with respect to a specific period of time, which need only be true and correct with respect to such date or period), each of the Warranties set forth in Sections 5.2 (Organization), 5.4 (Non-violation), 5.5 (Valid Issuance), 5.6(d) through 5.6(f) (both inclusive) (Capitalization), 5.7 (Corporate Records and Documentation), 5.8 (Annual Accounts and Interim Accounts), 5.9 (Properties), 5.10(a), 5.10(b), 5.10(e) through 5.10(k) (both inclusive) (Absence of Certain Changes), 5.11 (Lease Agreements), 5.12 (Material Contracts), 5.13 (Intellectual Property), 5.14 (Employee Matters), 5.15 (Litigations and Proceedings), 5.16 (Compliance with Laws), 5.17 (Taxes), 5.18 (Insurance), 5.20 (Brokerage and Commissions), 5.21 (State Aid and Other Subsidies) and 5.22(a) (Information) (the **Company Warranties**) is true and accurate.
- (b) Each Shareholder [and Turun ammattikorkeakoulu Oy], each for its own part (on a several but not joint and several basis) represents and warrants to Hemsö that on the Signing Date and on the Closing Date (unless expressly stated that the representation and warranty is given only as per the Signing Date or per the Closing Date, or that the representation and warranty addresses a matter only as of a particular date or only with respect to a specific period of time, which need only be true and correct with respect to such date or period), each of the Warranties set forth in Sections 5.10(c) and 5.10(d) (Absence of Certain Changes), 5.19(d) (Transactions with Affiliates) and 5.22(b) (Information) (the **Shareholder Warranties**) is true and accurate.
- (c) Both (i) the Company and (ii) the Shareholders [and Turun Ammattikorkeakoulu Oy], each for his own part (on a several but not joint and several basis among the Shareholders), represent and warrant to Hemsö that on the Signing Date and on the Closing Date (unless expressly stated that the representation and warranty is given only as per the Signing Date or per the Closing Date, or that the representation and warranty addresses a matter only as of a particular date or only with respect to a specific period of time, which need only be true and correct with respect to such date or period), each of the Warranties set forth in Sections 5.3 (Authorization), 5.6(a) through 5.6(c) (both inclusive) (Capitalization) and 5.19(a) through 5.19(c) (both inclusive) (Transactions with Affiliates) (the **Common Warranties**) is true and accurate.
- (d) The Parties acknowledge that Hemsö has conducted a due diligence review of the Company in a customary manner prior to the date hereof. Having regard to the above, the Warranties shall be qualified, except in respect of the Fundamental Warranties, by all information that is Fairly Disclosed in the Disclosure Material.

- (e) Each of the Warranties is independent and none of the Warranties shall be limited by reference to any other of them. However, any qualification, exclusion or specification made in connection with any Warranty, shall be deemed to have been made in respect of them all.
- (f) It is specifically stated and agreed that neither the Company nor any Shareholder [or Turun ammattikorkeakoulu Oy] has made, and Hemsö has not relied on, any express or implied warranties other than those specifically contained in this Section 5. Without prejudice to the generality of the foregoing, the Warrantors make no warranty to Hemsö and Hemsö accepts that and the Warrantors shall not have any liability towards Hemsö based on any financial projection or forecast relating to the Group or its future business, the reaction after Closing by the Group's lessees, contracting parties or otherwise by the market regarding the subscription contemplated in this Agreement nor related to the technical quality and/or condition of the Properties or the Minority MREC Premises, either directly or indirectly.

5.2 Organization

The Company is a limited liability company duly organized and validly existing under the Laws of Finland and has all requisite corporate power and authority to carry on its business as it is now being conducted.

5.3 Authorization

- (a) The Company and the Shareholders, as applicable, have all requisite power and authority to execute, deliver and perform their respective obligations under this Agreement and the Shareholders Agreement (collectively, the **Transaction Documents**), and to consummate the transactions contemplated hereby and thereby, including the issuance and allotment of the New Shares and the conversion of the Convertible Loans into shares in the Company. The execution, delivery and performance of the Transaction Documents and the consummation of the transactions contemplated thereby, have through the Resolutions been duly and validly authorized by all necessary action on the part of the Company.
- (b) The Transaction Documents have been duly executed and delivered by, as applicable, the Company and the Shareholders and constitute legal, valid and binding obligations, enforceable against, as applicable, the Company and the Shareholders in accordance with their terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and subject to the effect of general principles of equity.
- (c) The execution, delivery and performance of the Transaction Documents and the consummation by the Company and the Shareholders of the transactions contemplated thereby will not require the consent, approval or any other action of or by any court, governmental authority or third party. With prejudice over Section 5.15.1(c), the Company is the sole Warrantor as regards the absence of further consents and waivers required from the Company's financiers.

5.4 Non-violation

The execution, delivery and performance by the Company of the Transaction Documents and the consummation of the obligations contemplated thereby:

- (a) do not and will not breach, in any material respect, any provision of any applicable Law applicable to the Company or any of the material assets of the Company;
- (b) do not and will not materially conflict with, result in a breach of or violate any term or provision of the Company's articles of association or any other organizational documents;
- (c) do not and will not conflict with, result in a breach of, violate or constitute a default under any of the terms, conditions or provisions of any Material Contract to which the Company is a party or by which any of its respective assets may be bound, in each case except for such defaults (or rights of termination or cancellation) as to which requisite waivers or consents have been obtained or which would not materially and adversely affect the ability of the Company to enter into and perform its respective obligations under the Transaction Documents.

5.5 Valid Issuance

The New Shares, when issued and subscribed for in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and non-assessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Documents and the Company's articles of association.

5.6 Capitalization

- (a) **Schedule 5.6(a)** sets forth a complete and correct list of the name of each of the Company's shareholders and convertible loan holders and the number of shares owned by such shareholder and convertible loan holder immediately prior to, and as prospected after, the Closing. Except as set forth in **Schedule 5.6(a)**, as regards the Company in the Company's Knowledge, there are no other Persons who have any right, title interest or claim to any interest in any securities of the Company as of immediately prior to, or immediately after, the Closing or any option, warrant, convertible security or other right to purchase or otherwise subscribe or acquire shares in the Company.
- (b) Neither the Company nor, as regards the Company in the Company's Knowledge, any of its shareholders are subject to any obligation to repurchase or otherwise acquire or retire any shares or other securities of the Company or any option, warrant, convertible instruments or any other right to subscribe or acquire shares in the Company.
- (c) Except as set forth in the Shareholders Agreement and the Company's articles of association, as regards the Company in the Company's Knowledge, none of the shares in the Company are under or subject to any Encumbrances.
- (d) The consummation of the transactions contemplated by the Transaction Documents will not accelerate the time of payment or increase the amount of compensation or benefits due to any director or employee of the Company solely by reason of such transactions.
- (e) The Company holds valid title to the shares in the Subsidiaries as specified in **Schedule 1.44**. Except as set out in **Schedule 1.44** (including but not limited to the collateral securities granted to financial institutions), the shares in the Subsidiaries are free and clear of any Encumbrances. The shares in the Subsidiaries entitle to possess the premises in the Properties held by such Subsidiary as set out in the respective Subsidiary's articles of association as Fairly Disclosed in the Disclosure Material.

- (f) The Company's shareholding in each Minority MREC is as set out in **Schedule 5.6(f)**. Except as set out in **Schedule 5.6(f)** (including but not limited to the collateral securities granted to financial institutions), the shares held by the Company in the Minority MRECs are free and clear of any Encumbrances. The shares held by the Company in the Minority MRECs entitle its shareholder to possess the premises in the properties held by such Minority MREC as set out in the respective Minority MREC's articles of association as Fairly Disclosed in the Disclosure Material (the **Minority MREC Premises**).

5.7 Corporate Records and Documentation

- (a) All corporate documents of the Group required by Law (including but not limited to constitutional documents, minutes of board meetings and general meetings of shareholders and book-keeping material) have been and are, in all material respects, properly kept and contain a true and complete record of the matters, which they are required to record, and are in the possession of the Group.
- (b) All mandatory filings, resolutions and other documents required to be submitted to any authority have been in all material respects properly prepared and submitted. No registration filings are pending and no resolutions have been passed with respect to any Group Company, which should be, but have not yet been, filed for registration with any authority.

5.8 Annual Accounts and Interim Accounts

- (a) The Annual Accounts have been prepared in conformity with the generally accepted accounting principles in Finland on a consistent basis and are complete and correct in all material respects. The Annual Accounts present a true and fair view of the results of operation, financial condition, assets and liabilities of the Company at the date of the respective financial statements and for the financial period ended on such date.
- (b) The Interim Accounts have been prepared in good faith and do not contain any material errors or omissions. The Interim Accounts are complete and correct in all material respects and reasonably present a true and fair view of the results of operation, financial condition, assets and liabilities of the Company at the date of the Interim Accounts and for the period ended on such date.

5.9 Properties

- (a) The Group has valid leaseholds and/or title to the Properties as listed in **Schedule 5.9(a)**.
- (b) **Schedule 5.9(b)** hereto contains correct, complete and up-to-date (i) certificates of title, (ii) mortgage register extracts and (iii) extracts from the real estate register, in each case with respect to the Properties.
- (c) As the Signing Date the Properties identified in **Schedule 5.9(a)** are not subject to any Encumbrances other than as set out in the mortgage register extracts included in **Schedule 5.9(b)** and those Fairly Disclosed in Disclosure Material.
- (d) The Properties are free and clear of any material Easements, except for (i) those set out in the extracts from the real estate register included in **Schedule 5.9(b)**, (ii) those

Fairly Disclosed in Disclosure Material, and (iii) those arising by operation of mandatory law (including zoning or planning restrictions).

- (e) All Easements required for the construction and current use as at the Signing Date of each Property have been duly obtained and secured and no additional Easements have been required for such purpose; with the exception of ongoing negotiations regarding a parking right easement related to the sports arena site (Fi. *Turun Palloiluhalli*), the air-raid shelter easement required by the Turku campus site's construction permit and the draft easement agreement in relation to the Turku campus site (draft included in the Disclosure Material).
- (f) The land lease agreements regarding Properties leased by the Group are valid, binding, in full force and enforceable in accordance with their respective written terms and conditions Fairly Disclosed in the Disclosure Material and there exists no other written or oral agreements, undertakings or waivers with the landlords related thereto. The Group has, and the landlord has, complied in all material respects with their obligations under such land lease agreements. The Group has not given or received a notice of termination or any claim to or from any of the landlords under the land lease agreements and the landlord has not threatened or announced its intention to give such notice or claim.
- (g) All agreements concerning water, electricity and other utilities' connections required for the ownership, possession and use of the Properties (as currently used and as required by the Lease Agreements) are in the name of the respective Group Company. All connection fees (Fi. *liittymämaksut*) under such agreements have been paid.
- (h) The current use of the Properties and the use of the Minority MREC Premises conforms in all material respects with planning, zoning, building, fire, health and safety laws and orders by local or national administrative agencies. The Group has all mandatory permits for the buildings belonging to the Properties, including but not limited to building and action permits and final inspection minutes, and all inspections regarding the buildings belonging to the Properties (as required by laws and orders by local or national administrative agencies pertaining to e.g. fire, health and safety) as well as regarding the Minority MREC Premises have been duly made and all remarks as a result of such inspections have been rendered appropriately. The Group has not received any notice from any authority restricting the use of the Properties or the Minority MREC Premises. The Properties have or have access to parking spaces as required by the applicable zoning regulations and building permits.
- (i) The original construction guarantees pertaining to the buildings and constructions located on the Properties have been duly obtained, are valid in accordance with their terms and are in the possession of the Group, to the extent not already expired.
- (j) All renovation works agreed to be carried out on the Properties or the Minority MREC Premises, the value of which individually exceed EUR 500,000 (value added tax 0%), are correctly and accurately included in the Disclosure Material. Other than such renovation works, the Group has not agreed or undertaken or promised with binding effect to agree on other renovation works, the value of which individually exceeds EUR 500,000 (value added tax 0%), at the Properties or the Minority MREC Premises, whether under the Lease Agreements or otherwise.
- (k) The Group does not have any material outstanding obligations arising from laws, regulations, planning, zoning or orders by local or national administrative agencies to

carry out any construction or development work on the Properties or on any other real property.

- (l) To the Company's Knowledge, the soil of the Properties is not contaminated in such manner which would, in the current use of such Properties (excluding the effects of any excavation work), entitle any governmental or municipal authority to impose mandatory environmental remediation measures on the Group.

5.10 Absence of Certain Changes

Since 30 September 2018 until the Signing Date, the business of the Group has been operated only in the Ordinary Course of Business, consistent with past practice, and:

- (a) the Group has not incurred any material additional indebtedness for borrowed money, excluding debt related to the Campus Project and the use of the Company's credit limit facility in the Group's Ordinary Course of Business;
- (b) the Group has not made any material loans or advances to any Person;
- (c) the Group has not declared or paid any dividend or other distribution of assets or value to any Shareholder or its Affiliates, however, excluding interest payments made by the Group on the outstanding principal amounts advanced under the Shareholder Loans and Convertible Loans in the Ordinary Course of Business and at interest rates Fairly Disclosed in the Disclosure Material;
- (d) the Group has not made any payments in respect of any shares, share capital or other securities of the Group being redeemed, converted, purchased or repaid, or made any other return of capital to any Shareholder or its Affiliates, however for the avoidance of doubt excluding the investments made by the Company into the invested unrestricted equity funds (Fi. *sijoitetun vapaan oman pääoman rahasto*) of the Subsidiaries in accordance with the Group's financing policy;
- (e) there has been no waiver by the Group of a material right or a material debt owed to it;
- (f) there has been no material change in any compensation or other arrangement with any employee, director, officer, member or shareholder of the Group, except the amendment of the employment agreement of Kaurismäki, whose amended agreement is included in the Disclosure Material;
- (g) there has been no resignation or termination of employment of any officer or employee of the Company;
- (h) the Group has not employed any new employees or directors, except Savisalo and Nikula whose employment agreements are included the Disclosure Material;
- (i) the Group has not terminated, rescinded or amended the terms of any Material Lease Agreement;
- (j) the Group has not entered into any new or amended the terms of any existing Lease Agreement between a Group Company, on the one hand, and any Shareholder or Turun Ammattikorkeakoulu Oy (or their respective Affiliates), on the other hand, except with Turun ammattikorkeakoulu Oy as Fairly Disclosed in the Disclosure Material;

- (k) except as Fairly Disclosed in the Disclosure Material, there has been no sale, assignment, transfer or Encumbrance of any of the Group's material assets, including any Property or shares in any Subsidiary, Minority MREC or any other Person; or any purchase of real property or shares in any Person;
- (l) there has been no agreement or commitment by the Group to do or perform any of the acts described in this Section 5.10.

5.11 Lease Agreements

- (a) **Schedule 5.11(a)** contains a complete list of all Lease Agreements as at the Signing Date, as well as complete and accurate information (in all material respects) on the rent and the term of each such Lease Agreement. The Lease Agreements set out in **Schedule 5.11(a)** are valid, binding, in full force and enforceable in accordance with their respective written terms and conditions.
- (b) As at the Signing Date, except for the Lease Agreements Fairly Disclosed in the Disclosure Material, there exists no other Lease Agreement having a total monthly rent of more than EUR 5,000.
- (c) The Material Lease Agreements Fairly Disclosed in the Disclosure Material include all the terms and conditions pertaining to the Material Lease Agreements agreed between the Group and the respective tenants. There exist no other oral or written agreements or undertakings or waivers (including as pertains to rent discounts) between the Group and such tenants other than as Fairly Disclosed in the Disclosure Material.
- (d) The lease security provided by the tenants of the Lease Agreements as set out in **Schedule 5.11(d)** have been duly obtained by the Group, are in full force and effect and enforceable in accordance with their terms and are in the possession of the Group as at the Signing Date (as applicable).
- (e) The Group is not, and to the Company's Knowledge, no tenant is, in material breach of any of the Lease Agreements. As at the Signing Date, other than as set out in **Schedule 5.11(e)**, the tenants under the Lease Agreements are not in a payment delay of more than [fourteen (14)] days regarding the rents under the Lease Agreements.
- (f) As per the Signing Date, the Companies have not given/received any written notice of termination or any written claim to/from the respective tenants under the Material Lease Agreements and, to the Company's Knowledge, no tenant has threatened or announced its intention to give such notice or claim. The Group has not waived any of its rights under the Material Lease Agreements.
- (g) As per the Signing Date, the Group has not pledged, created a lien over, provided as collateral or transferred to a third party the lease revenue under the Lease Agreements other than as Fairly Disclosed in the Disclosure Materials. As per the Closing Date this warranty is subject to the terms of the Refinancing.

5.12 Material Contracts

- (a) **Schedule 1.28** contains a complete list of all material agreements currently in force to which a Group Company is a party, including all agreements with an annual revenue/cost effect of over EUR 50,000 and excluding all Lease Agreements.

- (b) True, complete and current copies of all Material Contracts have been Fairly Disclosed in the Disclosure Material. There exist no other material oral or written agreements or undertakings or waivers of in relation to the Material Contracts.
- (c) All Material Contracts are valid and enforceable in accordance with their respective terms and conditions and have been entered into in the Ordinary Course of Business.
- (d) None of the Group, or, to the Company' Knowledge, any contracting counter-party of the Group, is in material breach of any Material Contract. The Group has not received or given any written notice of breach or termination of any Material Contract which matter would still be pending, and, to the Company' Knowledge, no circumstances giving rise to any such breach or termination have arisen.

5.13 Intellectual Property

- (a) The Group has legal, valid ownership of, or valid right to use, all intellectual property used in the Ordinary Course of Business of the Group.
- (b) To the Company's Knowledge, the Group has not infringed and does not infringe the intellectual property rights of any third party.

5.14 Employee Matters

- (a) The Disclosure Material includes true and complete copies of current employment agreements of all employees of the Company. The terms of employment fulfill the requirements set out in applicable Laws and collective bargaining agreements. None of the Subsidiaries have any employees.
- (b) The Company has in all material respects complied and complies with all service and employment contracts, profit-sharing, bonus schemes and incentive programs binding upon the Company and with relevant Laws and collective bargaining agreements applicable to employment, labor, working conditions or relationship between an employer and an employee.
- (c) No claims, investigations or proceedings concerning material breach of any such contracts, schemes, programs, Laws or collective bargaining agreements are pending or, to the Company's Knowledge, threatened against the Company, and no circumstances giving rise to any such material breach, claims, investigations or proceedings have arisen.
- (d) To the Company's Knowledge, no officer or employee of the Company intends to terminate employment with the Company, nor does the Company have a present intention to terminate the employment of any officer or employee. The Company is not obligated to re-employ or re-engage any employee.

5.15 Litigations and Proceedings

No claims, lawsuits, actions or investigations or legal, administrative, arbitration or other proceedings (including but not limited to liquidation, receivership and other similar proceedings) have been or are pending or, to the Company's Knowledge, threatened against the Group. No reclamations, complaints or objections giving rise to such claims, lawsuits, actions, investigations or proceedings have been presented in writing to the Group, other than

customary reclamations in the Ordinary Course of Business, none of which as at the date of this Agreement has a monetary value in excess of EUR 50,000.

5.16 Compliance with Laws

- (a) The Group has all mandatory material approvals and permits required pursuant to Laws for its activities at the Properties and the Minority MREC Premises. The Group is and has been in compliance with such approvals and permits in all material respects.
- (b) The business of the Group (including as pertains to the Lease Agreements, the Properties and the Minority MREC Premises) is and has been, in all material respects, conducted in compliance with all applicable Laws, including as pertains to environment and pollution, competition, state aid and public procurement. The Group has not, in relation to any alleged breach of Laws, been subject to any investigation or order by any authority or court.
- (c) The Warranties provided in this Section 5.16 (Compliance with Laws) shall not extend the scope of warranties nor the liability of the Warrantors in respect of the subject matters handled in and in excess of what is warranted in Sections 5.9 (Properties), 5.11 (Lease Agreements) and 5.12 (Material Contracts).

5.17 Taxes

- (a) All tax returns and tax reports in respect of Taxes required to be filed with the tax authorities by the Group have been appropriately and timely filed and such tax returns and reports accurately reflect all liabilities for Taxes for the periods covered thereby. The Group has in due time paid, withheld and collected all Taxes due in accordance with such returns, reports and filings or for which a notice of assessment or collection has been issued.
- (b) As at the Signing Date, the Group has not received any written notice from tax authorities in respect of any pending tax audits or tax disputes involving the Group or the Minority MRECs, nor are any such tax audits or tax disputes, to the Company's Knowledge, threatened against the Group, except the pending request for leave to appeal to the Supreme Administrative Court as Fairly Disclosed in the Disclosure Material.
- (c) No authority has granted to the Group any pending waiver of or extension to any time period or limitation relating to the filing of any Tax returns or reports or to any payment, withholding, collection or assessment of any Taxes.
- (d) The value added tax statements in respect of real estate investments of the Group included in the Disclosure Material are true, complete and up-to-date as per the date hereof.
- (e) The Group has no liabilities for unpaid and due Taxes pertaining to the period prior to the Closing Date, except for Taxes accounted for in the Interim Accounts or any Taxes pertaining to the period after [date of Interim Accounts] incurred as a result of ordinary business operations of the Group.

5.18 Insurance

The insurance policies currently in effect in respect of the Group cover all material aspects of the business of the Group. The Properties and the Minority MREC Premises are insured to their full value. All relevant insurance premiums or other fees or charges related to the insurance policies have been duly paid when due. There is no individual claim by the Group pending under any such insurance policies, which claim concerns the Group, the Properties or the Minority MREC Premises, except as Fairly Disclosed in the Disclosure Material.

5.19 Transactions with Affiliates

- (a) The Group is not and has not been a party to any transaction, agreement, or arrangement with any of its shareholders or their respective Affiliates, under which the Group or any such shareholder or its Affiliate have paid or received, or may be required to pay or receive payment, for any asset, service, or facility, which is in material respects in excess of or less than the fair market value of such asset, service or facility, except for the art project with Turun ammattikorkeakoulu Oy. The payments and price levels Fairly Disclosed in the Disclosure Material are always deemed to be at fair market value for the purpose of these Warranties.
- (b) The Group has not issued any guarantees (Fi. *takaus*), letters of comfort or similar for the liabilities of, as regards the Company, other parties, and as regards a Shareholder for the liabilities of such Shareholder, except for the third-party pledge in connection with the Linnankatu 55 site, as Fairly Disclosed in the Disclosure Material.
- (c) Immediately after Closing, other than the Shareholders Agreement, the Shareholder Loans as well as such Lease Agreements that have been Fairly Disclosed in the Disclosure Material, there will be no contracts, undertakings or other arrangements out of the Ordinary Course of Business between the Shareholders, Turun ammattikorkeakoulu Oy or their respective Affiliates, on the one hand, and the Group, on the other hand, the annual value of which would exceeds EUR 200,000.
- (d) Immediately after Closing, neither the Shareholders, Turun ammattikorkeakoulu Oy nor any of their respective Affiliates have any claims, other than possibly based on Ordinary Course of Business, against the Group pertaining to the period prior to and including the Closing Date. Without limiting the generality of the foregoing, specifically all claims, agreements and other arrangements related to Lease Agreements between the Warrantors and their Affiliates on the one hand and the Group on the other are excluded from this warranty. For the avoidance of doubt, this warranty does not constitute any composition with creditors (Fi. *akordi*) from the Warrantors to the Company.

5.20 Brokerage and Commissions

No Person is entitled to receive from the Group a finder's fee, brokerage, bonus or commission in relation to the transactions contemplated in this Agreement and the Group is not liable to pay to any of its directors, employees, agents and advisors any sum whatsoever in connection with the transactions contemplated in this Agreement, in each case except for such finder's fee, brokerage, bonus or commission, the amount of which are fully accounted for in the Interim Accounts, as well as the fixed fee commission payable to OP Yrityspankki Oyj as Fairly Disclosed in the Disclosure Material and the hourly incurred legal fees and customary expenses related to the transactions contemplated in this Agreement, which fixed fee commission and legal fees and customary expenses do not in the aggregate exceed the amount of EUR 1,100,000.

5.21 State Aid and Other Subsidies

Except as set out in **Schedule 5.21**, neither the Group nor the Properties have received any state aid or other subsidies which are subject to repayment or reimbursement obligations, or which prohibit or restrict the divestment by the Group of any of its Properties or other assets, or which may be triggered in connection with the transactions contemplated by this Agreement or changes in the ownership or control of the Company or any of the Subsidiaries.

5.22 Information

- (a) The Disclosure Material is in all material respects true and correct. To the Company's Knowledge no material information has been withheld from the Disclosure Material and no materially misleading information relating to the Group, the Minority MRECs, the Properties, the Minority MREC Premises or the Lease Agreements has been provided in the Disclosure Material.
- (b) The Shareholders do not possess any privileged information or information that is not generally available or included in the Disclosure Material and that is not disclosed in writing to Hemsö which directly and materially affects the Group, the disclosure of which might reasonably affect the willingness of a prudent real estate investor to subscribe for shares in the Company and the representative(s) of such Shareholders involved in the negotiations of this Agreement should have been aware of such information and effect.
- (c) Notwithstanding 5.1(c), the Warranties provided in this Section 5.22 are qualified by the scope of other Warranties provided in this Agreement, with the effect that no deficiency or lack of disclosure in the Disclosure Material shall be deemed as breach of the Warranties provided in this Section 5.22, unless such deficiency or lack of disclosure would also constitute a breach of another subject matter specific Warranty provided in this Agreement.

6. REPRESENTATIONS AND WARRANTIES OF HEMSÖ

Hemsö represents and warrants to the Company that each of the warranties set forth in this Section 6 (the **Subscriber Warranties**) is true and correct on the Signing Date and on the Closing Date (except to the extent any Subscriber Warranty refers to another date, in which case as of such other date).

6.1 Organization

Hemsö is a limited liability company duly organized and formed, validly existing under the Laws of Finland and has all requisite power and authority to carry on its business as it is now being conducted.

6.2 Authorization

- (a) Hemsö has all requisite power and authority to execute, deliver and perform the Transaction Documents to which it is a party and to consummate the transactions contemplated thereby.
- (b) The execution, delivery and performance of the Transaction Documents and the consummation of the transactions contemplated thereby, have been duly and validly authorized by all necessary action on the part of Hemsö and constitute legal, valid and binding obligations, enforceable against Hemsö in accordance with their terms.

6.3 No basis for claim

Hemsö is not on the date hereof aware of any breach of this Agreement by the Company, a Shareholder or Turun ammattikorkeakoulu Oy or of a risk, fact, matter or circumstance that would entitle Hemsö to make a claim against the other Parties for breach of this Agreement and in particular the Warranties.

7. REMEDIES

7.1 Hemsö's Remedy

- (a) Subject to the limitations set out in this Section 7, each Warrantor shall compensate Hemsö (the **Indemnified Parties**) from and against any Loss incurred by such Indemnified Party as a result of any breach by such Warrantor of any of the Warranties given by such Warrantor or any other terms of this Agreement. For the avoidance of doubt, in case of a breach of the Warranties, Hemsö's ownership percentage of the Loss (same as Hemsö's ownership percentage in the Company immediately after the Closing) incurred or suffered by the Group under the circumstances constituting such breach, shall be considered a direct loss incurred by Hemsö.
- (b) Upon receipt of a notice concerning a breach of the Warranties or the Agreement, the Warrantor(s) in breach of the Warranties or the Agreement has/have a grace period to rectify the breach (to the extent a breach can reasonably be deemed rectifiable) to the full satisfaction of Hemsö within sixty (60) days after having received a notice as agreed herein.
- (c) The Shareholders' liability under this Agreement is several, i.e. each Shareholder shall be liable only for Losses attributable to his own acts or omissions and not for those of any other Shareholder(s) or the Company. In the event that a Loss is attributable to several Shareholders, each Shareholder shall be liable to compensate only the share of the Loss attributable to the acts or omissions of such Shareholder. If the Loss can't be allocated amongst the liable Shareholders, such Loss shall be compensated severally pro rata to such Shareholders' shareholdings on the Closing Date (calculated as immediately after the conversion of the Convertible Loans) but not jointly.
- (d) In the event that both the Company and the Shareholder(s) are liable to compensate an Indemnified Party for a Loss hereunder based on breach of the Common Warranties, such Loss shall first be compensated by the breaching Shareholder(s) liable for such Loss (as stipulated above in Section 7.1(c)) and the Company shall only be liable to the extent that the Indemnified Party is unable to recover from the relevant Shareholder(s).
- (e) The remedy agreed under this Section 7 shall be exclusive and it is specifically agreed that no other remedy, including (but not limited to) the right to damages or to terminate or rescind this Agreement, shall be available to Hemsö.

7.2 Limitations of Hemsö's Remedy

- (a) Subject to the limitations set forth in this Section 7, the Indemnified Parties' right to compensation for any Loss arising as a result of a breach of the Warranties by the Warrantors shall be limited to 20 % the Total Investment Amount, which constitutes the Warrantors' maximum aggregate liability under this Agreement. This limitation shall not apply to breaches of the Fundamental Warranties, for which the Warrantors' maximum aggregate liability shall be limited to the Total Investment Amount.

- (b) No claim for Loss can be made, unless the total amount of the Loss, which the Indemnified Party may claim in respect of any breach of the Warranties under this Agreement, amounts to or exceeds EUR 1,000,000. If such Losses amount to EUR 1,000,000 in the aggregate, the compensation shall be made for the whole amount (i.e. starting from the first euro) and not only for the amount exceeding such threshold. No individual claim for Loss, or series of claims for Loss arising from substantially the same facts or circumstances constituting a breach of the Warranties, which is less than EUR 50,000 shall be taken into account when calculating the aggregate amount of claims for Losses. None of the limitations set out in this Section 7.2(b) shall apply to breaches of the Fundamental Warranties.
- (c) Subject to the general liability cap set out in Section 7.2(a), the maximum liability of each Shareholder for a breach of the Warranties shall be limited to such Shareholder's pro rata portion (calculated based on the ownership percentage of such Shareholder in the Company immediately prior to the Closing and after the conversion of the Convertible Loans) of 20 % of the Total Investment Amount. This limitation shall not apply to breaches of the Fundamental Warranties (to the extent within the scope of the Shareholder Warranties), for which each Shareholder's maximum aggregate liability shall be limited to such Shareholder's pro rata portion (calculated based on the ownership percentage of such Shareholder in the Company immediately prior to the Closing and after the conversion of the Convertible Loans) of the Total Investment Amount.
- (d) It is expressly agreed and understood, that any and all indirect losses and costs, including, without limitation, loss of revenues, profits, cost savings, synergies or other similar loss of advantages are excluded from the Warrantors' liability under this Agreement; provided however, that, in case of a breach of the Warranties, an amount equal to Hemsö's fully-diluted ownership percentage multiplied by the direct loss, deficiency, liability, damage, cost or expense incurred or suffered by the Company under the circumstances constituting such breach shall be considered a direct loss incurred by Hemsö.
- (e) No claim may be brought against the Warrantors for breach of the Warranties and the Warrantors shall not be liable for breach of such Warranties in respect of any claim unless notice in writing of any such claim accompanied by reasonable particulars specifying the nature of the breach and the amount claimed (if such amount can reasonably be determined), has been given to the Warrantor(s) in breach of the Warranties within 60 days from the date Hemsö became aware of the breach and the related Loss and in any event no later than eighteen (18) months after the Closing Date; provided, however, that:
 - (i) any claim for breach of the Fundamental Warranties shall be presented within five (5) years after the Closing Date; and
 - (ii) any claim for breach of Section 5.17 (Taxes) shall be brought within three (3) months from the expiry of the statute of limitations for such Taxes.
- (f) The Indemnified Parties shall not be entitled to make any claim for Loss arising as a result of a breach of the Warranties (other than the Fundamental Warranties, which shall not for the avoidance of doubt be qualified by any disclosures or the knowledge of Hemsö) to the extent that the circumstances giving rise to the claim were Fairly Disclosed in the Disclosure Material or were known by the representatives of Hemsö prior to the signing of this Agreement.

- (g) If the Warrantors make any payment to the Indemnified Parties in relation to any claim for a Loss under this Agreement and the Indemnified Parties subsequently receive or have the right to receive from a third party (including, without limitation, a tax authority or insurer) any amount referable to such Loss which could not have been received but for the circumstances giving rise to the subject matter of the claim, the Indemnified Party shall, (i) once it has received such amount or benefit, repay or procure the repayment to the relevant Warrantor(s), as applicable, such amount or the amount of such benefit; or (ii) at the sole discretion of the Indemnified Party, either assign that right to the relevant Warrantor(s) or, pursue the said recovery and pay to the relevant Warrantor(s) any funds or property recovered up to the amount paid by the relevant Warrantor(s).
- (h) If an Indemnified Party has made a claim against the Warrantors for breach of the Warranties but the Indemnified Party does not initiate arbitration proceedings to resolve such claim in accordance with the arbitration provisions of Section 8.12 within one hundred eighty (180) days after the expiry of the respective claim period specified in Section 7.2(e), then such claim shall be deemed to have been irrevocably withdrawn and the Warrantors shall have no further liability with respect to such claim. Arbitration proceedings shall be deemed to have commenced once a party has served notice of the appointment of an arbitrator.
- (i) For the purposes of this Agreement, a liability, which is contingent, shall not constitute any Loss unless and until such contingent liability becomes an actual liability and is due and payable, provided, however, that an Indemnified Party may always bring a claim in respect of a sufficiently detailed contingent Loss before the expiry of any applicable claim period to preserve its rights following such expiry.
- (j) An Indemnified Party shall not be entitled to make any claim against the Warrantor(s) to the extent that:
- (i) the claim would not have occurred but for any non-mandatory act or omission of an Indemnified Party or a Person deriving title from the same;
 - (ii) a provision or allowance for the matter giving rise to the Loss (whether as a specific reserve or as a general reserve) has been made in the Annual Accounts and/or the Interim Accounts or the same is otherwise accounted for or reflected in the Annual Accounts and/or the Interim Accounts; or
 - (iii) any such claim occurs as a result of the passing of, or change in, any legislation, regulation or administrative practice of any governmental or other regulatory body not in force at the date hereof, or which takes effect retrospectively, including, without prejudice to the generality of the foregoing, any increase in the rate of tax in force at the date hereof or any change in the established practice of the relevant tax authorities, or any change after the date hereof of any generally accepted interpretation or application of any such legislation, regulation or administrative practice.
- (k) None of the limitations set forth in this Section 7 shall apply in the event of intentional misconduct (Fi. *tahallisuus*) or gross negligence by the Warrantor with respect to the Warranties provided by such Warrantor hereunder.

7.3 The Company's Remedy

Hemsö hereby agrees to compensate the Company from and against any Loss incurred by the Company as a result of any breach of any of the Subscriber Warranties, provided that Hemsö has failed to rectify the breach (to the extent such breach is rectifiable) within thirty (30) days after having received a written notice from the Company.

8. MISCELLANEOUS

8.1 Publicity

- (a) The Parties shall keep, and shall cause their respective Affiliates and advisers to keep, the contents of this Agreement, the transactions contemplated hereby and any negotiations and possible proceedings in relation hereto and any Confidential Information obtained from the other Parties pursuant to the terms of this Agreement confidential indefinitely.
- (b) Notwithstanding clause 8.1(a), the Parties may disclose any relevant information, if and to the extent required by Laws, municipal decision making and administration, rulings of competent courts or authorities, or any applicable stock exchange rules.
- (c) The Parties intend to make their own customary press releases and other publications on the subject matters of this Agreement in the interest of endorsing the business of the Group and the Parties (as applicable). Consent for such publicity shall not be unreasonably withheld by any Party.

8.2 Notices

All notices, demands and other communication arising out of or relating to this Agreement are to be in writing in the English language and sent by first class (registered) mail or email to the relevant Party at the following address or e-mail at such other address or e-mail which has been provided in accordance with this Section 8.2. Notices and other communication will be deemed to have been received by the relevant Party (i) on the third (3rd) Business Day after the day of mailing if sent by first class (registered) mail or (ii) on the day of transmission an e-mail (provided that no notice of unsuccessful transmission or automated out-of-office reply has been obtained).

If to the Company:

Turun Teknologiaikeistöt Oy

address: []
e-mail: []
attention: []

with copy (which shall not constitute a notice) to:

address: []
e-mail: []
attention: []

If to the Shareholders:

address:
e-mail:
attention:

with copy (which shall not constitute a notice) to:

address:
e-mail:
attention:

If to Hemsö:

address:
e-mail:
attention:

with copy (which shall not constitute a notice) to:

Avance Attorneys Ltd.
address: Mannerheimintie 20 A
e-mail: mathias.lindqvist@avanceattorneys.com
attention: Mathias Lindqvist

If to any Shareholder, at the address or e-mail of such Shareholder specified on page 1 of this Agreement.

8.3 Schedules Incorporated

Each Schedule to which reference is made herein and which is attached hereto is deemed incorporated in this Agreement by such reference.

8.4 Entire Agreement

This Agreement represents the entire understanding and agreement between the Parties with respect to its subject matter and supersedes all prior agreements, understandings, negotiations and communications relating to such subject matter unless otherwise specifically stated in this Agreement. No Party is liable to another Party or to any third party for any promise, representation, warranty, covenant, provision or practice except as specifically stated in this Agreement.

8.5 Interpretation

The fact that a Party has drafted or participated in drafting this Agreement or any provisions hereof does not in any way affect the interpretation of this Agreement to the disadvantage of such Party.

The headings and the table of contents of this Agreement are for convenience of reference only and do not in any way limit or affect the meaning or interpretation of the provisions of this Agreement.

8.6 Amendments and Waivers

Any amendment to or waiver of this Agreement is to be made in writing and has no effect before signed by the duly authorized representatives of all Parties or, in the case of a waiver, by the Party waiving compliance with this Agreement.

Except as specifically provided herein, the failure by any Party at any time to require performance of any provisions of this Agreement does not affect its right to enforce the same, and the waiver by any Party of any breach of any provision of this Agreement is not a waiver by such Party of any succeeding breach of such provision or waiver by such Party of any breach of any other provision hereof.

8.7 No Partnership

Nothing in this Agreement is intended to or shall be construed as establishing or implying any partnership of any kind between the Parties.

8.8 Expenses

Each Party shall bear all of its own costs and expenses incurred in connection with the negotiation, preparation, execution and implementation of this Agreement and the documents referred to herein (including fees and disbursements of any advisers).

8.9 Severability

If any provision of this Agreement is declared to be invalid or unenforceable by any judicial or other competent authority, the remaining provisions of this Agreement are not affected thereby but remain in full force and effect and are binding upon the Parties. Without prejudice to the aforesaid, the Parties shall attempt through negotiations in good faith to replace the invalid or unenforceable provision with a provision closest to the mutually intended meaning of such provision and the spirit of this Agreement. The failure of the Parties to reach an agreement on a replacement provision does not affect the validity of the remaining part of this Agreement.

8.10 Assignment

This Agreement and the rights and obligations hereunder are binding upon and inure to the benefit of the Parties and their respective legal successors, and are not assignable by either Party without the other Parties' prior consent in writing. [Notwithstanding the foregoing, Hemsö may assign all or a portion of its rights and obligations hereunder to its Affiliates in connection with a transfer of Shares made in accordance with the Shareholders Agreement.]

8.11 Governing Law

This Agreement is governed by and construed in accordance with the Laws of Finland excluding the application of its conflict of law rules.

8.12 Arbitration

Any dispute, controversy or claim arising out of or in connection with this Agreement or the transactions contemplated herein, or the breach, termination or validity thereof shall be finally and exclusively settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The number of arbitrators shall be three (3). The Parties to the dispute shall each appoint one (1) arbitrator. If there are more than two (2) parties to the dispute, each side of the dispute will appoint one arbitrator jointly (by majority vote based on the pro-rata share of shareholding in the Company at the time). If Hemsö is a party to the dispute, Hemsö shall in any case have the right to appoint one arbitrator. In the event of a failure by either Hemsö or the other Parties to the dispute to appoint such party-appointed arbitrator, the Arbitration Institute of the Finland Chamber of Commerce shall make the appointment upon the request of the Party having appointed an arbitrator. The third arbitrator, who will act as chairman of the arbitral tribunal, shall be appointed by the Arbitration Institute of the Finland Chamber of Commerce unless the two party-appointed arbitrators reach an agreement on the arbitrator to be appointed as chairman of the arbitral tribunal no later than fourteen (14) days of the appointment of the latter party-appointed arbitrator. The place of arbitration shall be Helsinki, Finland, and the arbitration proceedings shall be conducted in the English language but evidence may be submitted also in Finnish and Swedish and witnesses heard in any of said languages.

9. COUNTERPARTS OF AGREEMENT

This Agreement may be duly executed by way of the submission of an electronic copy of the original signature page of each respective Party.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the day and year first above written.

TURUN TEKNOLOGIAKIINTEISTÖT OY

[SHAREHOLDER 1, ETC...]

[Hemsö Fastighets AB]

[Hemsö TTP Oy]
