

# HKSCAN

HKScan Corporation

**Listing of EUR 135,000,000 2.625 per cent. Notes due 2022**

**The Notes are represented by units in denominations of EUR 1,000**

On 21 September 2017, HKScan Corporation ("**HKScan**", the "**Issuer**" or the "**Company**") issued senior unsecured notes with an aggregate nominal amount of EUR 135,000,000 (the "**Notes**") mainly to certain institutional investors. The Notes are represented by units in denominations of EUR 1,000. The rate of interest of the Notes is 2.625 per cent. per annum. The ISIN code of the Notes is FI4000278536.

The prospectus for the Notes consists of this securities note and summary (the "**Securities Note**") and the Company's registration document dated 21 September 2017 (the "**Registration Document**") (the Securities Note and the Registration Document, including the documents incorporated by reference, jointly referred to as the "**Listing Prospectus**"). The Registration Document contains information on the Company, its business operations and its financial condition, and the Securities Note contains a summary and information on the offering and the Notes. The Listing Prospectus has been prepared solely for the purpose of admission to listing of the Notes to trading on the official list of Nasdaq Helsinki Ltd (the "**Helsinki Stock Exchange**") and does not constitute any offering of the Notes.

The Listing Prospectus has been drawn up in accordance with the Finnish Securities Markets Act (746/2012, as amended) (the "**Finnish Securities Markets Act**"), the Decree of the Finnish Ministry of Finance on the Prospectus referred to in Chapters 3 to 5 of the Finnish Securities Market Act (1019/2012, as amended), the Commission Regulation (EC) No 809/2004, as amended, in application of the Annexes IV, V and XXII thereof, and the regulations and guidelines of the Finnish Financial Supervisory Authority (the "**FIN-FSA**"). The FIN-FSA, which is the competent authority for the purposes of Directive 2003/71/EC (as amended by Directive 2010/73/EU, the "**Prospectus Directive**") and relevant implementing measures in Finland, has approved this Securities Note (journal number FIVA 58/02.05.04/2017) but assumes no responsibility for the correctness of the information contained herein.

Application has been made for the Notes to be admitted to trading on the official list of the Helsinki Stock Exchange (the "**Listing**"), and the Listing is expected to take place on or about 26 September 2017.

Besides filing the Listing Prospectus with the FIN-FSA and the application to the Helsinki Stock Exchange, neither the Issuer nor the Joint Lead Managers (defined hereafter) have taken any action, nor will they take any action to render the public offer of the Notes or their possession, or the distribution of the Listing Prospectus or any other documents relating to the Notes admissible in any other jurisdiction than Finland requiring special measures to be taken for the purpose of public offer.

The Notes have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state of the United States. The Notes may not be offered, sold, pledged or otherwise transferred directly or indirectly within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act ("**Regulation S**"), except to a person who is not a U.S. Person (as defined in Regulation S) in an offshore transaction pursuant to Regulation S.

The Issuer or the Notes have not been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.

See "*Risk factors*" for a discussion of certain risk factors associated with an investment in the Notes.

*Joint Lead Managers*

**Nordea**



## IMPORTANT INFORMATION

In the Listing Prospectus, "**HKScan**", the "**Company**", the "**Group**" and "**HKScan Group**" refer to HKScan Corporation and its consolidated subsidiaries, except where the context may otherwise require. All references to the "**Issuer**" refer to HKScan.

The Listing Prospectus should be read in conjunction with all documents which are deemed to be incorporated herein by reference and such documents form part of the Listing Prospectus. See "*Documents Incorporated by Reference*".

Nordea Bank AB (publ) ("**Nordea**") and OP Corporate Bank plc ("**OP**", together with Nordea the "**Joint Lead Managers**") are acting for HKScan as the arrangers and joint lead managers of the Listing. The Joint Lead Managers are not acting for anyone else in connection with the Listing and will not be responsible to anyone other than HKScan for providing the protections afforded to their respective clients nor for providing any advice in relation to the Listing or the contents of the Listing Prospectus. Investors should rely only on the information contained in the Listing Prospectus. Without prejudice to any obligation of HKScan to publish a supplementary prospectus pursuant to applicable rules and regulations, neither the delivery of the Listing Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of HKScan since the date of the Listing Prospectus or that the information herein is correct as of any time subsequent to the date of the Listing Prospectus.

In making an investment decision, each investor must rely on their examination, analysis and enquiry of HKScan and the Terms and Conditions of the Notes, including the risks and merits involved. None of HKScan, the Joint Lead Managers or any of their respective affiliated parties or representatives, is making any representation to any offeree or subscriber of the Notes regarding the legality of the investment by such person. Investors should make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Notes.

No person has been authorised to give any information or to make any representation not contained in or not consistent with the Listing Prospectus or any information supplied by HKScan or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by HKScan or the Joint Lead Managers. The Joint Lead Managers have not independently verified the information contained herein. Accordingly, to the fullest extent permitted by the Finnish Securities Market Act and other applicable laws, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers as to the accuracy or completeness of the information contained or incorporated in this Listing Prospectus or any other information provided by the Issuer in connection with the offering of the Notes and/or the Listing. The Joint Lead Managers accordingly disclaim any and all liability whether arising in tort, contract, or otherwise in relation to the information contained or incorporated by reference in this Listing Prospectus or any other information provided by the Issuer in connection with the offering of the Notes or their distribution.

Nothing contained in the Listing Prospectus is, or shall be relied upon as, a promise or representation by HKScan or the Joint Lead Managers as to the future. Investors are advised to inform themselves of any stock exchange releases and press releases published by HKScan since the date of the Listing Prospectus.

The distribution of the Listing Prospectus may, in certain jurisdictions, be restricted by law, and the Listing Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Notes, or otherwise to permit a public offering of the Notes, in any jurisdiction outside of Finland. HKScan and the Joint Lead Managers advise persons into whose possession the Listing Prospectus comes to inform themselves of and observe all such restrictions. Neither HKScan nor the Joint Lead Managers accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Notes is aware of such restrictions. In particular:

- the Notes may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, Singapore or any other jurisdiction in which it would not be permissible to offer the Notes; and
- the Listing Prospectus may not be sent to any person in the aforementioned jurisdictions.

This Securities Note has been prepared in English only. However, the summary of the Listing Prospectus has been translated into Finnish.

Any dispute arising in relation to the Notes shall be settled by Finnish courts in accordance with Finnish law.

## CONTENTS

Summary .....	1
Tiivistelmä (Finnish-language translation of the summary) .....	13
Risk factors.....	25
General information .....	30
Finnish taxation .....	33
Annex A – Terms and conditions of the Notes.....	34
Annex B – Additional information on the issue of the Notes.....	42

## SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A - E (A.1 - E.7).

This summary contains all the Elements required to be included in the summary for this type of securities and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and the Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

### A – Introduction and warnings

#### A.1 Warning

The following summary is not intended to be exhaustive and should be read as an introduction to this Listing Prospectus, including the financial statements of HKScan Group and other financial information contained in this Listing Prospectus. Any decision to invest in the Notes should be based on consideration of this Listing Prospectus as a whole. Certain terms used in this summary are defined elsewhere in this Listing Prospectus. Where a claim relating to the information contained in this Listing Prospectus is brought before a court in the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Listing Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Listing Prospectus or it does not provide, when read together with the other parts of this Listing Prospectus, key information in order to aid investors when considering whether to invest in the Notes.

#### A.2 Consent by the Issuer to the use of the Listing Prospectus and final placement of the Notes, the offer period and the terms and conditions attached to the consent

Not applicable.

### B – Issuer

#### B.1 Legal and commercial name of the Issuer

HKScan Corporation (in Finnish: *HKScan Oyj*, in Swedish: *HKScan Abp*).

#### B.2 Domicile and legal form of the issuer, legislation under which the Issuer operates and country of incorporation of the Issuer

The Issuer's domicile is in Turku. The Issuer is a Finnish public limited company incorporated and operating under the laws of Finland.

**B.4b Known trends affecting the Issuer and the Issuer's industries**

HKScan's business and operating environment are affected by global megatrends. Both HKScan's own business and that of its customers is directly and indirectly impacted by consumer trends and economic trends. Food has become a highly visible topic in the public eye. The rising vegetarian trend and the environmental impact of meat production are among the issues that have gained extensive media coverage and public attention. Also issues related to health and nutrition have been highlighted in the media recently.

**B.5 Description of the Group and the Issuer's position within the Group**

HKScan Group's operations include selling, marketing and producing pork, beef, poultry and lamb products, processed meats and convenience foods under strong brand names. HKScan Group comprises the parent company, HKScan Corporation, and several subsidiary companies in different countries. Overall, HKScan Group operates in Finland, Sweden, Denmark, Poland and the Baltics as well as exports to close to 50 countries around the world. HKScan Corporation is the group parent company, which conducts the operations through its subsidiaries and associated companies. As at 31 December 2016, HKScan Corporation had the following key subsidiaries:

<b>Subsidiaries</b>	<b>Group holding, %</b>
HKScan Finland Oy	100.00
HKScan Sweden AB	100.00
HKScan Denmark A/S	100.00
AS HKScan Estonia	100.00
UAB HKScan Lietuva	100.00
AS HKScan Latvia	99.52
HKScan Asia Limited	100.00

**B.9 Profit forecast or estimate**

In its half year financial report for 1 January – 30 June 2017, the Issuer provided the following information on the future outlook for 2017 (revised on 12 July 2017):

"HKScan estimates its comparable operating profit (EBIT) for 2017 to stay below the previous year's level (EUR 13.2 million)."

On 12 July 2017, HKScan lowered its outlook for 2017. The reason for the revised outlook is weaker than expected sales and lower profitability in market area Sweden and Finland. The ramp-up costs of the new Rauma poultry production plant will also burden profitability in 2017. Previously communicated future outlook was the following: HKScan aims to reach the comparable operating profit (EBIT) of the year 2016 (EUR 13.2 million).

Since 31 December 2016, the last day of the financial period in respect of which the most recently audited financial statements of HKScan have been prepared, there has been no material adverse change in the future outlook of HKScan other than stated above.

**B.10 Qualifications in audit report on historical financial information**

The audit reports on historical financial information do not contain any qualifications.

**B.12 Selected historical key financial information**

The following tables present selected consolidated financial information for HKScan as at and for the six-month periods ended on 30 June 2017 and 30 June 2016 and as at and for the financial years ended on 31 December 2016 and 31 December 2015. HKScan's consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union, and HKScan's half year financial report and interim report have been prepared in accordance with "IAS 34 – Interim Financial Reporting".

The selected financial information provided herein should be read together with HKScan's audited consolidated financial statements as at and for the financial years ended on 31 December 2016 and 2015 as well as with the audited half year financial report for the six-month period ended on 30 June 2017, incorporated by reference to this Listing Prospectus.

As at and for six months ended 30 June		As at and for the year ended 31 December	
2017	2016	2016	2015
(unaudited)	(unaudited)	(audited)	(audited)

(EUR million, unless otherwise stated)

**CONSOLIDATED INCOME STATEMENT**

Net sales	880.3	921.8	1 872.9	1 917.1
Cost of goods sold	-837.3	-865.8	-1 750.8	-1 799.5
Gross profit	42.9	56.0	122.2	117.6
Other operating items total	3.4	4.5	8.3	11.6
Sales and marketing costs	-26.6	-28.9	-56.5	-57.8
General administration costs	-37.1	-34.1	-64.4	-61.9
Operating profit	-17.3	-2.6	9.7	9.6
Financial income	1.1	1.4	2.3	2.1
Financial expenses	-5.5	-5.4	-11.1	-11.2
Share of profit/loss in associates and joint ventures	0.9	-0.5	-0.1	1.7
<b>Profit/loss before taxes</b>	<b>-20.8</b>	<b>-7.1</b>	<b>0.9</b>	<b>2.2</b>
Income Tax	2.5	-2.5	-4.4	-0.3
<b>Profit/loss for the period</b>	<b>-18.3</b>	<b>-9.6</b>	<b>-3.6</b>	<b>1.9</b>
Non-controlling interests	-1.0	-0.4	-1.8	-1.6
<b>Profit/loss for the period</b>	<b>-19.3</b>	<b>-10.0</b>	<b>-5.4</b>	<b>0.3</b>
Earnings per share calculated on profit attributable to equity holders of the parent:				
EPS, undiluted, continuing operations, EUR/share	-0.36	-0.18	-0.10	0.01
EPS, diluted, continuing operations, EUR/share	-0.36	-0.18	-0.10	0.01

As at and for six months ended 30 June		As at and for the year ended 31 December	
2017	2016	2016	2015
(unaudited)	(unaudited)	(audited)	(audited)

(EUR million, unless otherwise stated)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Profit/loss for the period	-18.3	-9.6	-3.6	1.9
OTHER COMPREHENSIVE INCOME (after taxes):				

Exchange differences on translating foreign operations	-0.7	-2.8	-4.1	2.6
Cash flow hedging	1.3	-0.4	2.5	0.3
Actuarial gains or losses	-	-	-2.9	-1.5
<b>Total other comprehensive income</b>	<b>0.5</b>	<b>-3.1</b>	<b>-4.4</b>	<b>1.4</b>
<b>Total comprehensive income for the period</b>	<b>-17.8</b>	<b>-12.7</b>	<b>-8.0</b>	<b>3.3</b>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:				
Equity holders of the parent	-18.8	-13.1	-9.8	1.7
Non-controlling interests	1.0	0.4	1.8	1.6
<b>Total</b>	<b>-17.8</b>	<b>-12.7</b>	<b>-8.0</b>	<b>3.3</b>

As at 30 June		As at 31 December	
2017	2016	2016	2015
(unaudited)	(unaudited)	(audited)	(audited)

(EUR million, unless otherwise stated)

### CONSOLIDATED BALANCE SHEET

Intangible assets	144.1	144.3	143.0	147.3
Tangible assets	424.9	367.5	401.7	361.8
Holdings	35.0	35.6	34.9	36.6
Other non-current assets	28.2	31.8	28.5	35.0
<b>Total non-current assets</b>	<b>632.2</b>	<b>579.2</b>	<b>608.1</b>	<b>580.7</b>
Inventories	120.4	119.6	116.1	124.2
Current receivables	124.1	123.4	123.9	122.9
Cash and cash equivalents	19.9	7.9	6.6	9.5
<b>Total current assets</b>	<b>264.3</b>	<b>250.9</b>	<b>246.6</b>	<b>256.6</b>
<b>Total assets</b>	<b>896.5</b>	<b>830.1</b>	<b>854.8</b>	<b>837.3</b>
<b>Equity and liabilities</b>				
<b>Equity</b>	<b>378.4</b>	<b>405.0</b>	<b>409.7</b>	<b>425.8</b>
Non-current loans, interest-bearing	144.2	132.2	126.9	117.2
Non-current loans, non interest-bearing	36.1	35.1	39.8	39.4
<b>Total non-current liabilities</b>	<b>180.3</b>	<b>167.3</b>	<b>166.7</b>	<b>156.6</b>
Current loans, interest-bearing	53.1	32.3	17.2	36.6
Current liabilities, non interest-bearing	284.7	225.5	261.2	218.4
<b>Total current liabilities</b>	<b>337.9</b>	<b>257.8</b>	<b>278.4</b>	<b>255.0</b>
<b>Total equity and liabilities</b>	<b>896.5</b>	<b>830.1</b>	<b>854.8</b>	<b>837.3</b>

As at and for six months ended 30 June		As at and for the year ended 31 December	
2017	2016	2016	2015
(unaudited)	(unaudited)	(audited)	(audited)

(EUR million, unless otherwise stated)

### CONSOLIDATED CASH FLOW STATEMENT SUMMARY

Cash flow before change in net working capital	12.9	20.7	58.4	78.1
Change in net working capital	-0.9	2.9	21.4	-2.2
Financial items and taxes	-3.9	-2.6	-8.9	-9.1
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>8.2</b>	<b>21.0</b>	<b>70.9</b>	<b>66.8</b>
Cash flow from investing activities	-35.0	-22.1	-53.9	-41.8
<b>CASH FLOW AFTER INVESTING ACTIVITIES</b>	<b>-26.9</b>	<b>-1.1</b>	<b>17.1</b>	<b>25.0</b>
Change in loans	53.4	8.0	-12.3	-4.3
Dividends paid	-9.0	-8.2	-8.2	-26.7
Transactions with non-controlling interests	-4.5	-	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>39.9</b>	<b>-0.3</b>	<b>-20.6</b>	<b>-31.0</b>

NET CASH FLOW	13.0	-1.4	-3.5	-6.0
Cash and cash equivalents at beginning of period	6.6	9.5	9.5	16.4
Translation differences	0.2	-0.2	0.7	-1.0
Cash and cash equivalents at end of period	19.9	7.9	6.6	9.5

As at and for six months ended 30 June		As at and for the year ended 31 December	
2017	2016	2016	2015
(unaudited)	(unaudited)	(audited)	(audited)

(EUR million, unless otherwise stated)

## KEY FIGURES

Net sales	880.3	921.8	1 872.9	1 917.1
Operating profit/loss (EBIT)	-17.3	-2.6	9.7	9.6
- % of net sales	-2.0	-0.3	0.5	0.5
Profit/loss before taxes	-20.8	-7.1	0.9	2.2
- % of net sales	-2.4	-0.8	0.0	0.1
Profit/loss for the period	-18.3	-9.6	-3.6	1.9
- % of net sales	-2.1	-1.0	-0.2	0.1
Comparable EBIT	-8.0	-0.9	13.2	21.5
- % of net sales	-0.9	-0.1	0.7	1.1
Comparable profit/loss before taxes	-11.6	-5.4	4.4	14.1
- % of net sales	-1.3	-0.6	0.2	0.7
EPS, EUR	-0.36	-0.18	-0.10	0.01
Cash flow before debt service	-26.4	0.1	23.7	32.2
Cash flow before financing activities	-26.9	-1.1	17.1	25.0
Return on capital employed (ROCE) before taxes, %	-0.3	1.3	2.1	2.3
Net debt	177.3	156.4	137.2	144.0
Gearing %	52.1	40.6	35.2	36.1
Net gearing %	46.8	38.6	33.5	33.8

## KEY FIGURES ON PERFORMANCE

### Calculation of financial indicators:

$$\text{Return on capital employed (ROCE) before tax (\%)} = \frac{\text{Profit before tax + interest and other financial expenses}}{\text{Balance sheet total - non-interest-bearing liabilities (average)}} \times 100$$

$$\text{Net gearing ratio (\%)} = \frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$$

$$\text{Earnings per share (EPS)} = \frac{\text{Profit for the period attributable to equity holders of the parent}}{\text{Average number of outstanding shares during period}}$$

$$\text{Comparable EBIT} = \text{Operating profit - items affecting comparability}$$

$$\text{Cash flow before debt service} = \text{Cash flow before financing activities and financial items}$$

Net debt = Interest-bearing debt - cash and bank

Other than stated in Section B.9 above, there has been no material adverse change in the future outlook of HKScan since the date of the last audited financial statements.

There has been no significant change in HKScan's financial or trading position since 30 June 2017.

This Listing Prospectus includes certain financial measures which are not accounting measures defined or specified in IFRS and therefore pursuant to the "Alternative Performance Measures" guidance issued by European Securities and Markets Authority are considered alternative performance measures. These alternative performance measures are (i) comparable EBIT, (ii) equity ratio, (iii) net gearing and (iv) return on capital employed. Alternative performance measures should not be viewed in isolation or as a substitute to the IFRS financial measures.

- B.13 Recent events materially relevant to evaluation of the Issuer's solvency** There are no recent events materially relevant to evaluation of the Issuer's solvency.
- B.14 Dependency of the Issuer of other entities within the Group** HKScan Corporation is the group parent company, which conducts the operations through its subsidiaries and associated companies. HKScan Corporation has over 50 subsidiaries and associated companies in different countries.
- B.15 Description of the Issuer's principal activities** The Issuer is a large Northern European food company aiming to reach the leading market position and presence in all key sales channels in the Nordic markets and to develop international growth avenues with a focus on Asia. Pursuant to strategy reviewed in 2017, HKScan strives to focus on innovation, cost competitiveness and sustainability through the whole food value chain - "From Farm to Fork" - and with a strong focus on consumers. The Issuer sells, markets, produces and exports pork, beef, lamb, poultry, processed meats and convenience foods. The meat and meals categories are the core of HKScan's business under strong brand names. HKScan's home markets are the Nordic markets, including Finland, Sweden, Denmark and the Baltics. HKScan is also present in close-by markets, the most important of which are the U.K. and Germany, where HKScan has sales offices, and Russia, where HKScan has a representation office. In addition, HKScan has a sales office outside of Europe in Hong Kong. The Issuer's customers are situated around the world in close to 50 countries altogether. In 2016, the Issuer's net sales amounted to approximately EUR 1.9 billion and it employed in average 7 319 employees. The Issuer is headquartered in Turku, Finland, while its production facilities are located in Finland, Sweden, Denmark, Estonia, Latvia and Poland.
- B.16 Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control** As at 20 September 2017, LSO Osuuskunta held 34.88 per cent. of the issued and outstanding shares and 69.25 per cent. of the votes in HKScan (including shares and votes held by HKScan). The Company is thus directly controlled by LSO Osuuskunta for the purposes of Chapter 2, Section 4 of the Finnish Securities Markets Act. The Company is not aware of any arrangement the

operation of which may result in a change of control of the Company.

**B.17 Issuer Ratings**

HKScan is not currently rated by any rating agency, such as Standard & Poor's, Moody's or Fitch Ratings.

**C – Securities**

**C.1 Type and class of securities being offered**

Senior unsecured fixed rate notes with an aggregate nominal amount of EUR 135,000,000.

Denomination of a book-entry unit: EUR 1,000.

The ISIN code of the Notes is FI4000278536.

**C.2 Currency**

Euro.

**C.5 Description of restrictions on free transferability of the Securities**

Each Note will be freely transferrable after it has been registered into the respective book-entry account.

**C.8 Rights attached to securities / ranking of Securities**

The Notes constitute direct, unconditional, unguaranteed, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among each other and with all other unsecured, unguaranteed and unsubordinated indebtedness of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.

**C.9 Interest and yield; name of representative of debt security holders**

The issue date of the Notes is 21 September 2017. The Notes shall be repaid in full at their nominal principal amount on 21 September 2022 (the "**Redemption Date**") to the Noteholders (as defined below) unless the Issuer has prepaid the Notes. By subscribing for Notes, each initial holder of Notes, and, by acquiring Notes, each subsequent holder of Notes agrees to be bound by these Terms and Conditions (each such holder of Notes, a "**Noteholder**").

The Notes bear interest at the fixed rate of 2.625 per cent. per annum. Interest shall be payable annually in arrears commencing on 21 September 2018 and thereafter on each 21 September (each an "**Interest Payment Date**") until the Redemption Date.

The Issuer may have to redeem the Notes on a date earlier than the Redemption Date upon Change of Control or Event of Default or repurchase the Notes upon Demerger Event (as defined in the Terms and Conditions of the Notes), in which case interest shall be payable until such earlier date. In addition, the Issuer may voluntarily redeem all, but not part of the outstanding Notes during the Voluntary Redemption Period (as defined in the Terms and Conditions of the Notes) at a redemption price equal to 100 per cent. of their outstanding principal amount together with accrued but unpaid interest (the "**Voluntary Redemption**").

Interest shall accrue for each interest period from and including the first day of the interest period to and excluding the last day of the interest period on the principal amount of Notes outstanding from time to time. The first interest period commences on (and includes) the Issue Date and ends on (but excludes) the first Interest Payment Date. Each consecutive interest period begins

on (and includes) the previous Interest Payment Date and ends on (but excludes) the following Interest Payment Date. The last interest period ends on the Redemption Date or on an earlier date upon Change of Control, Event of Default, Demerger Event or Voluntary Redemption.

Interest in respect of the Notes will be calculated on the basis of the number of days elapsed in the relevant interest period divided by 365, or, in the case of a leap year, 366 (actual / actual ICMA).

The effective yield of the Notes at the issue price of 100.00 per cent. is 2.625 per cent. per annum.

The Noteholders are represented by the Noteholders' meeting or a procedure in writing.

**C.10 Explanation on how the interest amount is affected by value of the underlying**

Not applicable. The Notes have no underlying component that would affect the interest amount.

**C.11 Listing**

Application has been made for the Notes to be admitted to trading on the official list of the Helsinki Stock Exchange, and the Listing is expected to take place on or about 26 September 2017.

**D – Risks**

**D.2 Risks Relating to the Issuer**

There are risks relating to the Issuer and its operating environment and business as well as to the Notes which are listed below. The listing is not exhaustive, because there may be additional risks and uncertainties not presently known to the HKScan Group, or risks that the HKScan Group currently believes are immaterial, which could also impair HKScan Group's business, financial condition, results of operations and prospects and, thereby, on HKScan Group's ability to fulfil its obligations under the Notes and the value of the Notes. The risk factors have been described in further detail in the Section "*Risk factors*" of this Securities Note and the Registration Document.

Risks relating to macroeconomic conditions

- Uncertain global economic and financial market conditions could have a material adverse effect on HKScan.
- Negative economic developments and conditions in the countries in which HKScan operates may have material adverse effect on HKScan and its customers.
- Negative developments in consumer confidence and/or consumer spending may have a material adverse effect on HKScan.

Risks relating to HKScan Group's business operations

- Fluctuations in costs of raw materials such as feed, pork, poultry and beef and their availability may have a material adverse effect on HKScan.
- Structural change in the consumer goods retail sector and intense competition within the meat industry may have a material adverse effect on HKScan.
- HKScan's shareholding is concentrated and its biggest shareholder may independently cause the adoption of significant resolutions, such as adoption of the annual accounts, payment of dividends and election of the

- Board of directors and discharging them.
- HKScan has recently adopted a new operating model and failure in its implementation may have a material adverse effect on HKScan.
  - Changes in legislation or regulation and failure in complying with such changes may have a material adverse effect on HKScan.
  - Failure in acquisitions or integration of businesses acquired may have a material adverse effect on HKScan.
  - Animal disease epidemics, such as BSE, avian influenza, Newcastle disease, foot-and-mouth-disease, African swine fever, H5N8 or any other animal disease, may have a material adverse effect on HKScan.
  - HKScan Group is dependent on its production plants and uninterrupted operation of its distribution chains and significant damages or other disruptions in production are likely to cause delays to HKScan's ability to produce and distribute its products as scheduled.
  - HKScan's operations may be materially adversely affected by product safety and product liability risks, and realisation of such risks may affect the demand of HK Group's products among customers and consumers.
  - HKScan may be materially adversely affected by labour disputes or the loss of or failure to recruit skilled personnel.
  - HKScan's operations and sales may be materially adversely affected by the change of consumer habits and seasonal fluctuations.
  - HKScan is dependent on its customer relationships and creating co-operation with one or several important customers, especially with regard to product range decisions, may have a material adverse effect on HKScan.
  - HKScan may not be insured against all potential losses and HKScan may incur losses from interruption of its business that exceed or are excluded from its insurance coverage.
  - HKScan's operations may involve legal risks relating to contracts and compliance and adverse changes in the regulatory environment or non-compliance with applicable laws and regulations, possible sanctions and the failure to sufficiently protect HKScan Group contractually may have a material adverse effect on HKScan.
  - HKScan may be materially adversely affected by environmental risks, changes in prices of waste management and energy and the changes in the availability of energy.
  - HKScan may not be able to protect its brand and intellectual property in all circumstances and failure to establish, manage or protect brand names or intellectual property rights, as well as any claims or demands associated with brand names or intellectual property rights may have a material adverse effect on HKScan.
  - HKScan's operations are dependent on information systems, and system failures or service breaks may have a material adverse effect on the efficiency and/or continuation of HKScan's operations.
  - Exposure to natural and other such external hazards

may have a material adverse effect on HKScan.

#### Financial risks

- HKScan is exposed to external financial risks that may be incapable of being fully hedged or avoided and failure to mitigate these risks may have a material adverse effect on HKScan.
- Fluctuations in currency exchange rates and failure to properly manage such risks as well as failure to hedge its exposure to exchange rate fluctuations may have a material adverse effect on HKScan's earnings and balance sheet.
- Fluctuations in interest rates or failure to properly manage its position may have a material adverse effect on HKScan's earnings and balance sheet.
- HKScan is exposed to credit and counterparty risks and failure to manage such risks may have a material adverse effect on HKScan.
- HKScan Group is exposed to commodity risks and failure to properly manage such risks and sufficiently hedge its exposure to such risks may have a material adverse effect on HKScan.
- HKScan may not receive financing on competitive terms or at all and realisation of such factors may have a material adverse effect on HKScan.
- A possible impairment of goodwill, other intangible or tangible assets could have adverse effects on HKScan's financial condition and results of operations.
- HKScan is subject to risks related to changes in accounting principles, accounting standards and accounting procedures and potential future changes in IFRS accounting standards may have a material adverse effect on HKScan.

### **D.3 Risks relating to the Securities**

#### Risks relating to the Notes

- The Notes may not be a suitable investment for all investors and this may cause financial losses or damage to the Noteholder.
- In the event of insolvency of the Issuer, the investor may forfeit interest payable on, and principal amount of, the Notes in whole or in part.
- The Notes will not be obligations of anyone other than the Issuer and they will not be guaranteed. The Notes are unsecured debt instruments and the Noteholders would be unsecured creditors in the event of the Issuer's bankruptcy or other insolvency. Adverse changes may endanger the probability that the Noteholders receive prompt and full payment.
- There is no prior public market for the Notes and there can be no assurance that an active trading market will develop, which, in turn, may result in a material decline in the market price of the Notes and the liquidity of the Notes may be adversely affected.
- Investors whose financial activities are denominated principally in a currency other than the euro are subject to exchange rate and exchange control risks. Investors may receive less interest or principal than expected, or no interest or principal at all.
- Since the Notes bear a fixed interest rate, their price may fall as a result of changes in the interest rates, which may lead to losses for the Noteholders if they sell

the Notes.

- Neither the Issuer nor the Notes are currently rated by any rating agency, which may reduce the liquidity of the Notes and increase the borrowing costs of the Issuer.
- The completion of transactions relating to the Notes is dependent on Euroclear Finland Ltd's operations and systems. Any malfunction or delay in the system or any failure by any relevant party may cause financial losses or damage to the Noteholders whose rights depended on the timely and successful completion of the transaction.
- Noteholders holding interests in the Notes through nominee book-entry accounts will not be able to enforce any rights under the Notes directly against the Issuer.
- There can be no assurance on change of laws or judicial practices during the validity of the Notes. Such changes may have a material adverse effect on HKScan, its ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Such event may cause financial losses or damage to Noteholders or impact the tax treatment of the interest income of the Noteholders.
- The Notes contain covenants governing the Issuer's operations, but do not limit its ability to merge, demerge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders.
- Premature repayment in certain circumstances may have a material adverse effect on HKScan's ability to fulfil its obligations under the Notes or it may cause material financial losses or damage, among other things, to such Noteholders who had prepared themselves to have the amount of the Notes invested until the initial maturity of the Notes.
- Any amendments made to the Notes pursuant to the Terms and Conditions of the Notes bind all Noteholders, which may incur financial losses to all Noteholders.
- There are no limitations to the Issuer's incurrence of additional debt in the future, which may lead to changes in the Noteholders position in case of an insolvency, bankruptcy or similar proceeding.
- In case any payment under the Notes has not been claimed within three years from the original due date thereof, the right to such payment shall become prescribed. Such prescription may incur financial losses to Noteholders.
- The Noteholders have no voting rights at the General Meetings of shareholders of the Issuer and cannot influence any decisions by the Issuer.
- Legal investment considerations may restrict certain investments. If the Notes are not a suitable investment for a Noteholder due to legislative or regulatory restrictions or requirements, this may incur financial losses or damages to such Noteholder.

## **E – Offer**

### **E.2b Reasons for offer and use of proceeds when different from making profit and/or hedging certain risks**

Use of proceeds: The proceeds from the issue of the Notes on the issue date, 21 September 2017 (the "**Issue Date**") have been partially used for the partial repurchase of the existing EUR 100,000,000 notes due 21 November 2019 issued by the

Company in November 2014, and the remaining proceeds may be used for general corporate purposes.

**E.3 Terms and conditions of offer**

Issue Date: 21 September 2017.

Redemption Date: 21 September 2022, or earlier upon Demerger Event, Change of Control, Event of Default or Voluntary Redemption.

Aggregate nominal amount of the Issue: EUR 135,000,000.

Interest payment dates: Annually in arrears commencing on 21 September 2018 and thereafter on each 21 September.

Interest: 2.625 per cent. per annum.

Effective yield of the Notes as at the issue price of 100.00 per cent: 2.625 per cent per annum.

Redemption: At par, bullet, on the Redemption Date or earlier upon Demerger Event, Change of Control, Event of Default or Voluntary Redemption.

Minimum subscription amount: EUR 100,000.

Covenants: Negative Pledge, Net Gearing, Demerger, Change of Control, Cross Default.

Clearing: The Notes are issued in dematerialised form in the Infinity securities system of Euroclear Finland Ltd.

Applicable law: Finnish law.

**E.4 Interest material to issue including conflicting interests**

Interests of the Joint Lead Managers: Business interest customary in the financial markets.

**E.7 Estimated expenses charged to investor**

The Issuer will not charge any expenses to the investor in respect of the Notes issue.

## TIIVISTELMÄ (FINNISH-LANGUAGE TRANSLATION OF THE SUMMARY)

Tiivistelmät koostuvat sääntelyn edellyttämistä tiedoista, joita kutsutaan nimellä "osatekijät". Nämä osatekijät on numeroitu jaksoittain A-E (A.1 – E.7).

Tämä tiivistelmä sisältää kaikki ne osatekijät, jotka kyseessä olevasta arvopaperista ja sen liikkeeseenlaskijasta tulee esittää. Osatekijöiden numerointi ei välttämättä ole juokseva, sillä kaikkia sääntelyssä lueteltuja osatekijöitä ei arvopaperin tai liikkeeseenlaskijan luonteen vuoksi ole esitettävä tässä tiivistelmässä.

Vaikka arvopaperin tai liikkeeseenlaskijan luonne edellyttäisi jonkin osatekijän sisällyttämistä tiivistelmään, on mahdollista, ettei kyseistä osatekijää koskevaa merkityksellistä tietoa ole lainkaan. Tällöin osatekijä on kuvattu lyhyesti ja sen yhteydessä mainitaan "ei sovellu".

### Jakso A – Johdanto ja varoitukset

- |            |   |   |
|------------|---|---|
| <b>A.1</b> | <b>Varoitus</b>   | Seuraavaa tiivistelmää ei ole tarkoitettu kattavaksi esitykseksi, vaan se on johdanto tässä Listalleottoesitteessä esitettäviin yksityiskohtaisiin tietoihin, mukaan luettuna HKScan-konsernin tilinpäätöstiedot ja tähän Listalleottoesitteeseen sisältyvät taloudelliset tiedot. Sijoittajien tulee perustaa Velkakirjoja koskeva sijoituspäätöksensä Listalleottoesitteessä esitettyihin tietoihin kokonaisuutena. Tietyt tässä tiivistelmässä käytetyt termit on määritelty muualla tässä Listalleottoesitteessä. Mikäli Euroopan talousalueella nostetaan tähän Listalleottoesitteeseen sisältyviä tietoja koskeva kanne, kantajana toimiva sijoittaja voi joutua ennen oikeudenkäynnin vireillepanoa vastaamaan esitteen käännöskustannuksista sen jäsenvaltion lainsäädännön mukaisesti, jossa kanne nostetaan. Siviilioikeudellista vastuuta sovelletaan henkilöihin, jotka ovat laatineet tiivistelmän, sen käännös mukaan luettuna, mutta vain, jos tiivistelmä on harhaanjohtava, epätarkka tai epäjohdonmukainen suhteessa Listalleottoesitteen muihin osiin tai jos siinä ei anneta yhdessä Listalleottoesitteen muiden osien kanssa keskeisiä tietoja sijoittajien auttamiseksi, kun he harkitsevat sijoittamista Velkakirjoihin. |
| <b>A.2</b> | <b>Suostumus arvopapereiden edelleenmyyntiin ja lopulliseen sijoittamiseen, tarjousaika ja suostumuksen ehdot</b> | Ei sovellu.   |

### Jakso B – Liikkeeseenlaskija

- |             |  |   |
|-------------|--|---|
| <b>B.1</b>  | <b>Liikkeeseenlaskijan virallinen nimi ja muu liiketoiminnassa käytetty toiminimi</b>  | HKScan Oyj (ruotsiksi: <i>HKScan Abp</i> , englanniksi: <i>HKScan Corporation</i> ).  |
| <b>B.2</b>  | <b>Liikkeeseenlaskijan asuinpaikka ja oikeudellinen muoto, Liikkeeseenlaskijaan sovellettava laki ja Liikkeeseenlaskijan perustamismaa</b> | Liikkeeseenlaskijan kotipaikka on Turku. Liikkeeseenlaskija on Suomen lain mukaisesti perustettu julkinen osakeyhtiö ja sen toimintaan sovelletaan Suomen lakia.  |
| <b>B.4b</b> | <b>Kuvaus mahdollisista tiedossa olevista suuntauksista, jotka vaikuttavat liikkeeseenlaskijaan ja sen</b>                                 | Maa-ilmanlaajuiset trendit vaikuttavat HKScanin toimintaympäristöön ja liiketoimintaan. Suoraan ja välillisesti HKScanin ja sen asiakkaiden liiketoimintaan vaikuttavia trendejä ovat esimerkiksi kuluttajiin ja talouteen liittyvät trendit. Ruoka on noussut aiempaa keskeisemmäksi keskustelunaiheeksi. Aiheet, jotka ovat olleet esillä eniten, liittyvät |

**toimialaan**

kasvisruokavalion yleistymiseen sekä lihantuotannon ympäristövaikutuksiin. Myös terveys- ja ravitsemusasiat ovat esimerkkejä viime aikoina näkyvästi mediassa esillä olleista teemoista.

**B.5**

**Kuvaus konsernista, johon Liikkeeseenlaskija kuuluu, ja Liikkeeseenlaskijan asema siinä**

HKScan-konsernin toimintoihin kuuluvat sika-, nauta-, siipikarja- ja lammastuotteiden, prosessoitujen lihatuotteiden sekä valmisruokien myynti, markkinointi ja tuottaminen vahvojen tuotemerkkien alla. HKScan-konserniin kuuluu emoyhtiö HKScan Oyj, sekä useita tytäryhtiöitä eri maissa. Kaiken kaikkiaan HKScan-konserni toimii Suomessa, Ruotsissa, Tanskassa, Puolassa ja Baltiassa ja sillä on vientiä lähes 50 maahan ympäri maailman. HKScan Oyj on konsernin emoyhtiö, joka harjoittaa liiketoimintaansa tytäryhtiö- ja osakkuusyhtiöidensä kautta. HKScan Oyj:n tärkeimmät tytäryhtiöt 31.12.2016 olivat:

Tytäryhtiöt	Konsernin omistusosuus, %
HKScan Finland Oy	100.00
HKScan Sweden AB	100.00
HKScan Denmark A/S	100.00
AS HKScan Estonia	100.00
UAB HKScan Lietuva	100.00
AS HKScan Latvia	99.52
HKScan Asia Limited	100.00

**B.9**

**Tulosennuste tai -arvio**

Puolivuosisikatsauksessaan katsauskaudelta 1.1.–30.6.2017, Liikkeeseenlaskija lausuu tulevaisuuden näkymistään vuodelle 2017 seuraavaa (tarkennettu 12.7.2017):

"HKScan Oyj arvioi, että vuoden 2017 vertailukelpoinen liikevoitto jää alle edellisvuoden (13,2 miljoonaa euroa)."

HKScan alensi vuoden 2017 näkymiään 12.7.2017. Syy tarkennettuun arvioon on Ruotsin ja Suomen markkina-alueiden odotettua heikompi myynti sekä kannattavuus. Lisäksi Rauman uuden siipikarjatuotantolaitoksen käynnistyskulut rasittavat kannattavuutta vuonna 2017 aiemmin kerrotun mukaisesti. Aiemman HKScanin arvion mukaan yhtiö pyrki pääsemään vuoden 2016 vertailukelpoiseen liikevoittoon.

HKScanin tulevaisuudennäkymissä ei ole tapahtunut muita olennaisen kielteisiä muutoksia kuin yllä todettu viimeisimmän tilintarkastetun tilinpäätöksen päivämäärän, 31.12.2016, jälkeen.

**B.10**

**Historiallisia taloudellisia tietoja koskevassa tilintarkastuskertomuksessa esitetyt muistutukset**

Historiallisia taloudellisia tietoja koskevissa tilintarkastuskertomuksissa ei ole esitetty muistutuksia.

**B.12 Valikoidut historialliset keskeiset taloudelliset tiedot**

Seuraavat taulukot esittävät valikoidut taloudelliset tiedot HKScanin konsernin puolivuositarkastuksesta 30.6.2017 päättyneeltä kuuden kuukauden kaudelta ja osavuositarkastuksesta 30.6.2016 päättyneeltä kuuden kuukauden kaudelta sekä 31.12.2016 ja 31.12.2015 päättyneiltä tilikausilta. HKScanin konsernitilinpäätökset on laadittu Euroopan Unionin käyttöön ottamien IFRS-standardien ("IFRS") mukaisesti ja HKScanin puolivuositarkastus 30.6.2017 päättyneeltä kuuden kuukauden kaudelta on laadittu "IAS 34 -osavuositarkastukset" mukaisesti.

Tässä esitetyt erät valikoidut taloudelliset tiedot tulee lukea yhdessä HKScanin 31.12.2016 ja 31.12.2015 päättyneiden tilikausien tilintarkastettujen konsernitilinpäätöksiensä kanssa, sekä 30.6.2017 päättyneen kuuden kuukauden jakson tilintarkastamattoman puolivuositarkastuksen kanssa, jotka on sisällytetty viittaamalla tähän Esitteeseen.

1.1-30.6.		1.1-31.12.	
2017	2016	2016	2015
(tarkastamaton)	(tarkastamaton)	(tarkastettu)	(tarkastettu)

(miljoonaa euroa, ellei toisin mainittu)

**KONSERNIN TULOSLASKELMA**

Liikevaihto	880,3	921,8	1872,9	1917,1
Hankinnan ja valmistuksen kulut	-837,3	-865,8	-1750,8	-1799,5
Bruttokate	42,9	56,0	122,2	117,6
Liiketoiminnan muut tuotot ja kulut	3,4	4,5	8,3	11,6
Myynnin ja markkinoinnin kulut	-26,6	-28,9	-56,5	-57,8
Hallinnon kulut	-37,1	-34,1	-64,4	-61,9
Liikevoitto	-17,3	-2,6	9,7	9,6
Rahoitustuotot	1,1	1,4	2,3	2,1
Rahoituskulut	-5,5	-5,4	-11,1	-11,2
Osuus osakkuusyritysten ja yhteisyritysten tuloksista	0,9	-0,5	-0,1	1,7
<b>Voitto/tappio ennen veroja</b>	<b>-20,8</b>	<b>-7,1</b>	<b>0,9</b>	<b>2,2</b>
Tuloverot	2,5	-2,5	-4,4	-0,3
<b>Tilikauden voitto/tappio</b>	<b>-18,3</b>	<b>-9,6</b>	<b>-3,6</b>	<b>1,9</b>
Määräysvallattomille omistajille	-1,0	-0,4	-1,8	-1,6
<b>Tilikauden voitto/tappio</b>	<b>-19,3</b>	<b>-10,0</b>	<b>-5,4</b>	<b>0,3</b>
Emoyhtiön osakkeenomistajille kuuluvasta voitosta laskettu osakekohtainen tulos:				
Tulos/osake, laimentamaton, jatkuvat toiminnot euroa/osake	-0,36	-0,18	-0,10	0,01
Tulos/osake, laimennettu, jatkuvat toiminnot euroa/osake	-0,36	-0,18	-0,10	0,01

1.1-30.6.		1.1-31.12.	
2017	2016	2016	2015
(tarkastamaton)	(tarkastamaton)	(tarkastettu)	(tarkastettu)

(miljoonaa euroa, ellei toisin mainittu)

**KONSERNIN LAAJA TULOSLASKELMA**

Tilikauden voitto/tappio	-18,3	-9,6	-3,6	1,9
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MUUT LAAJAN TULOKSEN ERÄT (verojen jälkeen):				
Ulkomaiseen yksikköön liittyvät muuntoerot	-0,7	-2,8	-4,1	2,6
Rahavirran suojaus	1,3	-0,4	2,5	0,3
Vakuutusmatemaattiset voitot tai tappiot	-	-	-2,9	-1,5
<b>Muut laajan tuloksen erät yhteensä</b>	<b>0,5</b>	<b>-3,1</b>	<b>-4,4</b>	<b>1,4</b>
<b>Kauden laaja tulos yhteensä</b>	<b>-17,8</b>	<b>-12,7</b>	<b>-8,0</b>	<b>3,3</b>
TILIKAUDEN LAAJAN TULOKSEN JAKAUTUMINEN:				
Emoyhtiön osakkeenomistajille	-18,8	-13,1	-9,8	1,7
Määräysvallattomille omistajille	1,0	0,4	1,8	1,6
<b>Yhteensä</b>	<b>-17,8</b>	<b>-12,7</b>	<b>-8,0</b>	<b>3,3</b>

1.1-30.6.		1.1-31.12.	
2017	2016	2016	2015
(tarkastamaton)	(tarkastamaton)	(tarkastettu)	(tarkastettu)

(miljoonaa euroa, ellei toisin mainittu)

#### KONSERNIN TASE

Aineettomat hyödykkeet	144,1	144,3	143,0	147,3
Aineelliset hyödykkeet	424,9	367,5	401,7	361,8
Osuudet osakkuusyrityksissä	35,0	35,6	34,9	36,6
Muut pitkäaikaiset varat	28,2	31,8	28,5	35,0
<b>Pitkäaikaiset varat</b>	<b>632,2</b>	<b>579,2</b>	<b>608,1</b>	<b>580,7</b>
Vaihto-omaisuus	120,4	119,6	116,1	124,2
Lyhytaikaiset saamiset	124,1	123,4	123,9	122,9
Rahat ja pankkisaamiset	19,9	7,9	6,6	9,5
<b>Lyhytaikaiset varat</b>	<b>264,3</b>	<b>250,9</b>	<b>246,6</b>	<b>256,6</b>
<b>Varat</b>	<b>896,5</b>	<b>830,1</b>	<b>854,8</b>	<b>837,3</b>
<b>Oma pääoma ja velat</b>				
<b>Oma pääoma</b>	<b>378,4</b>	<b>405,0</b>	<b>409,7</b>	<b>425,8</b>
Pitkäaikainen korollinen vieras pääoma	144,2	132,2	126,9	117,2
Pitkäaikainen koroton vieras pääoma	36,1	35,1	39,8	39,4
<b>Pitkäaikainen vieras pääoma</b>	<b>180,3</b>	<b>167,3</b>	<b>166,7</b>	<b>156,6</b>
Lyhytaikainen korollinen vieras pääoma	53,1	32,3	17,2	36,6
Lyhytaikainen koroton vieras pääoma	284,7	225,5	261,2	218,4
<b>Lyhytaikainen vieras pääoma</b>	<b>337,9</b>	<b>257,8</b>	<b>278,4</b>	<b>255,0</b>
<b>Oma pääoma ja velat</b>	<b>896,5</b>	<b>830,1</b>	<b>854,8</b>	<b>837,3</b>

1.1-30.6.		1.1-31.12.	
2017	2016	2016	2015
(tarkastamaton)	(tarkastamaton)	(tarkastettu)	(tarkastettu)

(miljoonaa euroa, ellei toisin mainittu)

#### RAHAVIRTALASKELMA

Rahavirta ennen käyttöpääoman muutosta	12,9	20,7	58,4	78,1
Käyttöpääoman muutos	-0,9	2,9	21,4	-2,2
Rahoituserät ja verot	-3,9	-2,6	-8,9	-9,1
<b>LIIKETOIMINNAN NETTORAHAVIRTA</b>	<b>8,2</b>	<b>21,0</b>	<b>70,9</b>	<b>66,8</b>
Investointien rahavirta	-35,0	-22,1	-53,9	-41,8
<b>RAHAVIRTA INVESTOINTIEN JÄLKEEN</b>	<b>-26,9</b>	<b>-1,1</b>	<b>17,1</b>	<b>25,0</b>
Lainojen muutokset	53,4	8,0	-12,3	-4,3
Maksetut osingot	-9,0	-8,2	-8,2	-26,7

Liiketoimet määräysvallattomien omistajien kanssa	-4,5	-	-	
RAHOITUKSEN RAHAVIRTA	39,9	-0,3	-20,6	-31,0
<b>NETTORAHAVIRTA</b>	<b>13,0</b>	<b>-1,4</b>	<b>-3,5</b>	<b>-6,0</b>
Rahavarat kauden alussa	6,6	9,5	9,5	16,4
Rahavarojen valuuttakurssimuutosten vaikutus	0,2	-0,2	0,7	-1,0
Rahavarat kauden lopussa	19,9	7,9	6,6	9,5

1.1-30.6.

1.1-31.12.

2017		2016	
(tarkastamaton)	(tarkastamaton)	(tarkastettu)	(tarkastettu)

(miljoonaa euroa, ellei toisin mainittu)

#### AVAINLUVUT

Liikevaihto	880,3	921,8	1872,9	1917,1
Liikevoitto/-tappio	-17,3	-2,6	9,7	9,6
- % liikevaihdosta	-2,0	-0,3	0,5	0,5
Voitto/tappio ennen veroja	-20,8	-7,1	0,9	2,2
- % liikevaihdosta	-2,4	-0,8	0,0	0,1
Tilikauden voitto/tappio	-18,3	-9,6	-3,6	1,9
- % liikevaihdosta	-2,1	-1,0	-0,2	0,1
Vertailukelpoinen liikevoitto	-8,0	-0,9	13,2	21,5
- % liikevaihdosta	-0,9	-0,1	0,7	1,1
Vertailukelpoinen voitto ennen veroja	-11,6	-5,4	4,4	14,1
- % liikevaihdosta	-1,3	-0,6	0,2	0,7
Tulos/osake, euroa	-0,36	-0,18	-0,10	0,01
Rahavirta ennen rahoituskuluja ja rahoitusta	-26,4	0,1	23,7	32,2
Rahavirta ennen rahoitusta	-26,9	-1,1	17,1	25,0
Sitoutuneen pääoman tuotto (ROCE) ennen veroja, %	-0,3	1,3	2,1	2,3
Nettovelka	177,3	156,4	137,2	144,0
Velkaantumisaste %	52,1	40,6	35,2	36,1
Nettovelkaantumisaste %	46,8	38,6	33,5	33,8

#### AVAINLUVUT

##### Tunnuslukujen laskentakaavat:

$$\text{Sitoutuneen pääoman tuotto (ROCE) ennen veroja (\%)} = \frac{\text{Tulos ennen veroja + korko- ja muut rahoituskulut}}{\text{Taseen loppusumma - korottomat velat (keskiarvo)}} \times 100$$

$$\text{Nettovelkaantumisaste (\%)} = \frac{\text{Korolliset nettorahoitusvelat}}{\text{Oma pääoma}} \times 100$$

$$\text{Osakekohtainen tulos (EPS)} = \frac{\text{Emoyhtiön osakkeenomistajille kuuluva tilikauden voitto}}{\text{Ulkona olevien osakkeiden keskimääräinen lukumäärä tilikauden aikana}}$$

$$\text{Vertailukelpoinen liikevoitto} = \text{Liikevoitto - vertailukelpoisuuteen vaikuttavat erät}$$

$$\text{Rahavirta ennen rahoituskuluja} = \text{Rahavirta ennen rahoitusta ja rahoituseriä}$$

Nettovelka = Korolliset velat - rahat ja pankkisaamiset

Muilta kuin yllä kohdassa B.9 todetuilta osin viimeisimmän tilintarkastetun tilinpäätöksen päivämäärän jälkeen HKScanin kehitysnäkymissä ei ole tapahtunut merkittäviä kielteisiä muutoksia.

HKScanin taloudellisessa tai liiketoiminnallisessa asemassa ei ole tapahtunut merkittäviä muutoksia 30.6.2017 jälkeen.

Tämä Listalleottoesite sisältää eräitä tunnuslukuja, jotka eivät ole IFRS:n mukaisia tai siinä määriteltyjä tunnuslukuja ja tämän vuoksi ovat Euroopan arvopaperimarkkinaviranomaisen Vaihtoehtoiset tunnusluvut -ohjeen mukaan vaihtoehtoisia tunnuslukuja. Näitä vaihtoehtoisia tunnuslukuja ovat: (i) vertailukelpoinen liikevoitto, (ii) omavaraisuusaste, (iii) nettovelkaantumisaste ja (iv) sitoutuneen pääoman tuotto. Vaihtoehtoisia tunnuslukuja ei tulisi tarkastella erillisinä tai korvaavina tietoina IFRS:n mukaisille tunnusluvuille.

- B.13 Viimeaikaiset tapahtumat, jotka ovat ratkaisevia arvioitaessa Liikkeeseenlaskijan maksukykyä** Ei ole olemassa Liikkeeseenlaskijaan liittyviä viimeaikaisia tapahtumia, jotka ovat ratkaisevia arvioitaessa Liikkeeseenlaskijan maksukykyä.
- B.14 Liikkeeseenlaskijan riippuvuus muista konserniin kuuluvista yksiköistä** HKScan Oyj on konsernin emoyhtiö, joka harjoittaa liiketoimintaansa tytär- ja osakkuusyhtiöidensä kautta. HKScan Oyj:llä on yli 50 tytär- ja osakkuusyhtiötä eri maissa.
- B.15 Kuvaus Liikkeeseenlaskijan päätoimialoista** Liikkeeseenlaskija on suuri pohjoiseurooppalainen ruokayritys, jonka tavoitteena on saavuttaa johtava markkina-asema ja läsnäolo kaikissa keskeisissä myyntikanavissa pohjoismaisilla markkinoilla ja kehittää kansainvälistä kasvua Aasiassa. Vuonna 2017 uudistetun strategian mukaisesti HKScan pyrkii johtamaan ruoan arvoketjua - "From Farm to Fork" - kuluttajiin keskittyen sekä korostamaan innovaatioita, kustannuskilpailukykyä ja vastuullisuutta. Liikkeeseenlaskija myy, markkinoi, tuottaa ja vie porsaanlihaa, naudanlihaa, lampaanlihaa, siipikarjaa, lihavalmisteita sekä valmisruokia. Vahvojen tuotemerkkien alla myytävät liha- ja ateriakategoriat ovat HKScanin liiketoiminnan ydin. HKScanin kotimarkkinat ovat Pohjoismaissa, mukaan lukien Suomi, Ruotsi, Tanska ja Baltia. HKScan toimii myös lähialueiden markkinoilla, joista tärkeimpiä ovat Iso-Britannia ja Saksa, joissa HKScanilla on myyntikonttorit, sekä Venäjä, jossa HKScanilla on edustuskonttori. Lisäksi HKScanilla on Euroopan ulkopuolisella alueella myyntikonttori Hongkongissa. Liikkeeseenlaskijan asiakkaat ovat sijoittautuneet yhteensä lähes 50 eri maahan. Vuonna 2016 Liikkeeseenlaskijan liikevaihto oli noin 1,9 miljardia euroa ja se työllisti keskimäärin 319 työntekijää. Liikkeeseenlaskijan kotipaikka on Turussa, Suomessa ja sen tuotantolaitokset sijaitsevat Suomessa, Ruotsissa, Tanskassa, Virossa, Latviassa ja Puolassa.
- B.16 Kuvaus siitä, onko Liikkeeseenlaskija suoraan tai välillisesti jonkun omistuksessa tai määräysvallassa ja mikä tämä taho on sekä määräysvallan luonteesta** LSO Osuuskunta omisti 20.9.2017 34.88 prosenttia liikkeeseen lasketuista ja ulkona olevista osakkeista sekä 69.25 prosenttia HKScanin äänioikeuksista (mukaan lukien HKScanin hallussa olevat osakkeet ja äänet). Liikkeeseenlaskija on siten suoraan LSO Osuuskunnan määräysvallassa arvopaperimarkkinalain 2 luvun 4 pykälän tarkoittamalla tavalla. Liikkeeseenlaskijan tiedossa ei ole järjestelyjä, jotka saattaisivat toteutuessaan johtaa määräysvallan vaihtumiseen

Liikkeeseenlaskijassa.

**B.17 Liikkeeseenlaskijan luokitukset** HKScanilla ei ole tällä hetkellä luottoluokituslaitoksen, kuten Standard & Poor's:n, Moody's:n tai Fitch Ratingsin, antamaa luottoluokitusta.

### Jakso C – Arvopaperit

**C.1 Tarjottavien arvopapereiden tyyppi ja laji** Seniorehtoinen, vakuudeton, kiinteäkorkoinen velkakirjalaina, jonka kokonaisnimellismäärä on 135.000.000 euroa.  
Arvo-osuuden yksikkökoko: 1.000 euroa.  
Velkakirjojen ISIN-koodi on FI4000278536.

**C.2 Valuutta** Euro.

**C.5 Kuvaus arvopapereiden vapaata luotettavuutta koskevista rajoituksista** Kukin Velkakirja on vapaasti luovutettavissa sen jälkeen, kun se on kirjattu asianomaiselle arvo-osuustilille.

**C.8 Arvopapereihin liittyvät oikeudet / etuoikeusjärjestys** Velkakirjat ovat Liikkeeseenlaskijan suoria, rajoittamattomia, takaamattomia, vakuudettomia ja Liikkeeseenlaskijan muille veloille alistamattomia velvoitteita, jotka ovat samanarvoisia keskenään ja Liikkeeseenlaskijan kaikkien muiden vakuudettomien, takaamattomien ja Liikkeeseenlaskijan muille veloille alistamattomien velvoitteiden kanssa, lukuun ottamatta niitä velvoitteita, joilla on etuoikeus pakottavan lain nojalla.

**C.9 Korko ja tuotto; velkapaperien haltijoiden edustajan nimi** Velkakirjojen liikkeeseenlaskupäivä on 21.9.2017. Velkakirjat maksetaan Velkakirjanhaltijoille (kuten määritelty alla) takaisin täysimääräisesti nimellisarvostaan 21.9.2022 ("**Lunastuspäivä**"), ellei Liikkeeseenlaskija ole maksanut Velkakirjoja ennenaikaisesti takaisin. Merkitemällä Velkakirjoja kukin Velkakirjojen alkuperäinen haltija, ja hankkimalla kukin Velkakirjojen myöhempi haltija, sitoutuu näihin Velkakirjoja koskeviin ehtoihin (kukin tällainen Velkakirjojen haltija yksinään, "Velkakirjanhaltija").

Velkakirjoille maksetaan kiinteää vuotuista korkoa, joka on 2,625 prosenttia. Velkakirjoille kertyvä korko maksetaan vuosittain takautuvasti alkaen 21.9.2018 ja tämän jälkeen 21.9. kunakin vuonna ("**Koronmaksupäivä**") Lunastuspäivään saakka.

Liikkeeseenlaskija voi joutua lunastamaan Velkakirjat myös Lunastuspäivää aikaisempaan ajankohtana Määräysvallan Vaihtumisen tai Eräännyttämisperusteen johdosta tai takaisinostamaan Velkakirjat Jakautumisen seurauksena (kuten Velkakirjoja koskevissa ehdoissa on määritelty), jolloin Velkakirjoille kertyvää korkoa maksetaan tällaiseen aikaisempaan ajankohtaan saakka. Lisäksi Liikkeeseenlaskija voi vapaaehtoisesti lunastaa takaisin kaikki Velkakirjat, mutta ei osaa Velkakirjoista, lunastushinnalla, joka vastaa täysimääräisesti niiden kokonaispääomaa lisättyinä kertyneellä, mutta maksamatta olevalla korolla, (Velkakirjojen ehdoissa määriteltyinä) Vapaaehtoisen Takaisinmaksun Ajanjaksona ("**Vapaaehtoinen Takaisinmaksu**").

Velkakirjojen kulloinkin maksamatta olevalle pääomalle kertyy korkoa kultakin korkokaudelta korkokauden ensimmäinen päivä mukaan lukien ja korkokauden viimeinen päivä pois lukien. Ensimmäinen korkokausi alkaa Liikkeeseenlaskupäivänä (ko. päivä mukaan lukien) ja päättyy ensimmäisenä Koronmaksupäivänä (ko. päivä pois lukien). Kukin seuraava korkokausi alkaa edeltävänä Koronmaksupäivänä (ko. päivä mukaan lukien) ja päättyy seuraavana Koronmaksupäivänä (ko. päivä pois lukien). Viimeinen korkokausi päättyy Lunastuspäivänä tai aikaisempaa ajankohtana Määräysvallan Vaihtumisen, Eräännyttämisperusteen, Jakautumisen tai Vapaaehtoisen Takaisinmaksun johdosta.

Velkakirjoihin sovellettava koronlaskuperuste on asianomaisella korkokaudella kuluneiden päivien todellinen määrä jaettuna 365:llä tai karkausvuonna 366:lla (Todelliset / Todelliset (ICMA)).

Velkakirjojen efektiivinen tuotto emissiokurssiin 100,00 prosenttia on 2,625 prosenttia per annum.

Velkakirjanhaltijoita edustaa Velkakirjanhaltijoiden kokous tai kirjallinen menettely.

**C.10**            **Tiedot siitä, kuinka kohde-etuuden arvo vaikuttaa koron määrään**            Ei sovellu. Velkakirjojen korko ei ole sidottu kohde-etuuteen.

**C.11**            **Listalleotto**            Liikkeeseenlaskija on jättänyt hakemuksen Velkakirjojen ottamiseksi kaupankäynnin kohteeksi Helsingin Pörssin pörssilistalla ja Velkakirjojen listauksen Helsingin Pörssiin odotetaan tapahtuvan arviolta 26.9.2017.

## **Jakso D – Riskit**

### **D.2**            **Liikkeeseenlaskijaan liittyvät riskit**

Liikkeeseenlaskijaan ja sen toimintaympäristöön ja liiketoimintaan sekä Velkakirjoihin liittyvät riskitekijöitä, jotka on lueteltu jäljempänä. Tämä luettelo ei ole tyhjentyvä, koska voi olla myös riskejä tai epävarmuustekijöitä, joista HKScan-konserni ei tällä hetkellä ole tietoinen tai joita se juuri nyt pitää epäolennaisina, jotka saattavat vaikuttaa haitallisesti HKScan-konsernin liiketoimintaan, taloudelliseen asemaan, toiminnan tulokseen ja tulevaisuudennäkymiin ja siten vaikuttaa joko HKScan-konsernin kykyyn täyttää Velkakirjoihin liittyvät velvoitteensa tai Velkakirjojen markkinahintaan tai arvoon. Riskitekijät on kuvattu täsmällisemmin tämän Arvopaperiliitteen ja Rekisteröintiasiakirjan kohdassa "*Risk factors*".

Makrotaloudellisiin olosuhteisiin liittyviä riskejä

- Epävarmat maailmanlaajuiset olosuhteet taloudessa ja rahoitusmarkkinoilla saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Kielteiset taloudelliset kehityskulut ja olosuhteet maissa, joissa HKScan toimii, saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin ja sen asiakkuihin.
- Kielteiset kehityskulut kuluttajaluottamuksessa ja/tai yksityisessä kulutuksessa saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.

HKScan-konsernin liiketoimintaan liittyviä riskejä

- Raaka-ainekustannusten, kuten rehun, sianlihan, siipikarjan sekä naudanlihan, ja niiden saatavuuden vaihtelut saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Rakenteelliset muutokset päivittäistavaramarkkinoilla ja kiristynyt kilpailu lihateollisuudessa saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- HKScanin omistus on keskittynyt ja merkittävän osakkeenomistajan tekemillä päätöksillä, kuten esimerkiksi tilinpäätöksen vahvistamisella, osinkojen maksulla ja hallituksen jäsenten valinnalla ja tehtävistä vapauttamisella, saattaa olla olennaisen haitallinen vaikutus HKScan-konserniin.
- HKScan on hiljattain ottanut käyttöönsä uuden ohjausmallin ja epäonnistuminen mallin implementoinnissa saattaa vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Muutokset lainsäädännössä ja sääntelyssä sekä epäonnistuminen tällaisten muutosten noudattamisessa saattaa vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Epäonnistuminen yrityshankinnoissa ja -hankintojen integroinnissa saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Eläintautiepidemiat, kuten hullun lehmän tauti, lintuinfluenssa, Newcastlel tauti, suu- ja sorkkatauti, afrikkalainen sikarutto, H5N8 tai mikä tahansa muu eläintauti, saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- HKScan on riippuvainen tuotantolaitoksistaan ja jakeluketjujensa häiriintymättömästä toiminnasta. Merkittävät vahingot tai muut häiriöt tuotannossa aiheuttavat todennäköisesti viivästyksiä HKScanin kyvyssä tuottaa ja jakaa tuotteitaan aikataulun mukaisesti.
- Tuoteturvallisuus- ja tuotevahinkoriskit saattavat vaikuttaa olennaisen haitallisesti HKScanin toimintoihin ja tällaisten riskien realisoituminen voi vaikuttaa HKScan-konsernin tuotteiden kysyntään asiakkaiden ja kuluttajien keskuudessa.
- Työsuhteita koskevat riidat sekä ammattitaitoisen henkilökunnan menettäminen tai ammattitaitoisen henkilökunnan rekrytoimisen epäonnistuminen saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Muutokset kuluttajakäyttäytymisessä ja kulutusesonjeissa saattavat vaikuttaa olennaisen haitallisesti HKScan-konsernin liiketoimintaan ja myyntiin.
- HKScan on riippuvainen asiakassuhteistaan ja asiakasyhteistyön heikentymisellä yhden tai usean tärkeän asiakkaan kanssa, etenkin tuotevalikoiman laajuuteen liittyvillä päätöksillä, saattaa olla olennaisen haitallinen vaikutus HKScan-konserniin.
- HKScania ei välttämättä ole vakuutettu kaikkien potentiaalisten menetysten ja vahinkojen varalta, ja HKScan voi kärsiä tappioita sellaisessa liiketoiminnassa olevien häiriöiden vuoksi, jotka ylittävät vakuutuksen korvattavuuden tai jotka eivät kuulu vakuutuksen piiriin.
- HKScanin liiketoimintaan voi sisältyä oikeudellisia riskejä, jotka liittyvät sopimuksiin ja lainmukaisuuteen. Olennaiset muutokset sääntely-ympäristössä tai soveltuvien lakien ja asetusten noudattamatta jättäminen, mahdolliset sanktiot sekä epäonnistuminen HKScanin sopimusperusteisessa suojaamisessa saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Ympäristöriskit, muutokset jätehuollon ja energian hinnoissa tai energian saatavuudessa saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- HKScan ei välttämättä pysty kaikissa olosuhteissa suojelemaan tavaramerkkejään tai immateriaaliomaisuuttaan ja epäonnistuminen

tavaramerkkien tai immateriaalioikeuksien luomisessa, hallinnassa ja suojelussa, tai tavaramerkkeihin immateriaalioikeuksiin kohdistuvilla väitteillä tai vaateilla voi olla olennaisen haitallinen vaikutus HKScan-konserniin.

- HKScanin toiminnot ovat riippuvaisia tietojärjestelmistä ja järjestelmähäiriöillä tai huoltokatkoksilla voi olla olennaisen haitallinen vaikutus HKScanin toiminnan tehokkuuteen ja/tai jatkuvuuteen.
- Altistuminen luonnollisille ja muille ulkoisille riskeille saattaa vaikuttaa olennaisen haitallisesti HKScan-konserniin.

#### Rahoitusriskejä

- HKScan saattaa altistua sellaisille ulkoisille rahoitusriskeille, joilta täysin suojautuminen tai niiden välttäminen voi olla mahdotonta, ja epäonnistuminen tällaisten riskien vähentämisessä saattaa vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Valuuttakurssien olennaiset vaihtelut ja tällaisten riskien asianmukaisessa hallinnoinnissa epäonnistuminen, sekä epäonnistuminen valuuttakurssivaihteluilta suojautumisessa saattavat vaikuttaa olennaisen haitallisesti HKScanin liikevoittoon ja taseeseen.
- Korkotason vaihtelut ja epäonnistuminen sen aseman asianmukaisessa hallinnoinnissa saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- HKScan on altis luotto- ja vastapuoliriskeille ja epäonnistuminen tällaisten riskien hallinnoinnissa saattaa vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- HKScan on altis hyödykkeisiin liittyville riskeille ja epäonnistuminen tällaisten riskien asianmukaisessa hallinnoinnissa ja tällaisille riskeille altistumisen tehokkaassa suojautumisessa saattaa vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- HKScan ei välttämättä saa rahoitusta kilpailukykyisin ehdoin tai lainkaan ja tällaisten tekijöiden realisoituminen saattaa vaikuttaa olennaisen haitallisesti HKScan-konserniin.
- Mahdollinen liikearvon, muiden aineettomien sekä aineellisten omaisuuserien heikentyminen voivat vaikuttaa olennaisen haitallisesti HKScanin taloudelliseen asemaan ja liiketoiminnan tulokseen.
- HKScan altistuu tilinpäätösten laadintaperiaatteiden, tilinpäätösstandardien ja kirjanpito menetelmien muutoksiin liittyville riskeille, ja mahdolliset tulevat muutokset IFRS-tilinpäätösstandardeihin saattavat vaikuttaa olennaisen haitallisesti HKScan-konserniin.

### D.3

#### Arvopapereihin liittyvät riskit

#### Velkakirjoihin liittyviä riskejä

- Velkakirjat eivät välttämättä sovellu sijoituskohteeksi kaikille sijoittajille ja tämä voi aiheuttaa tappioita tai vahinkoa sijoittajille.
- Liikkeeseenlaskijan maksukyvyttömyystilanteessa korko ja sijoitettu pääoma saatetaan menettää kokonaan tai osittain.
- Velkakirjat eivät ole muiden kuin Liikkeeseenlaskijan velvoitteita eikä niille anneta takausta. Velkakirjat ovat vakuudettomia velkainstrumentteja ja Liikkeeseenlaskijan konkurssissa tai muussa maksukyvyttömyystilanteessa Velkakirjanhaltijat olisivat vakuudettomia velkojia. Olennaiset muutokset saattavat vaarantaa todennäköisyyttä sille, että sijoittajat saavat oikea-aikaisen ja täyden maksun.
- Velkakirjoille ei ole etukäteisiä julkisia markkinoita eikä aktiivisten jälkimarkkinoiden muodostumista voida taata. Tämä voi aiheuttaa

Velkakirjojen markkinahinnan alenemista ja vaikuttaa olennaisen haitallisesti Velkakirjojen likviditetiin.

- Sijoittajat, joiden taloudellinen toiminta ilmoitetaan pääosin muuna valuuttana kuin euronä, ovat kurssimuutosriskien ja valuuttakontrolliriskien kohteita. Sijoittavat voivat saada odotettua vähemmän korkoa tai pääomaa, tai ei lainkaan korkoa tai pääomaa.
- Koska Velkakirjat ovat kiinteäkorkoisia, niiden hinta voi alentua korkotasojen muutosten seurauksena. Tämä voi johtaa tappioihin Velkakirjanhaltijoille, jos he myyvät Velkakirjansa.
- Luokitusyhtiö ei ole luokittanut Liikkeeseenlaskijaa tai Velkakirjoja, mikä voi vähentää Velkakirjojen likviditeettiä ja nostaa Liikkeeseenlaskijan lainakuluja.
- Velkakirjoihin liittyvien transaktioiden toteuttaminen riippuu Euroclear Finland Oy:n toiminnasta ja järjestelmästä. Mikä tahansa häiriö tai viivästys järjestelmässä tai minkä tahansa olennaisen osapuolen epäonnistuminen voi aiheuttaa taloudellisia tappiota tai vahinkoa sijoittajille, joiden oikeudet ovat riippuvaisia transaktion ajallisesta ja onnistuneesta toteutuksesta.
- Velkakirjanhaltijat, joilla on omistusosuuksia arvo-osuustilien kautta, eivät voi panna Velkakirjoihin liittyviä omia oikeuksiaan täytäntöön suoraan Liikkeeseenlaskijaa kohtaan.
- Varmuutta Velkakirjojen voimassaoloaikana tapahtuvista muutoksista laeissa tai käytännöissä ei voida taata. Tällaisilla muutoksilla voi olla olennaisen haitallinen vaikutus HKScan-konserniin, sen kykyyn täyttää Velkakirjoihin liittyvät velvollisuutensa ja Velkakirjojen markkinahintaan ja -arvoon. Tällainen tapahtuma voi aiheuttaa taloudellisia tappioita tai vahinkoa Velkakirjanhaltijoille tai vaikuttaa Velkakirjanhaltijoiden verokohteluun.
- Velkakirjat sisältävät Liikkeeseenlaskijan liiketoimintaa liittyviä kovenantteja, mutta eivät rajoita Liikkeeseenlaskijan oikeutta sulautua, jakautua, toteuttaa liiketoimintakauppoja tai muutoin toteuttaa merkittäviä transaktioita, joilla saattaa olla olennaisen haitallinen vaikutus Velkakirjoihin tai Velkakirjanhaltijoihin.
- Ennen erääntymistä tapahtuva takaisinmaksu tietyissä olosuhteissa voi vaikuttaa olennaisen haitallisesti HKScanin kykyyn täyttää Velkakirjojen mukaiset velvollisuutensa tai se voi aiheuttaa taloudellisia tappiota tai vahinkoa, muun muassa sellaisille Velkakirjanhaltijoille, jotka olivat suunnitelleet sijoittavansa Velkakirjoihin sijoitetun pääoman Velkakirjan alkuperäiseen eräpäivään saakka.
- Kaikki Velkakirjojen ehtoihin tehdyt muutokset sitovat kaikkia Velkakirjanhaltijoita, mikä voi aiheuttaa taloudellisia tappiota kaikille Velkakirjanhaltijoille.
- Liikkeeseenlaskijan oikeutta ottaa lisää velkaa tulevaisuudessa ei ole rajoitettu, mikä voi johtaa muutoksiin Velkakirjanhaltijoiden asemassa maksukyvyttömyys-, konkurssi- tai muussa vastaavassa tilanteessa.
- Jos mitä tahansa Velkakirjan mukaista maksua ei ole vaadittu kolmen vuoden kuluessa alkuperäisestä eräpäivästä, oikeus tällaiseen maksuun vanhenee. Vanhentuminen voi aiheuttaa taloudellisia tappioita.
- Velkakirjanhaltijoilla ei ole äänioikeutta Liikkeeseenlaskijan yhtiökokouksessa eivätkä he voi vaikuttaa Liikkeeseenlaskijan päätöksiin.
- Sijoitustoiminnan oikeudelliset rajoitukset saattavat estää tiettyjen sijoittajien sijoituksia. Jos Velkakirjat eivät ole sopiva sijoitus Velkakirjanhaltijalle lainsäädännöllisten rajoitusten tai vaatimusten vuoksi, se saattaa aiheuttaa taloudellisia tappioita tai vahinkoa tällaiselle Velkakirjanhaltijalle.

## Jakso E – Tarjous

<b>E.2b</b>	<b>Syyt tarjoamiseen ja varojen käyttö, jos muu kuin voiton tavoittelu ja/tai tietyiltä riskeiltä suojauminen</b>	Hankittavien varojen käyttö: Velkakirjojen liikkeeseenlaskusta kertyvät tuotot on liikkeeseenlaskupäivänä 21.9.2017 osittain käytetty Yhtiön Marraskuussa 2014 liikkeeseenlaskemien, olemassa olevien 100 miljoonan euron vuonna 2019 erääntyvien velkakirjojen osittaiseen takaisinostoon ja jäljelle jäävät tuotot voidaan käyttää Konsernin yleisiin rahoitustarpeisiin.
<b>E.3</b>	<b>Tarjousehdot</b>	<p>Liikkeeseenlaskupäivä: 21.9.2017.</p> <p>Lunastuspäivä: 21.9.2022, tai aikaisemmin Jakautumisen, Määräysvallan Vaihtumisen, Eräännyttämisperusteen tai Vapaaehtoisen Takaisinmaksun johdosta.</p> <p>Liikkeeseenlaskun kokonaismäärä: 135.000.000 euroa.</p> <p>Koronmaksupäivät: vuosittain jälkikäteisesti 21.9.2018 alkaen ja tämän jälkeen 21.9. kunakin vuonna.</p> <p>Korko: 2,625 prosenttia vuodessa.</p> <p>Velkakirjojen efektiivinen tuotto emissiokurssiin 100,00 prosenttia: 2,625 prosenttia per annum.</p> <p>Lunastus: nimellisarvosta, kertalyhenteisesti, Lunastuspäivänä tai aikaisemmin Jakautumisen, Määräysvallan Vaihtumisen, Eräännyttämisperusteen tai Vapaaehtoisen Takaisinmaksun johdosta.</p> <p>Minimimerkintä: 100.000 euroa.</p> <p>Kovenantit: Panttaamattomuussitoumus, Velkaantumisaste, Jakautuminen, Määräysvallan vaihtuminen, Ristiin eräännyttäminen.</p> <p>Selvitys: Velkakirjat lasketaan liikkeeseen arvo-osuuksina Euroclear Finland Oy:n Infinity-arvo-osuusjärjestelmässä.</p> <p>Sovellettava laki: Suomen laki.</p>
<b>E.4</b>	<b>Liikkeeseenlaskuun liittyvät olennaiset intressit, mukaan lukien eturistiriidat</b>	Pääjärjestäjän intressit: rahoitusmarkkinoilla tavanomaiset liiketoiminnalliset intressit.
<b>E.7</b>	<b>Arvioidut sijoittajilta veloittavat kustannukset</b>	Liikkeeseenlaskija ei veloita sijoittajalta Velkakirjojen liikkeeseenlaskuun liittyviä maksuja.

## RISK FACTORS

*An investment in the Notes involves a number of risks, many of which are inherent to HKScan's business and could be significant. Investors considering investment in the Notes should carefully review the specific risk factors described below, the specific risk factors described in section "Risk factors" in the Company's Registration Document as well as other information contained in the Listing Prospectus and in the stock exchange releases published by the Company. Factors possibly affecting an investment decision are also discussed elsewhere in the Listing Prospectus. Should one or more of the risk factors described herein materialise, it may have a material adverse effect on HKScan's business, financial condition, results of operations and prospects and, thereby, on HKScan's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. As a result, investors may lose part or all of their investments. The following description is a summary of certain risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes or that are material in order to assess the market risk associated with the Notes. This description is based on information known and assessed at the time of preparing the Listing Prospectus, and, therefore, the description of the risk factors is not necessarily exhaustive. HKScan also faces many of the risks inherent to the meat and food production industries and additional risks not currently known or not currently deemed material may also impair HKScan's business, financial condition, results of operations and prospects. The market price of the Notes could decline due to the realisation of these risks, and investors could lose a part or all of their investment. Potential investors should note that the order in which the risk factors are presented does not reflect the probability of their realisation or order of importance.*

### **Risks relating to the Notes**

The following risk factors are, among other things, material in order to assess the risks associated with the Notes. Words and expressions in this section shall have the meaning defined in Annex A "Terms and Conditions of the Notes" of this Listing Prospectus.

#### ***The Notes may not be a suitable investment for all investors***

The Notes may not be a suitable investment for all investors. Thus, each potential investor in the Notes must assess the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or referred to in this Listing 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 Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- (e) be able to evaluate either alone or with the help of a financial adviser possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risk.

If the Notes are not a suitable investment for a Noteholder due to the Noteholder not meeting any of the aforementioned qualities in whole or in part, this may cause financial losses or damage to the Noteholder.

#### ***In the event of insolvency of the Issuer, the investor may forfeit interest payable on, and principal amount of, the Notes in whole or in part***

Should the Issuer become insolvent during the term of the Notes, an investor may forfeit interest payable on, and the principal amount of, the Notes in whole or in part.

***The Notes will not be obligations of anyone other than the Issuer and they will not be guaranteed. The Notes are unsecured debt instruments and the Noteholders would be unsecured creditors in the event of the Issuer's bankruptcy or other insolvency***

The Notes will not be obligations of anyone other than the Issuer and they will not be guaranteed. No one other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes.

The Notes are unsecured debt instruments and the holders of the Notes (the "Noteholders") would be unsecured creditors in the event of the Issuer's bankruptcy or other insolvency. Accordingly, in addition to that any adverse change in the financial condition or prospects of the Issuer may have a material adverse effect on the liquidity of the Notes, and may result in a material decline in their market price, such adverse change may endanger the probability that the Noteholders will receive the prompt and full payment, when due, for principal, interest and/or any other amounts and items payable to the Noteholders pursuant to the Notes from time to time.

***There is no prior public market for the Notes and there can be no assurance that an active trading market will develop, which, in turn, may result in a material decline in the market price of the Notes and the liquidity of the Notes may be adversely affected***

The Notes constitute a new issue of securities. Prior to the listing of the Notes, there is no public market for the Notes. Although application has been made to list the Notes on the official list of the Helsinki Stock Exchange and the Issuer has issued debt securities on the Helsinki Stock Exchange also in 2014, no assurance can be given that such application will be approved. In addition, listing of the Notes will not guarantee that a liquid public market for the Notes will develop and even if such a market were to develop neither the Issuer nor the Joint Lead Managers are under any obligation to maintain such market. The liquidity and the market prices of the Notes can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer as well as many other factors that generally influence the market prices of securities. Such factors may significantly affect the liquidity and the market prices of the Notes, which may trade at a discount to the price at which the Noteholders purchased the Notes.

Noteholders should be aware of the prevailing global credit market conditions, whereby there is a lack of liquidity in the secondary market for instruments similar to the Notes. There can be no assurance that an active trading market for the Notes will develop, or, if one does, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, it may result in a material decline in the market price of the Notes, and the liquidity of the Notes may be materially adversely affected. Such lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the assets of the Issuer. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Further, if additional and competing products are introduced in the markets, this may also result in a material decline in the market price and value of the Notes.

***Investors whose financial activities are denominated principally in a currency other than the euro are subject to exchange rate and exchange control risks***

The issuer of the Notes will pay principal and interest on the Notes in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency other than the euro. Exchange rates may change significantly and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. An appreciation in the value of the investor's currency relative to the euro would decrease the investor's-currency equivalent yield on the Notes, the investor's-currency equivalent value of the principal payable on the Notes and the investor's-currency equivalent market value of the Notes. In addition, government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

***Since the Notes bear a fixed interest rate, their price may fall as a result of changes in the interest rates***

The Notes bear interest on their outstanding principal at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the price of such security could fall as a result of changes in the market interest rate. Market interest rates follow the changes in general economic conditions, and are affected by, among many other things, demand and supply for money, liquidity, inflation rate, economic growth, benchmark rates of central banks, implied future rates, and changes and expectations related thereto.

While the nominal compensation rate of a security with a fixed interest rate is fixed during the term of such security or during a certain period of time, current interest rates on capital markets (market interest rates) typically change continuously. In case market interest rates increase, the market price of such a security typically falls, until the yield of such security is approximately equal to the market interest rates. If market interest rates fall, the price of a security with a fixed interest rate typically increases, until the yield of such a security is approximately equal to market interest rates. Consequently, the Noteholders should be aware that movements of market interest rates may result in a material decline in the market price of the Notes and can lead to losses for the Noteholders if they sell the Notes. Further, the past performance of the Notes is not an indication of their future performance.

***Neither the Issuer nor the Notes are currently rated by any rating agency***

Neither the Issuer nor the Notes are currently rated by any rating agency such as Standard & Poor's, Moody's or Fitch Ratings. Accordingly, investors are not able to refer to any independent credit rating agency when evaluating factors that may affect the value of the Notes. The absence of rating may reduce the liquidity of the Notes as investors often base part of their decision to buy debt securities on the credit rating. The absence of rating may increase the borrowing costs of the Issuer.

One or more independent credit rating agencies may independently assign credit ratings to the Issuer and/or the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market and additional factors discussed herein, and other factors may affect the value of the Notes. A rating or the absence of a rating is not a recommendation to anyone to buy, sell or hold securities.

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

The Notes are issued in the book-entry securities system of Euroclear Finland Ltd ("**Euroclear Finland**"). Pursuant to the Act on Book-Entry System and Clearing Operations (749/2012, as amended), the Notes will not be evidenced by any physical note or document of title other than statements of account made by Euroclear Finland or its account operator. The Notes are dematerialised securities and title to the Notes is recorded and transfers of the Notes are effected only through the relevant entries in the book-entry system and registers maintained by Euroclear Finland and its account operators. Therefore, timely and successful completion of transactions relating to the Notes, including but not limited to transfers of, and payments made under, the Notes, depend on the book-entry securities system being operational and that the relevant parties, including but not limited to the payment transfer bank and the account operators of the Noteholders, are functioning when transactions are executed. Any malfunction or delay in the book-entry securities system or any failure by any relevant party may result in the transaction involving the Notes not taking place as expected or being delayed, which may cause financial losses or damage to the Noteholders whose rights depended on the timely and successful completion of the transaction. The Issuer or any other third party will not assume any responsibility for the timely and full functionality of the book-entry securities system.

***Noteholders holding interests in the Notes through nominee book-entry accounts will not be able to enforce any rights under the Notes directly against the Issuer***

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

***There can be no assurance on change of laws or judicial practices during the validity of the Notes***

The Notes are governed by the laws of Finland, as in force from time to time. Finnish laws (including but not limited to tax laws) and regulations governing the Notes may change during the validity of the Notes, and new judicial decisions may be given and administrative practices take place. No assurance can be given as to the impact of any such possible change of laws or regulations, or new judicial decision or administrative practice taking place after the date of this Listing Prospectus. Therefore, if materialised, such event may have a material adverse effect on HKScan Group's business, financial condition, results of operations and prospects and, thereby, HKScan's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Such event may also cause material financial losses or damage to the Noteholders or impact the tax treatment of the interest income of the Noteholders.

***The Notes contain covenants governing the Issuer's operations, but do not limit its ability to merge, demerge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders***

In addition to the rights of creditors in general, the Notes do not contain provisions designed to protect Noteholders from a reduction in the creditworthiness of the Issuer. In particular, the Terms and Conditions of the Notes do not, except for the Change of Control condition (see Condition 12 of the Terms and Conditions of the Notes) which grants the Noteholders the right of repayment of the Notes in certain limited circumstances, restrict the Issuer's ability to enter into a merger, demerger, asset sale or other significant transaction that could materially alter its existence, jurisdiction of organisation or regulatory regime and/or its composition and business. In the event the Issuer were to enter into such a transaction, Noteholders could be materially and adversely affected. Furthermore, the Change of Control condition does not restrict any of the current shareholders of the Issuer from disposing any or all of their shareholdings.

***Premature repayment in certain circumstances may have a material adverse effect on HKScan's ability to fulfil its obligations under the Notes or it may cause material financial losses or damage, among other things, to such Noteholders who had prepared themselves to have the amount of the Notes invested until the initial maturity of the Notes***

As specified in the Terms and Conditions of the Notes, the Issuer may voluntarily redeem the Notes at their nominal principal amount together with any accrued but unpaid interest during a Voluntary Redemption Period (see Condition 8 of the Terms and Conditions of the Notes). Such early repayment initiated by the Issuer may incur financial losses or damage, among other things, to such Noteholders who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

As specified in the Terms and Conditions of the Notes, the Noteholders are entitled to demand premature repayment of the Notes in case of an Event of Default or a Change of Control of the Issuer and repurchase of the Notes in case of a Demerger Event. Such premature repayment or repurchase may have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects and, thereby, on Issuer's ability to fulfil its obligations under the Notes of such Noteholders who elect not to exercise their right to get their Notes prematurely repaid as well as the market price and value of such Notes. In addition, each Noteholder, whether or not it elects to exercise its right to require the repurchase of its Notes in the case of a Demerger Event, is deemed to have waived any and all of its statutory rights under Finnish law to oppose the Demerger Event in its capacity as a creditor.

In addition, as specified in the Terms and Conditions of the Notes, the Issuer may at any time purchase Notes in any manner and at any price prior to maturity. Only if such purchases are made by tender, such tender must be available to all Noteholders alike. The Issuer is entitled to cancel, dispose of or hold the purchased Notes at its discretion. Consequently, a Noteholder offering Notes to the Issuer in connection with such purchases may not receive the full invested amount. Furthermore, a Noteholder may not have the possibility to participate in such purchases. The purchases - whether by tender or otherwise - may have a material adverse effect on such Noteholders who do not participate in the purchases as well as the market price and value of such Notes.

Furthermore, in case more than 75 per cent. of the aggregate principal amount of the Notes has been repaid pursuant to a demand by the Noteholders based on a Change of Control of the Issuer or repurchased pursuant to request by Noteholders based on a Demerger Event, the Issuer is entitled to prepay also the remaining outstanding Notes by notifying the Noteholders of such prepayment/repurchase. Such early repayment/repurchase initiated by the Issuer may incur financial losses or damage, among other things, to such Noteholders who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

***Any amendments made to the Notes pursuant to the Terms and Conditions of the Notes bind all Noteholders***

The Terms and Conditions of the Notes may be amended in certain circumstances, with the required consent of a defined majority of the Noteholders. The Terms and Conditions of the Notes contain provisions for Noteholders to call and attend meetings or participate in a procedure of writing to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings or in a procedure of writing can bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting or participate in a procedure of writing and Noteholders who voted in a manner contrary to the majority. This may incur financial losses, among other things, to all Noteholders, including such Noteholders who did not attend and vote at the relevant meeting or participate in a procedure of writing and Noteholders who voted in a manner contrary to the majority.

***There are no limitations to the Issuer's incurrence of additional debt in the future***

The Issuer is not prohibited from issuing further debt ranking *pari passu* with its existing obligations. If the Issuer incurs significant additional debt ranking equally with the Notes, it will increase the number of claims that would be entitled to share rateably with the Noteholders in any proceeds distributed in connection with an insolvency, bankruptcy or similar proceeding. Further, any provision that confers, purports to confer, or waives a right to create security interest in favour of third parties, such as a negative pledge, is ineffective against third parties since (i) it is a question of a contractual arrangement only being binding upon the parties to such contractual arrangement, (ii) there is no specific legislation in Finland providing beneficiaries of negative pledge undertakings and covenants with a preferred position vis-à-vis the claims of third parties, and (iii) no registry or public record exists in Finland through which negative pledge undertakings or covenants could be filed to obtain a preferred position. Should the Issuer breach its obligations under such undertakings and covenants and create a security interest in favour of a third party, such third party would obtain a valid and enforceable security interest over the pledged property ranking ahead of any later security over the same pledged property but ranking behind of any prior security over the same pledged property.

***In case any payment under the Notes has not been claimed within three years from the original due date thereof, the right to such payment shall become prescribed***

In case any payment under the Notes has not been claimed within three years from the original due date thereof, the right to such payment shall become void. Such prescription may incur financial losses to such Noteholders who have not claimed payment under the Notes within the prescription time of three years.

***The Noteholders have no voting rights at the General Meetings of shareholders of the Issuer***

The Notes carry no voting rights with respect to shareholders' meetings of the Issuer. Consequently, the Noteholders cannot influence any decisions by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer.

***Legal investment considerations may restrict certain investments***

The investment activities of Noteholders may be subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential Noteholder should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. If the Notes are not a suitable investment for a Noteholder due to legislative or regulatory restrictions or requirements such as the above, this may incur financial losses or damages, among other things, to such Noteholder.

## GENERAL INFORMATION

### **The Notes and use of proceeds**

On 21 September 2017, HKScan issued senior unsecured fixed-rate Notes with an aggregate nominal amount of EUR 135,000,000 mainly to certain institutional investors. The Notes are represented by units in denominations of EUR 1,000. The rate of interest of the Notes is 2.625 per cent. per annum. As at the Issue Date, the effective yield of the Notes is 2.625 per cent. per annum. The estimated cost of the issue and the Listing is approximately EUR 0.5 million. An application has been made for the Notes to be admitted to trading on a regulated market on the official list of the Helsinki Stock Exchange. The Listing is expected to take place on or about 26 September 2017. The Notes are issued in dematerialised form in the Infinity securities system of Euroclear Finland Ltd. The ISIN code of the Notes is FI4000278536.

The reason for the issue of the Notes is to use the proceeds from the issue of the Notes to partially repurchase the existing EUR 100,000,000 notes due 21 November 2019 issued by the Company in November 2014, and the remaining proceeds may be used for general corporate purposes of the Group. See "*Annex B – Additional Information on the Issue of the Notes*".

### **The Issuer and certain other parties**

#### ***The Issuer***

HKScan Corporation  
Lemminkäisenkatu 48  
FI-20520 Turku, Finland

#### ***Joint Lead Managers of the Issue of the Notes***

Nordea Bank AB (publ), Finnish Branch  
Aleksis Kiven katu 9  
FI-00020 Nordea, Finland

OP Corporate Bank plc  
Gebhardinaukio 1  
FI-00013 OP, Finland

#### ***Legal advisor to the Issuer***

Krogerus Attorneys Ltd  
Unioninkatu 22  
FI-00130 Helsinki, Finland

#### ***The auditor of the Issuer***

PricewaterhouseCoopers Oy  
Itämerentori 2  
FI-00100 Helsinki, Finland

### **Responsibility statement**

The Listing Prospectus has been prepared by the Issuer and the Issuer accepts responsibility regarding the information contained in the Listing Prospectus. To the best of the knowledge of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in the Listing Prospectus is in accordance with the facts and contains no omission likely to affect its import.

### **Auditors**

The consolidated financial statements of the Company for the financial years ended on 31 December 2016 and 31 December 2015, incorporated in the Listing Prospectus by reference, have been audited by PricewaterhouseCoopers Oy with Jouko Malinen, Authorised Public Accountant, as auditor with principal responsibility.

The annual general meeting of the Company held on 6 April 2017 elected as its auditor PricewaterhouseCoopers Oy, with Authorised Public Accountant Markku Katajisto as auditor with principal responsibility. The business address of the PricewaterhouseCoopers Oy and the auditor with principal responsibility is Itämerentori 2, FI-00100 Helsinki, Finland.

## **Forward-looking statements**

Certain statements in this Listing Prospectus, including but not limited to certain statements set forth under the captions "*Risk factors*", "*Information about the Issuer*" and "*Financial and trend information, future outlook*", are based on the beliefs of HKScan's management as well as assumptions made by and information currently available to it, and such statements may constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of HKScan Group, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among other things, the risks described in the section "*Risk Factors*". The forward-looking statements are not guarantees of the future operational or financial performance of HKScan Group. In addition to factors that may be described elsewhere in this Listing Prospectus, the factors discussed under "*Risk Factors*" could cause HKScan Group's actual results of operations or its financial condition to differ materially from those expressed in any forward-looking statement. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, HKScan Group's actual results of operations, its financial condition or its ability to fulfil its obligations under the Notes could differ materially from those described herein as anticipated, believed, estimated or expected. The Issuer does not intend and does not assume any obligation to update any forward-looking statements contained herein unless required by applicable legislation. For additional information that could affect the results, performance or achievements of HKScan Group, see "*Risk Factors*".

## **Market and industry information**

This Listing Prospectus contains information about HKScan Group's markets and HKScan Group's competitive position therein. Where certain market data and market estimates contained in this Listing Prospectus have been derived from third party sources, such as industry publications, the name of the source is given therein. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but the correctness and completeness of such information is not guaranteed. The Issuer confirms that any such information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, neither the Issuer nor the Joint Lead Managers have independently verified, and cannot give any assurances as to the appropriateness of, such information. Should this Listing Prospectus contain market data or market estimates in connection with which no source has been presented, such market data or market estimate is based on the estimates of HKScan's management. Where information on HKScan Group's markets or HKScan Group's competitive position therein is provided expressly according to HKScan's management in this Listing Prospectus, such assessments have been made by HKScan's management on the basis of information available to HKScan's management.

## **Credit ratings**

The Issuer or its debt securities have not been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process by any rating agency such as Standard & Poor's, Moody's or Fitch Ratings.

## **No incorporation of website information**

This Listing Prospectus will be published on HKScan Group's website at: [www.hkscan.com](http://www.hkscan.com). However, the contents of HKScan Group's website or any other website do not form a part of this Listing Prospectus (except for the Listing Prospectus itself and information which has been incorporated by reference to the Listing Prospectus, see Registration Document section "Documents Incorporated by Reference"), and prospective investors should not rely on such information in making their decision to invest in the Notes.

## **Notice to prospective investors in the European Economic Area (other than Finland)**

This Listing Prospectus has been prepared on the basis that all offers of the Notes in the European Economic Area (the "EEA") will be made pursuant to an exemption under the Prospectus Directive, as implemented in each member state of the EEA, from the requirement to produce a prospectus under the Prospectus Directive for offers of securities. Accordingly, any person making or intending to make any offer of the Notes within the EEA should only do so in circumstances in which no obligation arises for the Issuer or the Joint Lead Managers to publish a prospectus under the Prospectus Directive for such offer. Neither the Issuer nor the Joint Lead Managers have authorised, nor do they authorise, the making of any offer of securities through any financial intermediary. In relation to each member state of the EEA which has implemented the Prospectus Directive (each a "**Relevant Member State**"), an offer to the public of any Notes may not be made in that Relevant Member State, except that an offer of the Notes to the public in that Relevant Member State may be made at any time under the following exemptions from the Prospectus Directive (as amended by Directive 2010/73/EU), if they have been implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Notes shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive by the Issuer or either Joint Lead Manager.

For the purposes of this provision, the expression an "offer to the public" in relation to any of the Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer of the Notes to be offered so as to enable an investor to decide to purchase any of the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

#### **Notice to prospective investors in the United Kingdom**

In the United Kingdom, this Listing Prospectus may be distributed only to, and may be directed at, (a) persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (b) high net worth entities falling within Article 49(2)(a) to (d) of the Order, and other persons to whom it may be lawfully communicated, falling within Article 49(1) of the Order (all such persons together being referred to as "**relevant persons**"). Any person who is not a relevant person should not act or rely on this document or any of its contents.

## FINNISH TAXATION

*The following summary is based on the tax laws of Finland as in effect on the date of this Prospectus, and is subject to changes in Finnish law, including changes that could have a retroactive effect. The following summary is not exhaustive and does not take into account or discuss tax rules applicable to special types of investors or tax laws of any country other than Finland. Prospective investors are advised to consult their own professional tax advisors as to the tax consequences relating to investment in the Notes.*

### Individuals

If the recipient of interest paid on the Notes is an individual (natural person) residing in Finland or an undistributed estate of a deceased Finnish resident, such interest is, when paid by the Issuer or securities dealer (i.e., a Finnish financial institution making the payment), as a general rule subject to an advance withholding tax in accordance with the Finnish Withholding Tax Act (1118/1996, as amended) and final taxation as capital income in accordance with the Finnish Income Tax Act (1535/1992, as amended). The current applicable withholding tax and capital income tax rate is 30 per cent. Should the amount of capital income received by a resident natural person exceed EUR 30,000 in a calendar year, the final capital income tax rate is nevertheless 34 per cent. on the amount that exceeds the EUR 30,000 threshold. If the aggregate value of all taxable disposals of the individual does not exceed EUR 1,000 during the calendar year, the capital gain is exempt (and the capital loss is not deductible, if also the aggregate acquisition costs do not exceed EUR 1,000).

If Notes are disposed of during the loan period (or if the Notes are repaid or redeemed), any capital gain as well as accrued interest received (secondary market compensation) is taxed as capital income. The Issuer or a securities dealer (i.e., a Finnish financial institution making the payment) must deduct an advance withholding tax from the secondary market compensation paid to an individual residing in Finland or an undistributed estate of a deceased Finnish resident.

Capital losses are primarily deductible from capital gains arising in the same year. Any capital losses that cannot be used to offset capital gains in the same year can be used against other capital income in the same year. Any remaining unused capital losses can be carried forward for five years and used in the same manner as described above.

If Notes are acquired in the secondary market, any accrued interest paid (secondary market compensation) is deductible from the capital income or, to the extent exceeding capital income, from earned income subject to the limitations in the Finnish Income Tax Act.

### Corporate entities

Interest paid to Finnish corporate entities (other than non-profit associations) and to Finnish partnerships is deemed to be taxable income of the recipient of interest. Any gain or loss realised following a disposal, repayment or redemption of the Notes will be taxable income or in general, a tax deductible expense for the relevant Noteholder. The current tax rate for corporate entities is 20 per cent. Interest paid to such Noteholders is not subject to any withholding tax.

### Non-Finnish resident Noteholders

Noteholders who are not resident in Finland for tax purposes and who do not engage in trade or business through a permanent establishment in Finland are not subject to Finnish taxation on interest or gains realised on the sale, repayment or redemption of the Notes. Interest payments made by the Issuer or a securities dealer (i.e., a Finnish financial institution making the payment) to Noteholders who are not resident in Finland for tax purposes may, however, be subject to Finnish withholding tax, unless the country of tax residency of the Noteholders can be appropriately established to be other than Finland.

### Transfer taxation

Listed Notes are not subject to Finnish transfer tax (931/1996, as amended).

## ANNEX A – TERMS AND CONDITIONS OF THE NOTES

**HKScan Corporation EUR 135,000,000 2.625%**

**Senior Unsecured Fixed Rate Notes due 21 September 2022**

**ISIN CODE FI4000278536**

The Board of Directors of HKScan Corporation (the "**Issuer**") has in its meeting held on 24 August 2017 approved the issuance of senior unsecured notes (the "**Notes**") referred to in paragraph 1 of Section 34 of the Act on Promissory Notes (622/1947, as amended, in Finnish *velkakirjalaki*) and authorised the persons named therein to finally decide on the definitive terms and conditions of the Notes which are specified below (the "**Terms and Conditions**").

Nordea Bank AB (publ) and OP Corporate Bank plc will act as arrangers in connection with the offer and issue of the Notes (the "**Arrangers**").

### **1. Principal Amount and Issuance of the Notes**

The principal amount of the Notes is 135 million euros (EUR 135,000,000). The Issuer may later create and issue further notes having the same terms and conditions as the Notes, as further set out below under Clause 19 (*Further Issues*).

The Notes will be issued in dematerialised form in the Infinity book-entry securities system of Euroclear Finland Ltd ("**EFi**"), address Urho Kekkosen katu 5 C, 00100 Helsinki, Finland (or any system replacing or substituting the Infinity book-entry securities system in accordance with the rules and decisions of EFi) in accordance with Finnish legislation governing the Finnish book-entry system and book-entry accounts as well as the rules and decisions of EFi. The Notes cannot be physically delivered.

The issuer agent (in Finnish *Liikkeeseenlaskijan asiamies*) of the Notes referred to in the rules of EFi (the "**Issuer Agent**") and the paying agent of the Notes (the "**Paying Agent**") is Nordea Bank AB (publ), Finnish Branch.

The issue date of the Notes is 21 September 2017 (the "**Issue Date**").

The Notes will be offered for subscription in a minimum amount of EUR 100,000. The principal amount of each book-entry unit relating to the Notes (in Finnish *arvo-osuuden yksikkökoko*) is one thousand euros (EUR 1,000). The maximum number of the Notes is one hundred thirty-five thousand (135,000), or a higher number if the Issuer decides to increase the maximum principal amount of the Notes. Each Note will be freely transferable after it has been registered into the respective book-entry account.

### **2. Subscription of the Notes**

The Notes shall be offered for subscription to institutional investors (for the avoidance of doubt, subject to relevant selling restrictions) through a book-building procedure (*private placement*). The subscription period (the "**Subscription Period**") of the Notes shall commence and end on 14 September 2017. By subscribing for Notes, each initial holder of Notes, and, by acquiring Notes, each subsequent holder of Notes agrees to be bound by these Terms and Conditions (each such holder of Notes, a "**Noteholder**").

Bids for subscription shall be submitted to Nordea Bank AB (publ), Finnish Branch, Satamaradankatu 5, 00020 NORDEA, Finland, tel. +358 9 369 50880 or OP Corporate Bank plc, Gebhardinaukio 1, FI-00510 Helsinki, tel. +358 10 252 7970 during the Subscription Period and within regular business hours.

Subscriptions made are irrevocable. All subscriptions remain subject to the final acceptance by the Issuer. The Issuer may, in its sole discretion, reject a subscription in part or in whole. The Issuer shall decide on the procedure in the event of over-subscription. After the final allocation and acceptance of the subscriptions by the Issuer, each investor that has submitted a subscription shall be notified by the relevant Arranger whether and, where applicable, to what extent such subscription is accepted.

Subscriptions shall be paid for as instructed by the Arrangers in connection with the subscription.

Notes subscribed and paid for shall be entered by the Issuer Agent to the respective book-entry accounts of the subscribers on a date advised by the Arrangers in connection with the issuance of the Notes in accordance with the relevant provisions of Finnish legislation governing the book-entry system and book-entry accounts as well as rules and decisions of EFi.

### 3. Issue Price

The issue price of the Notes is 100.00 per cent.

### 4. Interest

The Notes bear fixed interest at the rate of 2.625 per cent. per annum.

Interest on the Notes will be paid annually in arrears commencing on 21 September 2018 and thereafter on each 21 September (each an "**Interest Payment Date**") until the Notes have been repaid in full. Interest shall accrue for each interest period from and including the first day of the interest period to and excluding the last day of the interest period on the principal amount of Notes outstanding from time to time. The first interest period commences on (and includes) the Issue Date and ends on (but excludes) the first Interest Payment Date. Each consecutive interest period begins on (and includes) the previous Interest Payment Date and ends on (but excludes) the following Interest Payment Date. The last interest period ends when the Notes have been repaid in full.

Interest in respect of the Notes will be calculated on the basis of the actual number of days elapsed in the relevant interest period divided by 365, or, in the case of a leap year, 366 (actual / actual ICMA).

### 5. Redemption

The Notes shall be repaid in full at their nominal principal amount on 21 September 2022 (the "**Redemption Date**"), unless the Issuer has prepaid or redeemed the Notes in accordance with Clause 8 (*Voluntary Redemption*), Clause 12 (*Change of Control*) or 13 (*Events of Default*) below or repurchased the Notes in accordance with Clause 11 (*Demerger Event*) below.

### 6. Status and Security

The Notes constitute direct, unconditional, unguaranteed, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among each other and with all other unsecured, unguaranteed and unsubordinated indebtedness of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.

### 7. Payments

Interest on and principal of the Notes shall be paid in accordance with the relevant provisions of Finnish legislation governing the Finnish book-entry securities system and book-entry accounts as well as the rules and decisions of EFi.

Should any Interest Payment Date, Voluntary Redemption Date (as defined below), Prepayment Date (as defined below) or the Redemption Date fall on a date which is not a Business Day (as defined below), the payment of the amount due will be postponed to the next following Business Day. The postponement of the payment date shall not have an impact on the amount payable.

In these Terms and Conditions, a "**Business Day**" shall mean a day on which banks in Helsinki are open for general business and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open and the Infinity book-entry securities system is operative.

### 8. Voluntary Redemption

The Issuer may redeem the Notes, in whole but not in part, at any time during the period commencing on the first Business Day (as defined above under Clause 7 (*Payments*)) falling three (3) months prior to the Redemption Date (such Business Day included) and ending on the Redemption Date (the Redemption Date excluded) (the "**Voluntary Redemption Period**") (3 month par call), at an amount equal to one hundred (100) per cent. of their nominal principal amount together with any accrued but unpaid interest to but excluding the date of voluntary redemption (the "**Voluntary Redemption Date**").

Redemption in accordance with this Clause 8 shall be made by the Issuer giving not less than 30 but no more than 60 calendar days' irrevocable notice which shall specify the Voluntary Redemption Date, which shall be a Business Day within the Voluntary Redemption Period, to the Issuer Agent and the Noteholders, in accordance with Clause 16 (*Notices and Right to Information*).

## 9. Negative Pledge

For so long as any of the Notes remain outstanding, the Issuer shall not (and the Issuer shall ensure that no other member of the Group will) create or permit to exist any Security (as defined below) over any of its assets to secure Indebtedness, unless the granting of such security interest is required under Finnish law or other law governing such Indebtedness, or unless prior to or simultaneously therewith the Issuer's obligations under the Notes either (a) are secured equally and rateable therewith or (b) have the benefit of such other security interest or other arrangement (whether or not it includes the granting of a security interest) as shall be approved by a resolution of the Noteholders (as referred to in Clause 16 (*Noteholders' Meeting and Procedure in Writing*)).

The above mentioned does not apply to any Security securing the Indebtedness of the Issuer, any other member of the Group, an associated company or a third party, the outstanding principal amount of which does not exceed, when taken together, fifteen (15) per cent. of the total consolidated assets of the Group.

"**Group**" and "**subsidiaries**" mean the Issuer and its subsidiaries from time to time within the meaning of Chapter 1, Section 6 of the Bookkeeping Act (1336/1997, as amended) (in Finnish *kirjanpitolaki*).

"**Indebtedness**" means, for the purposes of these Terms and Conditions, interest bearing debt (whether principal, premium, interest or other amounts) in respect of any notes, bonds or other debt securities and any borrowed money.

"**Security**" means, for the purposes of these Terms and Conditions, a mortgage, charge, pledge, lien, assignment, hypothecation, guarantee or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect.

## 10. Net Gearing

The Issuer undertakes to ensure that the ratio of Total Net Debt to Equity shall not at the end of any financial quarter exceed 130 per cent.

The ratio of Total Net Debt to Equity shall be calculated in accordance with the Accounting Principles and by reference to the latest annual audited consolidated financial statements or interim financial statements (as applicable) published by the Issuer and using end of the period values for balance sheet items.

"**Accounting Principles**" means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC on the application of international accounting standards (or as otherwise adopted or amended from time to time, except where specifically stated to refer to such standards as in force on the Issue Date).

"**Equity**" means the consolidated book value of the Group's aggregate shareholders' equity plus minority interests as reported by the Issuer in its financial statements.

"**Total Net Debt**" means the interest bearing net liabilities as reported by the Issuer in its financial statements.

## 11. Demerger Event

If the Issuer is demerged (in Finnish *jakautuminen*) (the "**Demerger Event**"), each Noteholder shall have the right to request that all, or only some, of its Notes be repurchased at a price per Note equal to 101 per cent. of their principal amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of such Demerger Event (after which time period such right shall lapse) in accordance with Clause 16 (*Notices and Right to Information*).

The notice from the Issuer shall specify the repurchase date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer. Any Notes so repurchased may at the Issuer's discretion be retained, sold or cancelled.

If Notes representing more than 75 per cent. of the aggregate nominal principal amount of the Notes have been repurchased pursuant to this Clause 11, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price per Note equal to 101 per cent. of their principal amount together with accrued but unpaid Interest by notifying the remaining Noteholders of its intention to do so in accordance with Clause 16 (*Notices and Right to Information*) no later than fifteen (15) Business Days after the repurchase date specified in the above notice from the Issuer.

Each Noteholder, whether or not it elects to exercise its right to require the repurchase of its Notes in accordance with this Clause 11 in the case of a Demerger Event, is deemed to have waived any and all of its statutory rights under Chapter 17, Section 6 of the Companies Act (624/2006, as amended) (in Finnish *osakeyhtiölaki*) to oppose the demerger in its capacity as a creditor.

## 12. Change of Control

If, after the Issue Date, any person or group of persons acting in concert (as defined below), directly or indirectly, gains Control (as defined below) of the Issuer (such event a "**Change of Control**"), the Issuer shall promptly upon becoming aware thereof notify the Noteholders of such event in accordance with Clause 16 (*Notices and Right to Information*).

Upon the occurrence of a Change of Control, the Issuer shall, on the Prepayment Date (as defined below), prepay the principal amount of and the interest then accrued on the Notes, but without any premium or penalty, held by the Noteholders who have required prepayment of the Notes held by them by a written notice to the Issuer no later than fifteen (15) Business Days before the Prepayment Date. Interest on the Notes accrues until (but excluding) the Prepayment Date.

If Notes representing more than seventy-five (75) per cent. of the aggregate principal amount of the Notes have been prepaid on the Prepayment Date pursuant to this Clause 12 (*Change of Control*), the Issuer is entitled to prepay the remaining outstanding Notes at their principal amount with accrued interest but without any premium or penalty by notifying the relevant Noteholders in accordance with Clause 16 (*Notices and Right to Information*) no later than fifteen (15) Business Days after the Prepayment Date. Such prepayment may be effected at the earliest on the tenth (10th) Business Day and at the latest on the sixtieth (60th) Business Day following the date of publication of such notice.

"**acting in concert**" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them, either directly or indirectly, of shares in the Issuer, to obtain or consolidate Control of the Issuer.

"**Control**" means either:

- (a) having the beneficial ownership (directly or indirectly) of more than fifty (50) per cent. of the voting share capital of the Issuer; or
- (b) being capable of appointing the majority of the board of directors of the Issuer.

"**Prepayment Date**" means the date falling forty-five (45) Business Days after the publication of the notice referred to in the first paragraph of this Clause 12 (*Change of Control*).

## 13. Events of Default

If an Event of Default (as defined below) occurs, any Noteholder may by a written notice to the Issuer declare the nominal principal amount of such Note together with the interest accrued on such Note to be prematurely due and payable at the earliest on the tenth (10th) Business Day from the date such notice was received by the Issuer *provided* that an Event of Default is continuing on the date of receipt of the notice and on the specified early repayment date. Interest accrues until (but excluding) the early repayment date. An Event of Default is continuing if it has not been remedied or waived.

Each of the following events shall constitute an **Event of Default**:

- a) any amount of interest on or principal of the Notes has not been paid within five (5) Business Days from the relevant due date, unless the failure to pay is caused by a reason referred to in Clause 17 (*Force Majeure*);
- b) the Issuer does not comply with its obligations under Clause 9 (*Negative Pledge*) or Clause 10 (*Net Gearing*);
- c) Cross-default: Any outstanding Indebtedness of the Issuer or any of its Material Subsidiaries (as defined below) in a minimum amount of ten million euros (EUR 10,000,000) or its equivalent in any other currency is accelerated prematurely because of an event of default, howsoever described, or if any such Indebtedness is not repaid on the due date thereof as extended by applicable grace period, if any, or if any Security given by the Issuer for any such Indebtedness becomes enforceable by reason of an event of default. A Noteholder shall not be entitled to demand repayment under this paragraph (c) if the Issuer has bona fide contested the existence of the occurrence of an Event of Default under this paragraph (c) as long as it has not been finally and adversely adjudicated against the Issuer without any appeal period;

- d) Cessation of Business: The Issuer ceases to carry on its current business in its entirety;
- e) Winding-up: An order is made or an effective resolution is passed for the winding-up (in Finnish *selvitystila*), liquidation or dissolution of the Issuer or any of its Material Subsidiaries except for (i) actions which are frivolous (in Finnish *perusteeton*) or vexatious (in Finnish *oikeuden väärinkäyttö*), or (ii) in the case of a Material Subsidiary, on a voluntary solvent basis; and
- f) Insolvency: (i) The Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due; (ii) the Issuer or any of its Material Subsidiaries makes a general assignment or an arrangement or composition with or for the benefit of its creditors (excluding any Noteholder in its capacity as such) or (iii) an application is filed for the Issuer or any of its Material Subsidiaries being subject to bankruptcy (in Finnish *konkurssi*) or re-organisation proceedings (in Finnish *yrittysaneeraus*), or for the appointment of an administrator or liquidator of any of the Issuer's or its Material Subsidiaries' assets, save for any such applications that are contested in good faith and discharged, stayed or dismissed within forty-five (45) days.

**"Material Subsidiary"** means for the purposes of these Terms and Conditions, at any time, any subsidiary of the Issuer:

- (i) whose net sales (consolidated in the case of a subsidiary which itself has subsidiaries) or whose total assets (consolidated in the case of a subsidiary which itself has subsidiaries) represent not less than ten (10) per cent. of the consolidated net sales or the consolidated total assets of the Group (as defined above) taken as a whole, all as calculated by reference to the then most recent audited financial statements (consolidated or, as the case may be, unconsolidated) of such subsidiary and the then most recent audited consolidated financial statements of the Issuer's Group; or
- (ii) to which is transferred the whole or substantially the whole of the sales or assets and undertakings of a subsidiary which, immediately prior to such transfer, was a Material Subsidiary.

In respect of an Event of Default specified in paragraph (b) – (f) above, the Issuer shall notify each Noteholder in accordance with Clause 16 (*Notices and Right to Information*) without undue delay after becoming aware of the respective Event of Default.

#### 14. Taxation

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of Finland or any political subdivision of, or any authority in, or of, Finland having power to tax, unless the withholding or deduction of the Taxes is required by law. In such case, the Issuer shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. The Issuer will not be obligated to make any additional payments to the Noteholders in respect of such withholding or deduction.

#### 15. Noteholders' Meeting and Procedure in Writing

- (a) The Issuer may convene a meeting of the Noteholders (a "**Noteholders' Meeting**") or request a procedure in writing among the Noteholders (a "**Procedure in Writing**") to decide on amendments of these Terms and Conditions or other matters as specified below. EFi and the Issuer Agent must be notified of the Noteholders' Meeting or a Procedure in Writing in accordance with the rules of EFi.
- (b) Notice of a Noteholders' Meeting and the initiation of a Procedure in Writing shall be published in accordance with Clause 16 (*Notices and Right to Information*) no later than ten (10) calendar days prior to the Noteholders' Meeting or the last day for replies in the Procedure in Writing. Furthermore, the notice or the initiation shall specify the time, place and agenda of the Noteholders' Meeting or the last day and address for replies in the Procedure in Writing (or if the voting is to be made electronically, instructions for such voting) as well as any action required on the part of a Noteholder to attend the Noteholders' Meeting or to participate in the Procedure in Writing. No matters other than those referred to in the notice of Noteholder's Meeting or initiation of the Procedure in Writing may be resolved upon at the Noteholders' Meeting or the Procedure in Writing.
- (c) Only those who, according to the register kept by EFi in respect of the Notes, were registered as Noteholders on the fifth (5th) Business Day prior to the Noteholders' Meeting or the last day for replies in the Procedure in Writing on the list of Noteholders to be provided by EFi in accordance with Clause 16 (*Notices and Right to Information*), or proxies authorised by such Noteholders, shall, if holding any of the principal amount of the Notes at the time of the Noteholders' Meeting or the last day for replies in the Procedure in Writing, be

entitled to vote at the Noteholders' Meeting or Procedure in Writing and shall be recorded in the list of the Noteholders present in the Noteholders' Meeting or participating in the Procedure in Writing.

- (d) A Noteholders' Meeting shall be held in Helsinki, Finland, and its chairman shall be appointed by the Issuer.
- (e) A Noteholders' Meeting or a Procedure in Writing shall constitute a quorum only if two (2) or more Noteholders holding in aggregate at least 50 per cent. of the principal amount of the Notes outstanding attend or one (1) Noteholder holding 100 per cent. of the principal amount of the Notes outstanding attends the Noteholders' Meeting or provide/provides replies in the Procedure in Writing. Any holdings of the Notes by the Issuer and any companies belonging to its Group are not included in the assessment whether or not a Noteholders' Meeting or a Procedure in Writing shall constitute a quorum.
- (f) If, within 30 minutes after the time specified for the start of the Noteholders' Meeting, a quorum is not present, any consideration of the matters to be dealt with at the Noteholders' Meeting may, at the request of the Issuer, be adjourned for consideration at a Noteholders' Meeting to be convened on a date no earlier than ten (10) calendar days and no later than 45 calendar days after the original meeting at a place to be determined by the Issuer. Correspondingly, if by the last day to reply to the Procedure in Writing constitutes no quorum, the time for replies may be extended as determined by the Issuer. The adjourned Noteholders' Meeting or the extended Procedure in Writing shall constitute a quorum if two (2) or more Noteholders holding in aggregate at least ten (10) per cent. of the principal amount of the Notes outstanding or one (1) Noteholder holding 100 per cent. of the principal amount of the Notes outstanding are/is present or provide/provides replies in the Procedure in Writing.
- (g) Notice of an adjourned Noteholders' Meeting or the extension of the time for replies in the Procedure in Writing, shall be given in the same manner as notice of the original Noteholders' Meeting or the Procedure in Writing. The notice shall also state the conditions for the constitution of a quorum.
- (h) Voting rights of the Noteholders shall be determined according to the principal amount of the Notes held. The Issuer and any companies belonging to its Group shall not hold voting rights at the Noteholders' Meeting or the Procedure in Writing.
- (i) Subject to sub-condition (l) of this Clause 15, resolutions shall be carried by a majority of more than 50 per cent. of the votes cast.
- (j) When consent from the Noteholders representing the requisite majority, pursuant to sub-clause (i) of this Clause 15 or sub-clause (l) of this Clause 15, as applicable, has been received in the Procedure in Writing, the relevant decision shall be deemed to be adopted even if the time period for replies in the Procedure in Writing has not yet expired.
- (k) A representative of the Issuer and a person authorised to act for the Issuer may attend and speak at a Noteholders' Meeting.
- (l) A Noteholders' Meeting or a Procedure in Writing is entitled to make the following decisions that are binding on all the Noteholders:
  - (i) to amend these Terms and Conditions of the Notes; and
  - (ii) to grant a temporary waiver on these Terms and Conditions of the Notes.

However, consent of at least 75 per cent. of the aggregate principal amount of the outstanding Notes is required to:

- (i) decrease the principal amount of or interest on the Notes;
- (ii) extend the maturity of the Notes;
- (iii) amend the requirements for the constitution of a quorum at a Noteholders' Meeting or Procedure in Writing; or
- (iv) amend the majority requirements of the Noteholders' Meeting or Procedure in Writing.

The consents can be given at a Noteholders' Meeting, in the Procedure in Writing or by other verifiable means.

The Noteholders' Meeting and the Procedure in Writing can authorise a named person to take necessary action to enforce the decisions of the Noteholders' Meeting or of the Procedure in Writing.

- (m) Resolutions passed at a Noteholders' Meeting or in the Procedure in Writing shall be binding on all Noteholders irrespective of whether they have been present at the Noteholders' Meeting or participated in the Procedure in Writing, and irrespective of how and if they have voted.
- (n) Resolutions passed at a Noteholders' Meeting or in the Procedure in Writing shall be notified to the Noteholders in accordance with Clause 16 (*Notices and Right to Information*). In addition, Noteholders are obliged to notify subsequent transferees of the Notes of the resolutions of the Noteholders' Meeting or the Procedure in Writing.

The Issuer shall have the right to amend the technical procedures relating to the Notes in respect of payments or other similar matters without the consent of the Noteholders, a Noteholders' Meeting or a Procedure in Writing. For the sake of clarity, any resolution at a Noteholders' Meeting or in a Procedure in Writing, which extends or increases the obligations of the Issuer, or limits, reduces or extinguishes the rights or benefits of the Issuer, shall be subject to the consent of the Issuer.

## **16. Notices and Right to Information**

Noteholders shall be advised of matters relating to the Notes by a stock-exchange release or a notice published on the website of the Issuer. Any such notice shall be deemed to have been received by the Noteholders when published in the manner specified in this paragraph.

The Issuer may also deliver notices on the Notes in writing directly to the Noteholders at the address appearing on the list of Noteholders provided by EFi in accordance with the below paragraph. Any such notice shall be deemed to have been received by the Noteholders on the third (3rd) Business Day following dispatch.

The Noteholders consent to the Issuer being entitled to obtain information on the Noteholders, their contact details and their holdings of the Notes registered in the relevant book-entry securities system from EFi and EFi shall be entitled to provide such information to the Issuer notwithstanding any secrecy obligation applicable to the same. If requested by the Issuer Agent, the Issuer shall promptly obtain such information from EFi and provide it to the Issuer Agent. The Issuer may also on a case by case basis authorise the Issuer Agent or any third party to receive the information referred to above from EFi.

Address for notices to the Issuer is as follows:

HKScan Corporation  
P.O. Box 50  
FI-20520  
Turku, Finland

## **17. Force Majeure**

The Issuer, the Arrangers, the Issuer Agent or the Paying Agent shall not be responsible for any losses of the Noteholders resulting from:

- (a) action of the authorities, war or threat of war, rebellion or civil unrest;
- (b) disturbances in postal, telephone or electronic communications or the supply of electricity which are due to circumstances beyond the reasonable control of the Issuer, the Arrangers, the Issuer Agent or the Paying Agent and that materially affect operations of any of them;
- (c) any interruption of or delay in any functions or measures of the Issuer, the Arrangers, the Issuer Agent or the Paying Agent as a result of fire or other similar disaster;
- (d) any industrial action, such as strike, lockout, boycott or blockade affecting materially the activities of the Issuer, the Arrangers, the Issuer Agent or the Paying Agent even if it only affects part of the employees of any of them and whether any of them is involved therein or not; or
- (e) any other similar force majeure or hindrance which makes it unduly difficult to carry on the activities of the Issuer, the Arrangers, the Issuer Agent or the Paying Agent.

## **18. Prescription**

In the case any payment under the Notes has not been claimed within three (3) years from the original due date thereof, a Noteholder's right to such payment shall become void.

## **19. Further Issues**

The Issuer may from time to time, without the consent of and notice to the Noteholders, create and issue further Notes having the same Terms and Conditions as the Notes in all respects (or in all respects except for the first payment of interest on them, the issue price and/or the minimum subscription amount thereof) by increasing the maximum principal amount of the Notes or otherwise. For the avoidance of doubt, this Clause 19 (*Further Issues*) shall not limit the Issuer's right to issue any other notes.

## **20. Information**

Copies of the documents relating to the Notes shall be available for inspection during office hours at the office of the Issuer at HKScan Corporation, Lemminkäisenkatu 48, FI-20520 Turku, Finland, at Nordea Bank AB (publ), Finnish Branch, Satamaradankatu 5, 00020 NORDEA, Finland and at OP Corporate Bank plc, Gebhardinaukio 1, FI-00510 Helsinki, Finland.

## **21. Listing and Secondary Market**

An application will be made to, with the aim of having the Notes to be admitted to trading on a regulated market on the Helsinki Stock Exchange maintained by Nasdaq Helsinki Ltd.

## **22. Purchases**

The Issuer may at any time purchase Notes in any manner and at any price it deems appropriate. If the purchases are made by a tender offer, tender offers must be available to all Noteholders alike. The Issuer shall in its sole discretion be entitled to cancel, dispose of or hold the Notes so purchased.

## **23. Applicable Law and Jurisdiction**

The Notes, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Finland.

Any disputes relating to the Notes shall be settled in the first instance at the District Court of Helsinki (in Finnish *Helsingin käräjäoikeus*). However, any plaintiff that is a consumer is entitled to proceed at the district court of the plaintiff's domicile.

## ANNEX B – ADDITIONAL INFORMATION ON THE ISSUE OF THE NOTES

Decisions and authorisations:	Authorisation of the Board of the Issuer dated 24 August 2017.
Type of the issue:	Individual issue of Notes offered to institutional investors. The maximum principal amount of the Notes, EUR 135,000,000, was issued on 21 September 2017.
Interests of the Joint Lead Managers:	Business interest customary in the financial markets.
Form of the Notes:	Dematerialised securities issued in book-entry form in the book-entry system maintained by Euroclear Finland Ltd.
Depository and settlement system:	Infinity securities system of Euroclear Finland Ltd (address Urho Kekkosen katu 5 C, FI-00100, Helsinki, Finland).
Listing:	Application has been made for the Notes to be admitted to trading on the official list of the Helsinki Stock Exchange maintained by Nasdaq Helsinki Ltd.
Estimated time of listing:	On or about 26 September 2017.
Estimated net amount of the proceeds:	Approximately EUR 134.5 million
Estimated cost of issue and listing:	Approximately EUR 0.5 million
Tender Offer	On 4 September 2017, Nordea Bank AB (publ) announced an invitation to holders of HKScan's existing EUR 100,000,000 notes due 21 November 2019 issued by the Company in November 2014 (the " <b>Existing Notes</b> ") to tender their Existing Notes for purchase by Nordea Bank AB (publ), on behalf of the Company, for cash (the " <b>Tender Offer</b> "). The Tender Offer was made on the terms and subject to conditions contained in the tender offer memorandum dated 4 September 2017. On 20 September 2017, Nordea Bank AB (publ), on behalf of the Company, completed a purchase of a total nominal value of EUR 66,505,000 of the Existing Notes validly tendered in the Tender Offer. As at the date of this Registration Document, the total outstanding nominal amount of the Existing Notes is EUR 33,495,000 million.
Rate of interest of the Notes:	2.625 per cent. per annum.
Effective yield of the Notes as at the Issue Date:	2.625 per cent. per annum.
Taxation:	<i>Prospective investors are advised to consult their own professional tax advisors as to the tax consequences relating to investment in the Notes.</i>

### **Individuals**

If the recipient of interest paid on the Notes is an individual (natural person) residing in Finland or an undistributed estate of a deceased Finnish resident, such interest is, when paid by the Issuer or securities dealer (i.e., a Finnish financial institution making the payment), as a general rule subject to an advance withholding tax in accordance with the Finnish Withholding Tax Act (1118/1996, as amended) and final taxation as capital income in accordance with the Finnish Income Tax Act (1535/1992, as amended). The current applicable withholding tax and capital income tax rate is 30 per cent. Should the amount of capital income received by a resident natural person exceed EUR 30,000 in a calendar year, the final capital income tax rate is nevertheless 34 per cent. on the amount that exceeds the EUR 30,000 threshold. If the

aggregate value of all taxable disposals of the individual does not exceed EUR 1,000 during the calendar year, the capital gain is exempt (and the capital loss is not deductible, if also the aggregate acquisition costs do not exceed EUR 1,000).

If Notes are disposed of during the loan period (or if the Notes are repaid or redeemed), any capital gain as well as accrued interest received (secondary market compensation) is taxed as capital income. The Issuer or a securities dealer (i.e., a Finnish financial institution making the payment) must deduct an advance withholding tax from the secondary market compensation paid to an individual residing in Finland or an undistributed estate of a deceased Finnish resident.

Capital losses are primarily deductible from capital gains arising in the same year. Any capital losses that cannot be used to offset capital gains in the same year can be used against other capital income in the same year. Any remaining unused capital losses can be carried forward for five years and used in the same manner as described above.

If Notes are acquired in the secondary market, any accrued interest paid (secondary market compensation) is deductible from the capital income or, to the extent exceeding capital income, from earned income subject to the limitations in the Finnish Income Tax Act.

#### **Corporate entities**

Interest paid to Finnish corporate entities (other than non-profit associations) and to Finnish partnerships is deemed to be taxable income of the recipient of interest. Any gain or loss realised following a disposal, repayment or redemption of the Notes will be taxable income or in general, a tax deductible expense for the relevant Noteholder. The current tax rate for corporate entities is 20 per cent. Interest paid to such Noteholders is not subject to any withholding tax.

#### **Non-Finnish resident Noteholders**

Noteholders who are not resident in Finland for tax purposes and who do not engage in trade or business through a permanent establishment in Finland are not subject to Finnish taxation on interest or gains realised on the sale, repayment or redemption of the Notes. Interest payments made by the Issuer or a securities dealer (i.e., a Finnish financial institution making the payment) to Noteholders who are not resident in Finland for tax purposes may, however, be subject to Finnish withholding tax, unless the country of tax residency of the Noteholders can be appropriately established to be other than Finland.

ISIN code of the Notes:

FI4000278536

Use of proceeds:

The proceeds from the issue of the Notes on the issue date, 21 September 2017 (the "**Issue Date**") have been partially used for the partial repurchase of the Existing Notes, and the remaining proceeds may be used for general corporate purposes.

**THE ISSUER**

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