



Information to SDR Holders in VNV Global Ltd.

Information to holders of Swedish Depository Receipts ("SDRs") in VNV Global Ltd. ("VNV Bermuda", the "Company" or the "Bermuda Company") regarding the ongoing domicile change of the VNV Global group from Bermuda to Sweden (the "Redomestication").

Important information

This document has been prepared for the purpose of providing information to the SDR holders of VNV Bermuda regarding the ongoing Redomestication and the exchange of securities. Additional documents describing the Redomestication and the Scheme of Arrangement (as defined below) are available on the Company's website, www.vnv.global.

Detta dokument finns även tillgängligt på svenska.

Background and reasons

On 7 April 2020, the Company announced the Board of Directors' proposal to change the domicile of the VNV Global group from Bermuda to Sweden.

By order of the Supreme Court of Bermuda (the "**Bermuda Court**"), the Board of Directors of the Company convened a special meeting of SDR holders in the Company on 28 April 2020 (the "**Scheme Meeting**") to vote on the proposed Redomestication, by way of a Bermuda scheme of arrangement (the "**Scheme of Arrangement**"). The Scheme Meeting, which was held immediately following the Annual General Meeting of the Company on 12 May 2020, resolved

unanimously to approve the Scheme of Arrangement and, by extension, the Redomestication. On 2 June 2020, the Company applied to the Bermuda Court for an order sanctioning the Redomestication by way of the Scheme of Arrangement. The Bermuda Court heard and sanctioned the Company's application at a hearing on 9 June 2020.

The Company believes that the Redomestication will increase the VNV Global group's strategic flexibility while posing no noticeable risks to the operating model, long-term strategy and ability to maintain a competitive worldwide effective corporate tax rate.

The Company has carefully considered the effects of the Redomestication on their shareholders. Sweden has a well-developed legal system that encourages a high standard of corporate governance and the VNV Global group will remain subject to IFRS reporting requirements and the corporate governance rules of Nasdaq Stockholm and the Swedish Code of Corporate Governance.

Hamilton, Bermuda, 10 June 2020
VNV GLOBAL LTD.
 The Board of Directors

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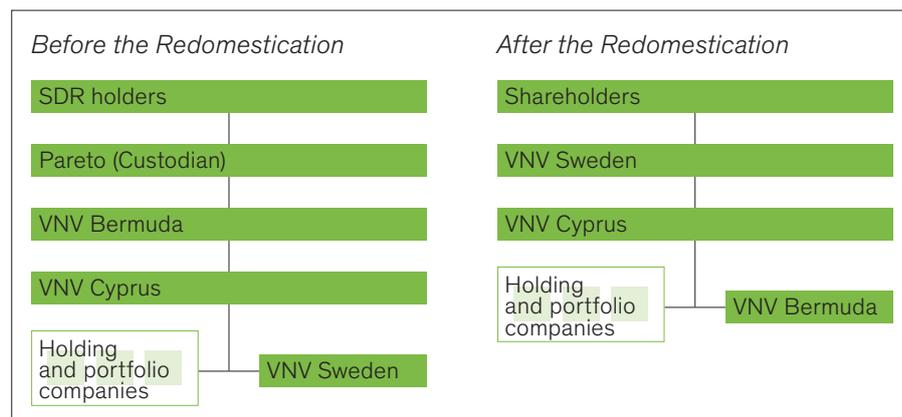
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Description of the Redomestication

The Redomestication is implemented by way of the sanctioned Scheme of Arrangement, whereby SDRs in VNV Bermuda are exchanged for common shares in the new group parent company VNV Global AB (publ), reg. no. 556677-7917 (“VNV Sweden” or the “Swedish Company”). SDR holders do not need to take any action to get their SDRs exchanged as the SDRs in VNV Bermuda automatically will be exchanged to shares in VNV Sweden.

The Redomestication entails that each SDR holder in VNV Bermuda will have the same ownership share and voting power in VNV Sweden as that holder previously had in VNV Bermuda. For ease of reference, please see the ownership structure below, illustrating the structure before and after the Redomestication. The Redomestication does not affect the VNV Global group’s current or future operations as no restructuring of the VNV Global group is carried out apart from the change of parent company.

The ownership structure before and after the Redomestication



Indicative timetable

<i>Wednesday</i> 24 June 2020	Prospectus for the admission to trading of the shares of the Swedish Company on Nasdaq Stockholm issued.
<i>Friday</i> 26 June 2020	Last day of trading of SDRs in VNV Bermuda. SDR holders who do not wish to have their SDRs exchanged for common shares in VNV Sweden must sell their holdings of SDRs no later than this date.
<i>Monday</i> 29 June 2020	First day of trading of common shares in VNV Sweden.
<i>Tuesday</i> 30 June 2020	Record date for the exchange of SDRs in VNV Bermuda to common shares in VNV Sweden in the VPC register.
<i>Wednesday</i> 1 July 2020	Exchange of SDRs in VNV Bermuda to common shares in VNV Sweden.

Questions and answers

Q: *As a SDR holder, do I have to take any special action to receive shares in the Swedish Company?*

A: No. Your SDRs will be exchanged for common shares in the Swedish Company without any action on your part. If you currently hold SDRs representing common shares of the Bermuda Company in certificated form, following the Redomestication, your share certificates will cease to have effect as documents or evidence of title. The transfer agent will make an electronic book-entry in your name.

Q: *Will the Redomestication dilute my economic interest?*

A: No. As each SDR representing a common share in VNV Bermuda is exchanged for one share in VNV Sweden, no dilution of economic interest in the VNV Global group will occur as a result of the Redomestication.

Q: *After the Redomestication, where can I trade shares in the Swedish Company?*

A: The common shares of the Swedish Company will be listed on Nasdaq Stockholm. In connection therewith a prospectus will be issued by the Swedish Company in order to admit its common shares to trading on Nasdaq Stockholm. The prospectus is expected to be issued on 24 June 2020 and first day of trading in the common shares of the Swedish Company is expected to be 29 June 2020.

Q: *Is the Redomestication a taxable event for me?*

A: Exchange of SDRs in VNV Bermuda for shares of VNV Sweden may have tax consequences for the SDR holder, depending on the tax status and tax residence of the individual SDR holder. Please refer to the section "*Certain Tax Considerations*" on page 5.

Q: *Is the Redomestication a taxable transaction for either the Bermuda Company or the Swedish Company?*

A: No. The Redomestication is not expected to have any tax consequences for VNV Sweden.

Q: *What are the most important Swedish corporate tax consequences of being organized as a Swedish holding company?*

A: VNV Sweden will be subject to Swedish corporate tax at currently 21.4 per cent on any taxable net profits. Holdings in unlisted shares are generally exempt from taxation.

Q: *Will there be Swedish withholding tax on future share repurchases, if any, by the Swedish Company?*

A: Payments as a result of repurchases of shares by VNV Sweden, through an offer directed to all shareholders or all holders of shares of a certain class, will be subject to Swedish withholding tax for non-resident shareholders. The withholding tax rate is 30 per cent. The tax rate is, however, generally reduced under applicable tax treaties.

Q: *Will there be Swedish withholding tax on future dividends, if any, by the Swedish Company?*

A: Dividend payments by VNV Sweden to non-resident shareholders as a result of redemption of shares will be subject to Swedish withholding tax. The withholding tax rate is 30 per cent. The tax rate is, however, generally reduced under applicable tax treaties.

Certain tax considerations

The information presented under section “*Swedish Tax Considerations*” is a discussion of the material Swedish tax consequences (1) for shareholders resident for tax purposes in Sweden of the Redomestication and (2) of the ownership and disposition of the VNV Sweden voting shares for shareholders resident for tax purposes in Sweden or a country outside of Sweden. The information presented under sections “*US Tax Considerations*” and “*Bermuda Tax Considerations*” is a discussion of the material US and Bermuda tax consequences of the Redomestication.

You should consult your own tax advisor regarding the applicable tax consequences of the Redomestication and of the ownership of the VNV Sweden shares under the applicable legislation, including the effect of a tax treaty.

SWEDISH TAX CONSIDERATIONS

Below is a summary of certain Swedish tax issues related to the Redomestication and the admission for trading of the shares in VNV Sweden on Nasdaq Stockholm for private individuals and limited liability companies that are residents of Sweden for tax purposes, unless otherwise stated. The summary is based on current legislation and is intended to provide only general information.

Special tax rules apply to certain categories of companies. The tax consequences for each individual shareholder depend on such shareholder’s particular circumstances. Each shareholder is advised to consult an independent tax advisor as to the tax consequences that could arise from the Redomestication and the admission for trading of the shares on Nasdaq Stockholm.

The summary does not cover:

- situations where shares are held as current assets in business operations;
- situations where shares are held by a limited partnership or a partnership;
- situations where shares are held in an investment savings account (Sw. *investeringssparkonto*);
- the special rules regarding tax-free capital gains (including non-deductible capital losses) and dividends that may be applicable when the investor holds shares in VNV Bermuda and VNV Sweden, respectively, that are deemed to be held for business purposes (for tax purposes);
- the special rules which in certain cases may be applicable to shares in companies which are or have been so-called close companies (Sw. *fåmansföretag*) or to shares acquired by means of such shares;
- foreign companies conducting business through a permanent establishment in Sweden; or
- foreign companies that have been Swedish companies.

Taxation of Capital Gains

The exchange of SDRs in VNV Bermuda for shares of VNV Sweden is a taxable disposal of the SDRs in VNV Bermuda for Swedish tax purposes.

Private individuals

For private individuals resident in Sweden for tax purposes, capital gains are taxed in the capital income category. The tax rate in the capital income category is 30 percent.

The capital gain or the capital loss on the Redomestication is computed as the difference between the consideration (the fair market value of the shares in VNV Sweden), less selling expenses, and the acquisition value (of the SDRs). The acquisition value for all SDRs of the same class and type shall be added together and computed collectively in accordance with the so-called average method (Sw. *genomsnittsmetoden*). As an alternative, the so-called standard method (Sw. *schablonmetoden*), may be used at the disposal of listed SDRs/shares. This method means that the acquisition value may be determined as 20 percent of the consideration less selling expenses.

Capital losses on listed SDRs/shares and other listed securities taxed as shares may be fully offset against taxable capital gains the same year on SDRs/shares, as well as on listed securities taxed as shares (however not mutual funds, Sw. *värdepappersfonder*, or hedge funds, Sw. *specialfonder*, containing Swedish receivables only, Sw. *räntefonder*). Capital losses not absorbed by these set-off rules are deductible at 70 percent in the capital income category.

Should a net loss arise in the capital income category, a reduction is granted of the tax on income from employment and business operations, as well as national and municipal property tax. This tax reduction is 30 percent of the net loss that does not exceed SEK 100,000 and 21 percent of any remaining net loss. A net loss cannot be carried forward to future tax years.

VNV Sweden will apply for guidance from the Swedish Tax Agency on the taxable value of the shares in VNV Sweden to be used in the computation of a capital gain or loss.

Limited liability companies

For limited liability companies (Sw. *aktiebolag*) all income, including taxable capital gains, is taxed as income from business operations at a rate of 21.4 percent (to be decreased to 20.6 per cent for financial years commencing after 31 December 2020). Capital gains and capital losses are calculated in the same way as for private individuals, described above.

Deductible capital losses on shares may only offset taxable capital gains on SDRs/shares and other securities taxed as SDRs/shares. A net capital loss on SDRs/shares that cannot be utilised during the year of the loss, may be carried forward (by the limited liability company that has suffered the loss) and offset against taxable capital gains on shares and other securities taxed as SDRs/shares in future years, without any limitation in time. If a capital loss cannot be deducted by the company that has suffered the loss, it may be deducted from another legal entity's taxable capital gains on SDRs/shares and other securities taxed as SDRs/shares, provided that the companies are entitled to tax consolidation (through so-called group contributions) and both companies request this treatment for a tax year having the same filing date for each company (or, if one of the companies' accounting liability ceases, would have had the same filing date). Special tax rules may apply to certain categories of companies or certain legal persons (e.g. investment companies).

VNV Sweden will apply for guidance from the Swedish Tax Agency on the taxable value of the shares in VNV Sweden to be used in the computation of a capital gain or loss upon the Redomestication.

Taxation of Dividends

Private individuals

For private individuals resident in Sweden for tax purposes, dividends are taxed in the capital income category. The tax rate in the capital income category is 30 percent.

Preliminary tax of 30 per cent is withheld on dividends paid by Euroclear Sweden or by another legal entity domiciled in Sweden.

Limited liability companies

For limited liability companies (Sw. *aktiebolag*) all income, including dividends, is taxed as income from business operations at a rate of 21.4 per cent (to be decreased to 20.6 per cent for financial years commencing after 31 December 2020).

Shareholders that are not tax resident in Sweden

For shareholders not resident in Sweden for tax purposes that receive dividends on shares of a Swedish limited liability company, Swedish withholding tax is normally withheld. The same withholding tax applies to certain other payments made by a Swedish limited liability company, such as payments as a result of redemption of shares and repurchase of shares through an offer directed to all shareholders or all holders of shares of a certain class. The withholding tax rate is 30 per cent. The tax rate is, however, generally reduced under an applicable tax treaty. In Sweden, withholding tax deductions are normally carried out by Euroclear Sweden or, in respect of nominee-registered shares, by the nominee. The tax treaties Sweden has entered into generally enable the withholding tax deduction to be made in accordance with the tax rate stipulated in the treaty, provided that Euroclear Sweden or the nominee, as applicable, has the required information of the tax residency of the investor entitled to the dividend. Further, investors entitled to reduced tax rates under applicable tax treaties may seek a refund from the Swedish tax authorities if the full withholding tax rate at 30 per cent has been withheld.

Shareholders not resident in Sweden for tax purposes are normally not liable for capital gains taxation in Sweden upon disposals of shares. Shareholders may, however, be subject to taxation in their state of residence.

According to a special rule, private individuals not resident in Sweden for tax purposes are, however, subject to Swedish capital gains taxation upon disposals of shares in VNV Sweden, if

they have been residents of Sweden due to a habitual abode in Sweden or a stay in Sweden for six consecutive months at any time during the calendar year of disposal or the ten calendar years preceding the year of disposal. In a number of cases though, the applicability of this rule is limited by tax treaties.

Transfer Tax

There is no transfer tax payable in Sweden in connection with issuance, subscription or sale of shares.

US TAX CONSIDERATIONS

Pursuant to advice provided by the Company's US counsel, it is the company's preliminary understanding that the envisaged transaction is subject to the following taxation effects for US SDR holders. The below described taxation effects does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular SDR holder. Each SDR holder should consult its own tax adviser with regard to the application of US federal tax laws to the SDR holder's particular situation, as well as any tax consequences arising under the laws of any state, local or non-US taxing jurisdiction.

Based on currently available information, the Company does not believe that it is a Controlled Foreign Corporation ("CFC") under US tax law. The Company further assumes that VNV Sweden will also not be a CFC immediately following the exchange.

SDR holders should also recognize that the following discussion generally does not take account of rules that may apply to holders that are subject to special treatment, including, without limitation, insurance companies, dealers in securities, certain retirement plans, financial institutions, tax exempt organizations, holders of securities held as part of a "straddle", "hedge" or "conversion transaction" with other investments and taxpayers whose functional currency is not the United States dollar. Further, the following discussion relating to SDR holders owning directly, indirectly or by attribution, 10% or more of VNV Bermuda or owning any ownership percentage of a passive foreign investment company is general in nature and the

consequences to such SDR holders may be different than that described below.

There should be no immediate US federal taxation for US SDR holders provided that:

- I. the transaction is structured to meet the criteria of an exclusively voting share for voting share exchange as prescribed by IRC 368(a)(1)(B),
- II. the 5% US shareholders file a gain recognition agreement,
- III. total US ownership post restructuring is less than 50%, and
- IV. for those US SDR holders who have not elected Qualified Electing Fund or Mark-to-Market treatment for their investment in the Company, VNV AB SE is taxable as a Passive Foreign Investment Company after the exchange.

Should the US ownership post restructuring be 50% or more:

- I. US SDR holders who own less than 5% (vote/value) will not be subject to immediate taxation.
- II. US SDR corporate shareholders holding 10% or more may be eligible to reduce the total amount taxed by the portion of the gain that is reclassified as a dividend. That amount could potentially qualify for the relatively new US participation exemption.

US participation exemption requires that the recipient is a domestic US Corporate shareholder that:

- I. owns at least 10% of a foreign corporation (by vote or value).
- II. with respect to such recipient US Corporate shareholder, the foreign corporation is not a PFIC and is not also a CFC.
- III. the shareholder meets the holding period requirement of 366 days within the 731 period that straddles the ex-dividend date.
- IV. The dividend is from undistributed foreign source income and not derived from income that is effectively connected to the US.
- V. The dividend is not classified as a hybrid dividend.

BERMUDA TAX CONSIDERATIONS

The Redomestication will not result in any income tax consequences under Bermuda law to VNV Bermuda, VNV Sweden or their respective shareholders.

Where you can find additional information

Glossary

Additional documents describing the Redomestication and the Scheme of Arrangement are available on the Company's website, www.vnv.global. SDR holders who wish to obtain these documents by mail may order them by calling +46 8 545 015 50 or by sending an e-mail to info@vnv.global.

<i>CFC</i>	A Controlled Foreign Corporation.
<i>PFIC</i>	A Passive Foreign Investment Company.
<i>Redomestication</i>	The Board of Directors' proposal to change the domicile of the VNV Global group from Bermuda to Sweden.
<i>Scheme of Arrangement</i>	A scheme of arrangement under Bermuda law.
<i>SDRs</i>	Swedish Depository Receipts.
<i>Special Meeting</i>	A special court-ordered meeting of voting common shareholders.
<i>VNV Bermuda, the Company or the Bermuda Company</i>	VNV Global Ltd.
<i>VNV Cyprus</i>	VNV (Cyprus) Limited.
<i>VNV Sweden or the Swedish Company</i>	VNV Global AB (publ).

Notice to US investors in VNV Global:

The Redomestication relates to the SDRs of a Bermuda company that is a "foreign private issuer" (as defined under Rule 3b-4 under the US Securities Exchange Act of 1934, as amended (the "US Exchange Act")) and is being made by means of a Scheme of Arrangement provided for under Bermuda law. A transaction effected by means of a Scheme of Arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Redomestication is primarily subject to the disclosure requirements and practices applicable in Bermuda to schemes of arrangement, which differ from the disclosure requirements of the United States tender offer and proxy solicitation rules.

The securities referred to in this announcement have not been registered under the US Securities Act of 1933, as amended (the "US Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. There will be no public offering of securities in the United States.

The issuance of shares pursuant to the Redomestication and Scheme of Arrangement will not be registered under the Securities Act, and will be issued pursuant to the exemption provided by Section 3(a)(10) under the Securities Act.

Neither the US Securities and Exchange Commission, nor any US state securities commission, has approved or disapproved of the shares to be issued in connection with the Redomestication and Scheme of Arrangement, or determined if this announcement is accurate or complete.

Any representation to the contrary is a criminal offense in the US.

Forward-Looking Statements: This announcement may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "envisages", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements

regarding the Company's or its affiliates' intentions, beliefs or current expectations concerning, among other things, the Company's or its affiliates' results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those made in or suggested by the forward-looking statements contained in this announcement, and may not be indicative of results or developments in subsequent periods.

The forward-looking statements and information contained in this announcement are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.



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